

SS&C TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
Revenues:				
Software licenses	\$ 5,669	\$ 7,159	\$ 18,353	\$ 18,653
Maintenance	16,348	15,666	48,986	45,899
Professional services	5,316	3,338	18,695	12,381
Software-enabled services	43,668	37,320	125,685	102,792
Total revenues	<u>71,001</u>	<u>63,483</u>	<u>211,719</u>	<u>179,725</u>
Cost of revenues:				
Software licenses	2,262	2,374	6,868	7,155
Maintenance	6,844	6,412	20,104	19,520
Professional services	3,774	3,290	11,906	10,312
Software-enabled services	23,092	20,293	68,433	57,132
Total cost of revenues	<u>35,972</u>	<u>32,369</u>	<u>107,311</u>	<u>94,119</u>
Gross profit	<u>35,029</u>	<u>31,114</u>	<u>104,408</u>	<u>85,606</u>
Operating expenses:				
Selling and marketing	4,761	4,989	14,701	14,272
Research and development	6,597	6,580	20,341	19,617
General and administrative	8,092	5,643	20,689	17,170
Total operating expenses	<u>19,450</u>	<u>17,212</u>	<u>55,731</u>	<u>51,059</u>
Operating income	15,579	13,902	48,677	34,547
Interest expense, net	(10,295)	(11,067)	(31,132)	(33,622)
Other income (expense), net	<u>1,057</u>	<u>(58)</u>	<u>278</u>	<u>522</u>
Income before income taxes	6,341	2,777	17,823	1,447
Provision for income taxes	<u>1,531</u>	<u>556</u>	<u>5,491</u>	<u>458</u>
Net income	<u>\$ 4,810</u>	<u>\$ 2,221</u>	<u>\$ 12,332</u>	<u>\$ 989</u>

See Notes to Consolidated Condensed Financial Information.

SS&C TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(in thousands)

	September 30, 2008	December 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 30,330	\$ 19,175
Accounts receivable, net	46,195	39,546
Deferred income taxes	1,108	1,169
Prepaid expenses and other current assets	7,616	9,585
Total current assets	85,249	69,475
Property and equipment, net	15,268	13,040
Goodwill	844,745	860,690
Intangible and other assets, net	220,364	247,290
Total assets	\$ 1,165,626	\$ 1,190,495
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 2,156	\$ 2,429
Accounts payable	3,462	2,558
Income taxes payable	5,905	3,181
Accrued employee compensation and benefits	11,069	11,668
Other accrued expenses	8,537	10,053
Interest payable	8,029	2,090
Deferred maintenance and other revenue	32,839	29,480
Total current liabilities	71,997	61,459
Long-term debt, net of current portion	412,454	440,580
Other long-term liabilities	10,260	10,216
Deferred income taxes	57,261	65,647
Total liabilities	551,972	577,902
Total stockholder's equity	613,654	612,593
Total liabilities and stockholder's equity	\$ 1,165,626	\$ 1,190,495

See Notes to Consolidated Condensed Financial Information.

SS&C TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	(unaudited)	
	Nine months ended	
	September 30, 2008	September 30, 2007
Cash flow from operating activities:		
Net income	\$ 12,332	\$ 989
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	26,292	25,957
Stock compensation expense	5,405	6,513
Foreign exchange gains on debt	-	(768)
Amortization of loan origination costs	1,756	1,728
Equity losses (earnings) on long-term investment	1,039	(63)
Loss on sale or disposal of property and equipment	1	90
Deferred income taxes	(7,433)	(4,037)
Provision for doubtful accounts	703	589
Changes in operating assets and liabilities excluding effects from acquisitions:		
Accounts receivable	(8,437)	(8,679)
Prepaid expenses and other assets	(1,004)	(946)
Accounts payable	1,014	(309)
Accrued expenses	4,528	10,915
Income taxes payable	2,892	1,994
Deferred maintenance and other revenues	4,034	6,165
Net cash provided by operating activities	<u>43,122</u>	<u>40,138</u>
Cash flow from investing activities:		
Additions to property and equipment	(6,203)	(5,375)
Proceeds from sale of property and equipment	2	6
Cash paid for business acquisitions, net of cash acquired	-	(5,130)
Net cash used in investing activities	<u>(6,201)</u>	<u>(10,499)</u>
Cash flow from financing activities:		
Cash received from borrowings	-	5,200
Repayment of debt	(25,050)	(31,067)
Transactions involving SS&C Holdings common stock	12	(8)
Income tax benefit related to exercise of stock options	-	82
Net cash used in financing activities	<u>(25,038)</u>	<u>(25,793)</u>
Effect of exchange rate changes on cash	<u>(728)</u>	<u>626</u>
Net increase in cash and cash equivalents	11,155	\$ 4,472
Cash and cash equivalents, beginning of period	19,175	11,718
Cash and cash equivalents, end of period	<u>\$ 30,330</u>	<u>\$ 16,190</u>

See Notes to Consolidated Condensed Financial Information.

SS&C Technologies, Inc. and Subsidiaries
Notes to Consolidated Condensed Financial Information

Note 1. Reconciliation of Operating Income to Adjusted Operating Income

Adjusted operating income represents operating income adjusted for amortization of acquisition-related intangible assets and purchase accounting adjustments for deferred revenue and other expenses. Adjusted operating income is presented because we use this measure to evaluate performance of our business and believe it is a useful indicator of the underlying performance of the Company. Adjusted operating income is not a recognized term under generally accepted accounting principles (GAAP). Adjusted operating income does not represent operating income, as that term is defined under GAAP, and should not be considered as an alternative to operating income as an indicator of our operating performance. Adjusted operating income as presented herein is not necessarily comparable to similarly titled measures. The following is a reconciliation between adjusted operating income and operating income, the GAAP measure we believe to be most directly comparable to adjusted operating income.

(in thousands)	Three Months Ended September 30, 2008	Three Months Ended September 30, 2007	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2007
Operating income	\$ 15,579	\$ 13,902	\$ 48,677	\$ 34,547
Purchase accounting adjustments	(76)	(76)	(224)	(215)
Amortization of intangible assets	7,510	7,526	22,638	22,266
Terminated IPO costs	2,077	-	2,077	-
Stock-based compensation	2,097	1,973	5,405	6,513
Adjusted operating income	<u>\$ 27,187</u>	<u>\$ 23,325</u>	<u>\$ 78,573</u>	<u>\$ 63,111</u>

Note 2. Reconciliation of Net Income to EBITDA and Consolidated EBITDA

EBITDA represents net income before interest expense, income taxes, depreciation and amortization. Consolidated EBITDA, defined under our Credit Agreement entered into in November 2005, is used in calculating covenant compliance, and is EBITDA adjusted for certain items. Consolidated EBITDA is calculated by subtracting from or adding to EBITDA items of income or expense described below. EBITDA and Consolidated EBITDA are presented because we use these measures to evaluate performance of our business and believe them to be useful indicators of an entity's debt capacity and its ability to service debt. EBITDA and Consolidated EBITDA are not recognized terms under GAAP and should not be considered in isolation or as an alternative to operating income, net income, or cash flows from operating activities. EBITDA and Consolidated EBITDA do not represent net income, as that term is defined under GAAP, and should not be considered as an alternative to net income as an indicator of our operating performance. The following is a reconciliation between EBITDA and Consolidated EBITDA to net income.

(in thousands)	Three Months Ended September 30, 2008	Three Months Ended September 30, 2007	Nine Months Ended September 30, 2008	Nine Months Ended September 30, 2007	Twelve Months Ended September 30, 2008
Net income	\$ 4,810	\$ 2,221	\$ 12,332	\$ 989	\$ 17,918
Interest expense, net	10,295	11,067	31,132	33,622	42,034
Income taxes	1,531	556	5,491	458	4,575
Depreciation and amortization	8,568	8,744	26,292	25,957	35,382
EBITDA	<u>\$ 25,204</u>	<u>\$ 22,588</u>	<u>\$ 75,247</u>	<u>\$ 61,026</u>	<u>\$ 99,909</u>
Purchase accounting adjustments	(76)	(76)	(224)	(215)	(305)
Unusual or non-recurring charges	1,134	(21)	2,502	(262)	1,046
Acquired EBITDA and cost savings	-	-	-	135	-
Stock-based compensation	2,097	1,973	5,405	6,513	9,871
Capital-based taxes	165	645	880	1,309	1,292
Other	324	409	1,044	1,194	2,008
Consolidated EBITDA	<u>\$ 28,848</u>	<u>\$ 25,518</u>	<u>\$ 84,854</u>	<u>\$ 69,700</u>	<u>\$ 113,821</u>