

# SS&C Technologies Releases Q2 2023 Earnings Results, Announces \$1 Billion Common Stock Repurchase Program

**Q2 2023 GAAP revenue \$1,362.6 million, up 2.6%, Fully Diluted GAAP Earnings Per Share \$0.51, up 21.4%**  
**Adjusted revenue \$1,363.4 million, up 2.5%, Adjusted Diluted Earnings Per Share \$1.08, down 1.8%**

**WINDSOR, CT, July 27, 2023 (PR Newswire)** SS&C Technologies Holdings, Inc. (NASDAQ: SSNC), a global provider of investment, financial and healthcare software-enabled services and software, today announced its financial results for the second quarter ended June 30, 2023.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	Change	2023	2022	Change
<small>(in millions, except per share data):</small>						
<b>GAAP Results</b>						
Revenue	\$1,362.6	\$1,328.7	2.6%	\$2,725.3	\$2,623.7	3.9%
Operating income	288.2	245.6	17.3%	568.3	537.4	5.7%
Operating income margin	21.2%	18.5%	270 bp	20.9%	20.5%	40 bp
Diluted earnings per share attributable to SS&C	\$0.51	\$0.42	21.4%	\$1.00	\$1.06	(5.7)%
<b>Adjusted Non-GAAP Results (defined in Notes 1 - 4 below)</b>						
Adjusted revenue	\$1,363.4	\$1,330.0	2.5%	\$2,726.8	\$2,626.2	3.8%
Adjusted operating income attributable to SS&C	485.8	455.3	6.7%	978.8	954.1	2.6%
Adjusted operating income margin	35.6%	34.2%	140 bp	35.9%	36.3%	-40 bp
Adjusted diluted earnings per share attributable to SS&C	\$1.08	\$1.10	(1.8)%	\$2.18	\$2.35	(7.2)%

## Second Quarter 2023 Highlights:

- Q2 2023 GAAP Revenue growth was 2.6 percent, Adjusted Revenue growth was 2.5 percent.
- SS&C generated net cash from operating activities of \$584.2 million for the six months ended June 30, 2023, up 30.5 percent compared to the same time period in 2022.
- Q2 2023 we bought back 2.0 million shares for \$111.9 million, at an average price of \$56.17 per share.
- We paid down \$125.2 million in debt in Q2 2023, bringing our net leverage ratio to 3.27 times consolidated EBITDA attributable to SS&C.
- SS&C reported GAAP net income attributable to SS&C of \$130.7 million, up 18.2 percent and adjusted consolidated EBITDA attributable to SS&C of \$502.4 million for Q2 2023, up 6.7 percent.
- GAAP operating income margin for Q2 2023 was 21.2 percent. Adjusted consolidated EBITDA margin for Q2 2023 was 36.8 percent.
- In July, we announced the appointment of Brian Schell as Chief Financial Officer, to start August, 7, 2023.

"SS&C reported Q2 2023 results largely in line; revenue came in ahead, but expenses were elevated due to interest expense, medical claims and professional fees" says Bill Stone, Chairman and Chief Executive Officer. "We also continue to invest heavily in our business and we are confident these investments will generate significant revenue growth."

## Operating Cash Flow

SS&C generated net cash from operating activities of \$584.2 million for the six months ended June 30, 2023, compared to \$447.5 million for the same period in 2022, a 30.5% increase. SS&C ended the second quarter with \$439.7 million in cash and cash equivalents and \$6,961.7 million in gross debt. SS&C's net debt balance as defined in our credit agreement, which excludes cash and cash equivalents of \$114.4 million held at DomaniRx, LLC was \$6,636.4 million as of June 30, 2023. SS&C's consolidated net leverage ratio as defined in our credit agreement stood at 3.27 times consolidated EBITDA attributable to SS&C as of June 30, 2023. SS&C's net secured leverage ratio stood at 2.28 times consolidated EBITDA attributable to SS&C as of June 30, 2023.

## SS&C Announces \$1 Billion Common Stock Repurchase Program

SS&C announced that as part of the Company's capital allocation strategy to maximize stockholder value, its Board of Directors ("Board") has authorized the renewal of the stock repurchase program, which will enable the Company to repurchase up to \$1 billion in the aggregate of the Company's outstanding shares of common stock. Under the renewed program, SS&C's proposed repurchases may be made from time to time in one or more transactions on the open market or in privately negotiated purchase and/or through other legally permissible means, depending on market conditions and in accordance with applicable rules and regulations promulgated under the Securities Exchange Act of 1934, as amended.

The timing and amount of any shares repurchased will be determined by the Company's management based on its evaluation of market conditions and other factors. Repurchases may also be made under a Rule 10b5-1 plan, which would permit shares to be repurchased when the Company might otherwise be precluded from doing so under insider trading laws. The repurchase program may be suspended or discontinued at any time. Any repurchased shares will be available for use in connection with the SS&C's stock plans and for other corporate purposes. The Company's authority to repurchase shares under the renewed program shall continue until the one year anniversary of the Board's authorization, unless earlier terminated by the Board.

## Guidance

	Q3 2023	FY 2023
Adjusted Revenue (\$M)	\$1,355.0 – \$1,395.0	\$5,469.0 – \$5,575.0
Adjusted Net Income attributable to SS&C (\$M)	\$287.0 – \$309.0	\$1,160.0 – \$1,225.0
Adjusted Diluted Earnings per Share attributable to SS&C	\$1.13 – \$1.21	\$4.57 – \$4.77
Cash from Operating Activities (\$M)	–	\$1,265.0 – \$1,335.0
Capital Expenditures (% of revenue)	–	3.9% – 4.1%
Diluted Shares (M)	254.0 – 256.0	254.0 – 257.0
Effective Income Tax Rate (%)	26%	26%

SS&C does not provide reconciliations of guidance for Adjusted Revenues and Adjusted Net Income to comparable GAAP measures, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. SS&C is unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include acquisition transactions and integration, foreign exchange rate changes, as well as other non-cash and other adjustments as defined under the Company's Credit agreement, that are difficult to predict in advance in order to include in a GAAP estimate. The unavailable information could have a significant impact on Q3 2023 and FY 2023 GAAP financial results.

### Non-GAAP Financial Measures

Adjusted revenue, adjusted operating income, adjusted consolidated EBITDA, adjusted net income and adjusted diluted earnings per share are non-GAAP measures. See the accompanying notes for the reconciliations and definitions for each of these non-GAAP measures and the reasons our management believes these measures provide useful information to investors regarding our financial condition and results of operations.

### Earnings Call and Press Release

SS&C's Q2 2023 earnings call will take place at 5:00 p.m. eastern time today, July 27, 2023. The call will discuss Q2 2023 results and business outlook. Interested parties may dial 888-210-4650 (US and Canada) or 646-960-0327 (International), and request the "SS&C Technologies Second Quarter 2023 Earnings Conference Call"; conference ID #4673675. In connection with the earnings call, a presentation will be available on SS&C's website at <https://investor.ssctech.com/financials/quarterly-results>. A replay will be available after 8:00 p.m. eastern time on July 27, 2023, until midnight on August 3, 2023. The replay dial-in number is 800-770-2030 (US and Canada) or 647-362-9199 (International); access code #4673675. The call will also be available for replay on SS&C's website after July 27, 2023; access: <http://investor.ssctech.com/results.cfm>

*Certain information contained in this press release relating to, among other things, the Company's financial guidance for the second quarter and full year of 2023 constitute forward-looking statements for purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, expectations, intentions, projections, developments, future events, performance, underlying assumptions, and other statements that are other than statements of historical facts. Without limiting the foregoing, the words "believes", "anticipates", "plans", "expects", "estimates", "projects", "forecasts", "may", "assume", "intend", "will", "continue", "opportunity", "predict", "potential", "future", "guarantee", "likely", "target", "indicate", "would", "could" and "should" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements are accompanied by such words. Such statements reflect management's best judgment based on factors currently known but are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such risks and uncertainties include, but are not limited to, the state of the economy and the financial services industry and other industries in which the Company's clients operate, the Company's ability to realize anticipated benefits from its acquisitions, including DST Systems, Inc., the effect of customer consolidation on demand for the Company's products and services, the increasing focus of the Company's business on the hedge fund industry, the variability of revenue as a result of activity in the securities markets, the ability to retain and attract clients, fluctuations in customer demand for the Company's products and services, the intensity of competition with respect to the Company's products and services, the exposure to litigation and other claims, terrorist activities and other catastrophic events, disruptions, attacks or failures affecting the Company's software-enabled services, risks associated with the Company's foreign operations, privacy concerns relating to the collection and storage of personal information, evolving regulations and increased scrutiny from regulators, the Company's ability to protect intellectual property assets and litigation regarding intellectual property rights, delays in product development, investment decisions concerning cash balances, regulatory and tax risks, risks associated with the Company's joint ventures, changes in accounting standards, risks related to the Company's substantial indebtedness, the market price of the Company's stock prevailing from time to time, and the risks discussed in the "Risk Factors" section of the Company's most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, which are on file with the Securities and Exchange Commission and can also be accessed on our website. Forward-looking statements speak only as of the date on which they are made and, except to the extent required by applicable securities laws, we undertake no obligation to update or revise any forward-looking statements.*



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## About SS&C Technologies

SS&C is a global provider of services and software for the financial services and healthcare industries. Founded in 1986, SS&C is headquartered in Windsor, Connecticut, and has offices around the world. Some 20,000 financial services and healthcare organizations, from the world's largest companies to small and mid-market firms, rely on SS&C for expertise, scale, and technology.

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## For more information

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