



Analyst Presentation: tax review

Jim Malone, CFO

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- Effective tax rate for 2004 – 2007
- Detailed reconciliation for the UK, US and ROW for 2004 and 2006
- Key items that drive tax rate
- Looking beyond Fiscal Year 2008

- No change to future tax rate projection.
- Tax rate to normalise to circa 30% around 2011/2012.
- Cash and book tax benefits of NOLs to be absorbed over the next 3-4 years.
- Misys will maintain its prudent approach to accounting and taxation.

Effective tax rate

	2004	2005	2006	2007	2011-12
	£m	£m	£m	£m	£m
Adjusted operating profit less net finance costs*	94.2	91.3	84.4	84.3	
Tax on ordinary activities	13.2	12.8	15.0	14.3	
Effective tax rate	14%	14%	18%	17%	c.30%

* Adjusted operating profit is shown for all operations pre exceptional items, gains and losses on embedded derivatives and amortisation of acquired intangibles and goodwill

- Historically Misys' effective tax rate has been low (14% - 18%)
- Significant prior year credits have been excluded as they are treated as exceptional items

Historic rates

Year ended 31 May 2004

	Group £m	UK £m	LUX £m	US £m	ROW £m
Adjusted operating profit less net finance costs*	94.2	31.5	28.6	23.4	10.7
Tax on ordinary activities	13.2	(2.4)	0.0	9.4	6.2
Effective tax rate	14%	(8%)	0%	40%	58%

* Adjusted operating profit is shown for all operations pre exceptional items, gains and losses on embedded derivatives and amortisation of acquired intangibles and goodwill

Historic rates

Year ended 31 May 2006

	Group £m	UK £m	US £m	ROW £m
Adjusted operating profit/(loss) less net finance costs*	84.4	79.7	12.8	(8.1)
Tax on ordinary activities	15.0	6.2	8.8	-
Effective tax rate	18%	8%	69%	0%

* Adjusted operating profit/(loss) is shown for all operations pre exceptional items, gains and losses on embedded derivatives and amortisation of acquired intangibles and goodwill

Tax losses and unrecognised assets at 31 May 2007

	Group £m
Unutilised tax losses	11.4
Other temporary differences	12.4
Recognised temporary differences	23.8
Unutilised tax losses	32.7
Other temporary differences	20.7
Unrecognised temporary differences	53.4
Total temporary differences	77.2

See note 27: Financial Statements for the year ended 31 May 2007

Corporation Tax Paid (Cash) on Income by Year



	2007	2006	2005	2004
	£m	£m	£m	£m
Corporation Tax	13.3	12.4	7.7	14.5

Corporation Tax Paid (Cash) on Income by Year



	2007	2006	2005	2004
	£m	£m	£m	£m
Corporation Tax	13.3	12.4	7.7	14.5
Total tax paid including withholding taxes	17.1	14.8	7.2	18.8

- No change to future tax rate projection.
- Tax rate to normalise to circa 30% around 2011/2012.
- Cash and book tax benefits of NOLs to be absorbed over the next 3-4 years.
- Misys will maintain its prudent approach to accounting and taxation.

ANY QUESTIONS?

	Group £m
Total operating profits pre the operating exceptional item and goodwill amortisation	101.7
Net Finance Costs	(7.5)
	94.2
Tax	(13.2)
	81.0
Equity minority interests	(0.6)
Adjusted profit attributable to shareholders	80.4

See note 10: 2004 Financial Statements

	Group £m
Total operating profits including discontinued operations pre the exceptional item and goodwill amortisation	100.7
Net Finance Costs	(16.3)
	84.4
Tax on ordinary activities	(15.0)
Adjusted profit attributable to shareholders	69.4

See note 10: 2006 Financial Statements