

29 September 2010

MISYS PLC
1st QUARTER 2010/11 INTERIM MANAGEMENT STATEMENT

Increasing adoption of new financial services solutions
£780m proceeds from disposal of majority of Allscripts stake

Misys plc (FTSE: MSY.L) interim management statement for the three months ended 31 August 2010. Financial information referred to in the statement is unaudited.

Allscripts disposal and return of proceeds to Misys shareholders

- Disposal of majority of Misys stake in Allscripts completed on 27 August.
\$19.54 average sale price per Allscripts share (after placing fees), a significant premium to the current market price
- Retained 19 million shares in Allscripts, a 10% stake
- Disposal proceeds of approximately £780m (\$1,188m) (after net hedging fees)
- Return to Misys shareholders of substantially all of the disposal proceeds after advisory fees and a paydown of net debt
To be launched by a tender offer, currently expected in November
- First quarter end as a pure play Financial Services software business
Results exclude discontinued Allscripts operations

Financial and operational highlights - Financial Services

All comparisons against the prior year period are on a constant currency basis.

As well as adjusting for movement in foreign exchange rates¹, this excludes discontinued Allscripts operations².

- Order intake increased 1% compared with the prior year
 - Treasury & Capital Markets (TCM) orders grew strongly
 - Banking: decline in older solutions partially offset by increased adoption of new solutions
- Orders for new solutions gathering pace
 - TCM: orders growth led by cross-asset Summit trading solution
 - Banking: increased orders for BankFusion, Trade Services, Mobile Banking and Business Intelligence
These new solutions represented 70% of our ILF order intake in the period
- Revenue flat on prior year
 - growth in TCM offset by decline in Banking
 - strong services growth as previous quarters' TCM ILF deals are now being implemented

Mike Lawrie, Chief Executive, Misys plc, comments

“Following completion of the disposal of the majority of our Allscripts shares, this is our 1st quarter end as a pure play financial services software business.

The Allscripts disposal raised approximately £780 million (\$1.19bn). We intend to return substantially all of this, after fees and a paydown of debt, to Misys shareholders. We remain on track to launch a tender offer in November.

Treasury & Capital Markets showed continued growth after the very strong licence sales in the 4th quarter of last year.

In Banking, customers' adoption of BankFusion and other new solutions has begun to shift our sales mix towards the growth areas we have invested in. The BankFusion go to market strategy passed two important milestones with the go-live of our first new name customer, Actinver and the first adopter of our BankFusion Midas solution for wholesale banks.

As we move into the 'lead' phase of our turnaround strategy, we are seeing growing adoption of our new solutions from both existing and new customers. This, alongside continued recurring revenues and cost control, enabled Misys to increase adjusted operating profit over the prior year.”

Group Results

£m	As reported			Constant currency		
	2010/11	2009/10	% growth	2010/11	2009/10	% growth
Order Intake	28	27	6	28	28	1
ILF / ASP	11	11	7	11	11	3
Global Services	17	16	5	17	17	-1
Revenue	72	70	3	72	72	-
<i>of which</i>						
ILF / ASP	11	12	(7)	11	12	(10)
Maintenance	39	39	1	39	40	(1)
Global Services	19	17	12	19	17	10

In the first quarter, traditionally our quietest reporting period, order intake was 1% above the prior year as a result of increases in TCM. BankFusion and other new Banking solutions contributed increased orders.

Revenue was flat compared with the prior year quarter, whilst adjusted operating profit increased over the prior year period.

Net cash on 31 August 2010 was £659m, compared with net debt of £97m (excluding Allscripts) at the start of the period. The increase was due to the receipt of the proceeds from disposal of Allscripts shares, partially offset by the usual seasonal operating cash outflow during the first quarter.

Treasury & Capital Markets

Order intake was up 15%, reflecting particular success with our Summit trading solution. A significant new release of Summit during the period introduced new features for derivatives, equities, risk analysis, deal pricing and business intelligence.

There were new name wins for Summit with OSK Investment Bank in Malaysia and Mizrahi Tefahot Bank in Israel, and for Opics with Bank of Kunlun (the finance arm of PetroChina) in China.

Notable installed base deals included JPMorgan in Brazil enhancing their LoanIQ solution with localised features and Skandinaviska Enskilda Banken in Germany expanding their Summit solution.

Revenues were up 4% after the very strong licence revenues in the 4th quarter of last year. Global services revenue growth was strong as recent quarters' new system sales progressed through their implementations.

Banking

Revenues were down 5%. Sales of our new solutions (BankFusion, Transaction Banking, Mobile Banking and Business Intelligence) started to flow through into revenues.

Order intake was down 19%, though orders increased strongly for our new solutions. Four new BankFusion orders in the period included a new name competitive sale of BankFusion Equation to United Arab Bank in Sharjah and the first Midas customer to upgrade to BankFusion Midas – Caixa-Banco De Investimento in Portugal. Both are important milestones for the BankFusion go to market strategy. After the period end, the go-live of our first new name customer, Actinver, was another important milestone in the BankFusion strategy.

Orders for other new solutions included the first sale of the new Misys Mobile Banking solution, to Kazkommertsbank in Kazakhstan, and the first standalone sale of the new Misys Business Intelligence solution, to First National Bank in Lebanon.

70% of our ILF order intake in the quarter came from our new solutions, compared with just 4% in the prior year quarter. This demonstrates our progress in transitioning our sales model towards new business and new customers.

Appendix: Divisional Analysis

Treasury & Capital Markets

£m	As reported			Constant currency		
	2010/11	2009/10	% growth	2010/11	2009/10	% growth
Order Intake	16	14	21	16	14	15
ILF / ASP	7	6	20	7	6	13
Global Services	9	8	23	9	8	17
Revenue	38	36	7	38	37	4
<i>Of which</i>						
ILF / ASP	7	7	(2)	7	7	(7)
Maintenance	19	19	-	19	19	(3)
Global Services	11	8	37	11	8	33

Banking

£m	As reported			Constant currency		
	2010/11	2009/10	% growth	2010/11	2009/10	% growth
Order Intake	11	13	(14)	11	14	(19)
ILF / ASP	4	5	(11)	4	5	(11)
Global Services	7	8	(16)	7	9	(23)
Revenue	33	34	(4)	33	35	(5)
ILF / ASP	4	5	(14)	4	5	(14)
Maintenance	21	20	3	21	21	1
Global Services	8	9	(13)	8	9	(14)

Notes

1. Movements in the US dollar, the Euro and other currencies impacted revenues in the period. The key average exchange rates for the quarter to August 2010 were US\$1.53:£1 and €1.21:£1 compared to US\$1.64:£1 and €1.16 for the August quarter in 2009. Stated constant currency growth rates are based on prior year results retranslated at current period exchange rates.

2. Following the disposal of Allscripts, there are no pro-forma adjustments to be made to comparisons against the prior year period.

3. Adjusted operating profit from continuing operations is stated before exceptional items, gains and losses on embedded derivatives, amortisation of acquired intangibles and the impact of translation exchange differences recycled from reserves and excludes the results from discontinued operations.

Analyst / investor enquiries

Phil Branston
T: +44 (0) 203 320 5503
M: +44 (0) 789 906 5115
phil.branston@misys.com

Media enquiries

Carl Gibson
T: +44 (0) 203 320 5526
M: +44 (0) 782 523 6473
carl.gibson@misys.com

Conference Call

Misys management will host a conference call with analysts and investors at 8.00am on 29 September 2010. Participant dial in number: +44 (0)1452 561 263; conference code: 99528142
A replay facility will be available for 7 days on +44 (0)1452 55 00 00; Passcode 99528142#

About Misys

Misys plc (FTSE: MSY.L), provides integrated, comprehensive solutions that deliver significant results to organisations in the financial services industry. We maximise value for our customers by combining our deep knowledge of their business with our commitment to their success. In banking and treasury & capital markets, Misys is a market leader, with over 1,200 customers, including all of the world's top 50 banks. Misys employs over 3,500 people who serve customers in more than 120 countries. We aspire to be the world's best application software and services company.