

SS&C TECHNOLOGIES INC

Form 10-K

March 31, 2009

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-K

**FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO
SECTIONS 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2008**
- or
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Commission file number: 333-135139

SS&C Technologies, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware

*(State or Other Jurisdiction of
Incorporation or Organization)*

06-1169696

*(I.R.S. Employer
Identification No.)*

80 Lamberton Road

Windsor, CT 06095

(Address of Principal Executive Offices, Including Zip Code)

860-298-4500

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's common equity held by non-affiliates is zero. The registrant is a privately-held corporation.

There were 1,000 shares of the registrant's common stock outstanding as of March 30, 2009.

DOCUMENTS INCORPORATED BY REFERENCE:

None.

SS&C TECHNOLOGIES, INC.

YEAR 2008 FORM 10-K ANNUAL REPORT

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FORWARD-LOOKING INFORMATION

This annual report contains forward-looking statements. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words believes, anticipates, plans, expects, should and similar expressions are intended to identify forward-looking statements. The factors discussed under Item 1A. Risk Factors, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. We expressly disclaim any obligation to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The following (identified in the chart of products and services on pages 11 and 12) are registered trademarks and/or service marks of SS&C Technologies, Inc. and/or its subsidiaries in the United States and/or in other countries: ADVISORWARE, DBC, FUNDRUNNER, HEATMAPS, MARGINMAN, PACER, PAGES, PORTPRO, RECON, SKYLINE, SYLVAN, TRADEDESK, TRADETHRU, and ZOOLOGIC. SS&C Technologies, Inc. and/or its subsidiaries in the United States and/or in other countries have trademark or service mark rights to certain other names and marks referred to in this annual report.

We use the terms SS&C, the Company, we, us and our in this annual report to refer to SS&C Technologies, Inc. its subsidiaries, unless the context requires otherwise.

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PART I

Item 1. *Business*

SS&C Technologies, Inc. was acquired on November 23, 2005 through a merger transaction with SS&C Technologies Holdings, Inc., a Delaware corporation (formerly known as Sunshine Acquisition Corporation) formed by investment funds associated with The Carlyle Group. The acquisition was accomplished through the merger of Sunshine Merger Corporation, a wholly-owned subsidiary of SS&C Technologies Holdings, Inc., into SS&C Technologies, Inc., with SS&C Technologies, Inc. being the surviving company and a wholly-owned subsidiary of SS&C Technologies Holdings, Inc. (the Transaction). See further discussion of the Transaction in Note 1 of notes to the consolidated financial statements. Unless the context otherwise requires, we refer to SS&C Technologies Holdings, Inc. as SS&C Holdings throughout this annual report.

Company Overview

We are a leading provider of mission-critical software products and software-enabled services to help financial services providers to automate business processes and manage their information processing requirements. Our portfolio of software products and software-enabled services helps automate and integrate front-office functions such as trading and modeling, middle-office functions such as portfolio management and reporting, and back-office functions such as accounting, performance measurement, reconciliation, reporting, processing and clearing. Our solutions enable our clients to better monitor and manage investment performance and risk, improve operating efficiency and reduce operating costs. We provide our solutions globally to more than 4,500 clients, principally within the institutional asset management, alternative investment management and financial institutions sectors. In addition, our clients include commercial lenders, corporate treasury groups, insurance and pension funds, financial markets, municipal finance groups and real estate property managers.

We provide the global financial services industry with a broad range of both specialized software products, which are deployed at our clients' facilities, and software-enabled services, which consist of software-enabled outsourcing services and subscription-based on-demand software hosted at our facilities. Our software-enabled services, which combine the strengths of our proprietary software with our domain expertise, enable our clients to contract with us to provide many of their business processes. For example, we utilize our software to offer comprehensive fund administration services for alternative investment managers, including fund manager services, transfer agency services, fund of funds services, tax processing and accounting. We offer clients the flexibility to choose from multiple software delivery options, including on-premise applications and hosted, multi-tenant or dedicated applications. Additionally, we provide certain clients with targeted, blended solutions based on a combination of our various software and software-enabled services. We believe that our software-enabled services provide superior client support and an attractive alternative to clients that do not wish to install, manage and maintain financial software. The following table describes selected functionality of our software products and software-enabled services and the eight vertical markets that we serve.

| | | | | |
|----------------------|----------------------------|-------------------------|-----------------------|---------------------------|
| | Treasury, | | | |
| | Banks | Insurance | | Real |
| | & Institutional | & | | Municipal Estate |
| Selected | Alternative | Financial Credit | Asset Pension | Commercial Finance |
| Functionality | Managers | Markets Unions | Managers Funds | Lenders Groups |
| | | | | Property Managers |

| | | | | | | | |
|--|---|---|---|---|---|---|---|
| Portfolio Management/Accounting | ü | ü | ü | | ü | | |
| Trading/Treasury Operations | ü | ü | ü | ü | ü | | |
| Financial Modeling | | | ü | | ü | | ü |
| SS&C Fund Services | ü | | | | | | |
| Loan Management/Accounting | | | ü | | ü | ü | |
| Money Market Processing | | | ü | | | | |
| Property Management | | | | | | | ü |

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Our business model is characterized by substantial contractually recurring revenues, high operating margins and significant cash flow. We generate revenues primarily through our high-value software-enabled services, which are typically sold on a long-term subscription basis and integrated into our clients' business processes. Our software-enabled services are generally provided under two- to five-year non-cancelable contracts with required monthly or quarterly payments. We also generate revenues by licensing our software to clients through either perpetual or term licenses, both of which include annually renewable maintenance contracts. As a consequence, a significant portion of our revenues consist of subscription payments and maintenance fees and are contractually recurring. Our pricing typically fluctuates as a function of our clients' assets under management, the complexity of asset classes managed and the volume of transactions.

Our contractually recurring revenue model helps us minimize the fluctuations in revenues and cash flows typically associated with up-front, perpetual software license revenues and enhances our ability to manage costs. Our contractually recurring revenues, which we define as our software-enabled services and maintenance revenues, represented 82% of total revenues in the year ended December 31, 2008. We have experienced average revenue retention rates in each of the last five years of greater than 90% on our core enterprise software-enabled services and maintenance contracts. We believe the high value-added nature of our products and services has enabled us to maintain high revenue retention rates and significant operating margins.

Through a combination of consistent organic growth and acquisitions, we generated revenues of \$280.0 million for the year ended December 31, 2008 as compared to revenues of \$205.5 million for the year ended December 31, 2006. We generated 76% of our revenues in 2008 from clients in North America and 24% from clients outside North America. Our revenues are highly diversified, with our largest client in 2008 accounting for less than 5% of our revenues. Additional financial information, including geographic information, is available in our consolidated financial statements, including the notes thereto.

Our Industry

SS&C serves a number of sectors within the financial services industry, including banks, brokerage firms, insurance companies, investment management firms and hedge funds. Few, if any, of these sectors have remained untouched by the economic downturn in 2008 and 2009, resulting from the liquidity issues in the credit markets, the severe decline of the capital markets, and a significant decline in asset value. The hedge funds are experiencing a reversal of the trend up to 2007 where cash flows into funds exceeded redemptions. In addition to redemptions, the money managers in hedge funds and investment management firms are experiencing the shift from equities to money market funds, treasuries and other liquid investments. These factors all contribute to reducing revenues among the financial services firms, which, in turn, impacts their access to credit, spending ability and, in some cases, their long term viability.

Many of these recent issues put a spotlight on the need for management tools to assess exposure, improved reporting systems, accurate accounting and compliance systems and overall management of middle- and back-office operations. These challenges provide opportunities for SS&C as the industry participants continue to look for operational efficiencies.

Opportunities

The current market turmoil that the industry is experiencing is amidst a decade of change for the financial services industry as a whole where trading volumes have risen, the complexity of instruments has expanded, regulatory pressure has intensified and automation has evolved in the capital markets.

Asset Classes and Securities Products Growing in Volume and Complexity. As the financial services industry has evolved, investment professionals must increasingly track and invest in numerous types of asset classes far more complex than traditional equity and debt instruments. These assets require more sophisticated systems to automate functions such as trading and modeling, portfolio management, accounting, performance measurement, reconciliation, reporting, processing and clearing. Manual tracking of orders and other transactions is not effective. In addition, as the business knowledge requirements increase, firms see increasing value in outsourcing the management of these assets to firms such as SS&C who offer software-enabled services.

Increasing Regulatory Requirements. The financial services industry continues to struggle to meet the increasing domestic and foreign regulatory requirements. Firms must comply with more complicated and

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burdensome requirements. For example, according to a May 2007 PricewaterhouseCoopers LLP survey, the top two challenges for 2007 cited by investment management industry executives were regulatory uncertainty and regulatory pressures to increase transparency. This continues to be the case and the expectation is hedge funds will start to experience similar regulatory pressures as the investment management community.

Increasing Willingness to Implement Solutions from Independent Software Vendors and Outsource IT Operations. Historically, financial services providers have relied in large part on their internal IT departments to supply the systems required to manage, analyze and control vast amounts of data. Rather than internally developing applications that automate business processes, many financial services providers are implementing advanced software solutions from independent software vendors to replace their current systems, which are time-consuming to operate and expensive to implement, customize, update and support. Additionally, financial services providers globally are outsourcing a growing percentage of their business processes to benefit from best-in-class process execution, focus on core operations, quickly expand into new markets, reduce costs, streamline organizations, handle increased transaction volumes and ensure system redundancy. We believe one of the key challenges faced by investment management industry participants is how to expand their use of third-party service providers to address the increasing complexity of new products and the growing investor and regulatory information demands. For example, many alternative investment firms lack the substantial in-house IT resources necessary to establish and manage the complex IT infrastructures their investment professionals require. These firms increasingly seek end-to-end solutions that enable them to outsource their operations from the front-office through the back-office.

Intense Global Competition Among Financial Services Providers. Competition within the financial services industry has become intense as financial services providers expand into new markets and offer new services to their clients in an effort to maximize their profitability. Additionally, a significant number of small- and medium-sized organizations, such as hedge funds, have begun to compete with large financial institutions as they seek to attract new clients whose assets they can manage. As traditional equity and debt instruments become more commoditized, financial services providers are expanding into more complex product and service offerings to drive profitability. In response to these increasingly competitive conditions worldwide, financial services organizations seek to rapidly expand into new markets, manage operational enterprise risk, increase front-office productivity, and drive cost savings by utilizing software to automate and integrate their mission-critical and labor intensive business processes.

Our Competitive Strengths

We believe that our position in the marketplace results from several key competitive strengths, including:

Enhanced Capability Through Software Ownership. We use our proprietary software products and infrastructure to provide our software-enabled services, strengthening our overall operating margins and providing a competitive advantage. Because we use our own products in the execution of our software-enabled services and generally own and control our products' source code, we can quickly identify and deploy product improvements and respond to client feedback, enhancing the competitiveness of our software and software-enabled service offerings. This continuous feedback process provides us with a significant advantage over many of our competitors, specifically those software competitors that do not provide a comparable model and therefore do not have the same level of hands-on experience with their products.

Broad Portfolio of Products and Services Focused on Financial Services Organizations. Our broad portfolio of over 60 software products and software-enabled services allows professionals in the financial services industry to efficiently and rapidly analyze and manage information, increase productivity, devote more time to critical business decisions and reduce costs. Our products and services automate our clients' most mission-critical, complex business processes, and improve their operational efficiency. We believe our product and service offerings position us as a leader within the specific sectors of financial services software and services in which we compete. We provide highly

flexible, scalable and cost-effective solutions that enable our clients to track complex securities, better employ sophisticated investment strategies, scale efficiently and meet evolving regulatory requirements. Our solutions allow our clients to automate and integrate their front-office, middle-office and back-office functions, thus enabling straight-through processing.

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Independent Fund Administration Services. The third-party service providers that participate in the alternative investment market include auditors, fund administrators, attorneys, custodians and prime brokers. Each provider performs a valuable function with the intention of providing transparency of the fund's assets and the valuation of those assets. Conflicts of interest may arise when the above parties attempt to provide more than one of these services. The industry is increasingly becoming aware of these conflicts and seeking independent fund administrators such as SS&C.

Attractive Operating Model. We believe we have an attractive operating model due to the contractually recurring nature of our revenues, the scalability of our software and software-enabled services, the significant operating cash flow we generate and our highly effective sales and marketing model.

Growing Contractually Recurring Revenues. We continue to focus on growing our contractually recurring revenues from our software-enabled services and our maintenance contracts because they provide greater predictability in the operation of our business and enable us to strengthen long-term relationships with our clients. Contractually recurring revenues represented 82% of total revenues for the year ended December 31, 2008, up from 52% of total revenues in 2000.

Scalable Software and Software-enabled Services. We have designed our software and software-enabled services to accommodate significant additional business volumes with limited incremental costs. The ability to generate additional revenues from increased volumes without incurring substantial incremental costs provides us with opportunities to improve our operating margins.

Significant Operating Cash Flow. We are able to generate significant operating cash flows due to our strong operating margins and the relatively modest capital requirements needed to grow our business.

Highly Effective Sales and Marketing Model. We utilize a direct sales force model that benefits from significant direct participation by senior management. We achieve efficiency in our sales model by leveraging the Internet as a direct marketing medium. Approximately every two weeks, we deliver over 450,000 electronic newsletters to industry participants worldwide. These *eBriefings* are integrated with our corporate website, www.ssctech.com, and are the source for a substantial number of our sales leads. Our deep domain knowledge and extensive participation in day-to-day investment, finance and fund administration activities enable us to create informative and timely articles that are the basis of our *eBriefings*.

Deep Domain Knowledge and Extensive Industry Experience. As of December 31, 2008, we had 948 development and service professionals with significant expertise across the eight vertical markets that we serve and a deep working knowledge of our clients' businesses. By leveraging our domain expertise and knowledge, we have developed, and continue to improve, our mission-critical software products and services to enable our clients to overcome the complexities inherent in their businesses. For example, our Complete Asset Management, Reporting and Accounting, or CAMRA, software, which supports the entire portfolio management function across all typical securities transactions, was originally released in 1989 and has been continually updated to meet our clients' new business requirements. We were founded in 1986 by William C. Stone, who has served as our Chairman and Chief Executive Officer since our inception. Our senior management team has a track record of operational excellence and an average of more than 15 years of experience in the software and financial services industries.

Trusted Provider to Our Highly Diversified Client Base. By providing mission-critical, reliable software products and services for more than 20 years, we have become a trusted provider to the financial services industry. We have developed a large installed base within multiple segments of the financial services industry. Our clients include some of the largest and most well-recognized firms in the financial services industry. We believe that our high-quality products and superior services have led to long-term client relationships, some of which date from our earliest days of

operations in 1987. Our strong client relationships, coupled with the fact that many of our current clients use our products for a relatively small portion of their total funds and investment vehicles under management, provide us with a significant opportunity to sell additional solutions to our existing clients and drive future revenue growth at lower cost.

Superior Client Support and Focus. Our ability to rapidly deliver improvements and our reputation for superior service have proven to be a strong competitive advantage when developing client relationships. We provide our larger clients with a dedicated client support team whose primary responsibility is to resolve questions and

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provide solutions to address ongoing needs. We also offer the Solution Center, an interactive website that serves as an exclusive online client community where clients can find answers to product questions, exchange information, share best practices and comment on business issues. We believe a close and active service and support relationship significantly enhances client satisfaction, strengthens client relationships and furnishes us with information regarding evolving client issues.

Our Strategy

We intend to be the leading provider of superior technology solutions to the financial services industry. The key elements of our strategy include:

Continue to Develop Software-Enabled Services and New Proprietary Software. Since our founding in 1986, we have focused on building substantial financial services domain expertise through close working relationships with our clients. We have developed a deep knowledge base that enables us to respond to our clients' most complex financial, accounting, actuarial, tax and regulatory needs. We intend to maintain and enhance our technological leadership by using our domain expertise to build valuable new software-enabled services and solutions, continuing to invest in internal development and opportunistically acquiring products and services that address the highly specialized needs of the financial services industry.

Expand Our Client Base. Our client base of more than 4,500 clients represents a fraction of the total number of financial services providers globally. As a result, we believe there is substantial opportunity to grow our client base over time as our products become more widely adopted. We have a substantial opportunity to capitalize on the increasing adoption of mission-critical, sophisticated software and software-enabled services by financial services providers as they continue to replace inadequate legacy solutions and custom in-house solutions that are inflexible and costly to maintain.

Increase Revenues from Existing Clients. We believe our established client base continues to present an opportunity for growth. Revenues from our existing clients generally grow along with the amount and complexity of assets that they manage and the volume of transactions that they execute. While we expect to experience a decline in those revenues associated with the industry's decline in assets under management and lower trading and transaction volumes, we will continue to leverage our deep understanding of the financial services industry to identify other opportunities to increase our revenues from our existing clients. Many of our current clients use our products for a minority of their total assets under management and investment funds, providing us with opportunities to expand our business relationship and revenues.

Continue to Capitalize on Acquisitions of Complementary Businesses and Technologies. We intend to continue to employ a highly disciplined and focused acquisition strategy to broaden and enhance our product and service offerings, add new clients, supplement our internal development efforts and accelerate our expected growth. We believe that our acquisitions have been an extension of our research and development effort that has enabled us to purchase proven products and remove the uncertainties associated with software development projects. We will seek to opportunistically acquire, at attractive valuations, businesses, products and technologies in our existing or complementary vertical markets that will enable us to better satisfy our clients' rigorous and evolving needs. We have a proven ability to integrate complementary businesses as demonstrated by the 25 businesses that we have acquired since 1995.

Strengthen Our International Presence. We believe that there is a significant market opportunity to provide software and services to financial services providers outside North America. In 2008, we generated 24% of our revenues from clients outside North America. We are building our international operations in order to increase our sales outside North America. For example, we believe that the rapidly growing alternative investment management market in

Europe presents a compelling growth opportunity. We plan to continue to expand our international market presence by leveraging our existing software products and software-enabled services for alternative investment managers,.

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Since 1995, we have acquired 25 businesses within our industry. We generally seek to acquire companies that satisfy our financial metrics, including expected return on investment, and that:

provide complementary products or services in the financial services industry;

address a highly specialized problem or a market niche in the financial services industry;

expand our global reach into strategic geographic markets;

have solutions that lend themselves to being delivered as software-enabled services; and

possess proven technology and an established client base that will provide a source of ongoing revenues and to whom we may be able to sell existing products and services.

Our senior management receives numerous acquisition proposals for its consideration. We receive referrals from several sources, including clients, investment banks and industry contacts. We believe, based on our experience, that there are numerous solution providers addressing highly particularized financial services needs or providing specialized services that would meet our acquisition criteria.

Below is a table summarizing our acquisitions.

| Date | Acquired Business | Contract Purchase Price* | Acquired Products and Services Currently Offered |
|---------------|--------------------------------|-----------------------------------|---|
| March 1995 | Chalke | \$10,000,000 | PTS |
| November 1997 | Mabel Systems | \$850,000 and 109,224 shares | Mabel |
| December 1997 | Shepro Braun Systems | 1,500,000 shares | Total Return, Antares |
| March 1998 | Quantra | \$2,269,800 and 819,028 shares | SKYLINE |
| April 1998 | The Savid Group | \$821,500 | Debt & Derivatives |
| March 1999 | HedgeWare | 1,028,524 shares | AdvisorWare |
| March 1999 | Brookside | 41,400 shares | Consulting services |
| November 2001 | Digital Visions | \$1,350,000 | PortPro, The BANC Mall, PALMS |
| January 2002 | Real-Time, USA | \$4,000,000 | Real-Time, Lightning |
| November 2002 | DBC | \$4,500,000 | Municipal finance products |
| December 2003 | Amicorp Fund Services | \$1,800,000 | Fund services |
| January 2004 | Investment Advisory Network | \$3,000,000 | Compass, Portfolio Manager |
| February 2004 | NeoVision Hypersystems | \$1,600,000 | Heatmaps |
| April 2004 | OMR Systems | \$19,671,000 | TradeThru, Xacct |
| February 2005 | Achievement Technologies | \$470,000 | SamTrak |
| February 2005 | EisnerFast | \$25,300,000 | Fund services |
| April 2005 | Financial Models Company | \$159,000,000 | Financial Models suite of products |

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| Date | Acquired Business | Contract Purchase Price* | Acquired Products and Services Currently Offered |
|--------------|----------------------------|---|---|
| June 2005 | Financial Interactive | 358,424 shares and warrants to purchase 50,000 shares | FundRunner |
| August 2005 | MarginMan | \$5,600,000 | MarginMan |
| October 2005 | Open Information Systems | \$24,000,000 | Money Market Manager, Information Manager |
| March 2006 | Cogent Management | \$12,250,000 | Fund services |
| August 2006 | Zoologic | \$3,000,000 | Education and training courseware |
| March 2007 | Northport | \$5,000,000 | Fund services |
| October 2008 | Micro Design Services, LLC | \$17,755,000 | MarketLook, BlockTalk, MarketTrader |
| March 2009 | Evare, LLC | \$3,514,500 | Financial data services |

* Share references are to shares of SS&C common stock after giving effect to SS&C's three-for-two common stock split in the form of a stock dividend effective as of March 2004.

Many of our acquisitions have enabled us to expand our product and service offerings into new markets or client bases within the financial services industry. For example, with our acquisition of Micro Design Services we now provide order routing and execution services to some of the world's largest financial exchanges and brokers/dealers. With our acquisitions of Shepro Braun Systems and HedgeWare, we began providing portfolio management and accounting software to the hedge funds and family offices market. We began offering property management products to the real estate property management industry after we acquired Quantra and started selling financial modeling products to the municipal finance groups market after the DBC acquisition. Our acquisition of OMR Systems Corporation and OMR Systems International Limited, which we refer to collectively as OMR, allowed us to offer integrated, global solutions to financial institutions and hedge funds through our TradeThru software and Xacct services. The acquisitions of EisnerFast, Cogent and Northport expanded our software-enabled services to the hedge fund and private equity markets. With our acquisition of Financial Models, we complemented and expanded our product and service offerings to meet the front-, middle- and back-office needs of the investment management industry. The addition of new products and services also enabled us to market other products and services to acquired client bases. Some acquisitions have also provided us with new technology, such as the Heatmaps data visualization product developed by NeoVision Hypersystems, Inc.

To date, all of our acquisitions have resulted in a marketable product or service that has added to our revenues. We also have generally been able to improve the operating performance and profitability of the acquired businesses. We seek to reduce the costs of the acquired businesses by consolidating sales and marketing efforts and by eliminating redundant administrative tasks and research and development expenses. In some cases, we have also been able to increase revenues generated by acquired products and services by leveraging our larger sales capabilities and client base.

Products and Services

Our products and services allow professionals in the financial services industry to automate complex business processes within financial services providers and are instrumental in helping our clients manage significant information processing requirements. Our solutions enable our clients to focus on core operations, better monitor and

manage investment performance and risk, improve operating efficiency and reduce operating costs. Our portfolio of over 60 products and software-enabled services allows our clients to automate and integrate front-office functions such as trading and modeling, middle-office functions such as portfolio management and reporting, and back-office functions such as accounting, performance measurement, reconciliation, reporting, processing and clearing.

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The following chart summarizes our principal software products and services, typical users and the vertical markets each product serves. Most of these products are also used to deliver our software-enabled services.

| Products | Typical Users | Vertical Markets Served |
|---|----------------------------------|---------------------------------|
| <i>Portfolio Management/Accounting</i> | | |
| AdvisorWare | Portfolio managers | Alternative investment managers |
| Altair | Asset managers | Financial markets |
| CAMRA | Fund administrators | Institutional asset managers |
| CAMRA D Class | Investment advisors | Insurance & pension funds |
| Debt & Derivatives | Accountants | Treasury, banks & credit unions |
| Fund <i>Runner</i> Investorsite | Auditors | |
| Fund <i>Runner</i> Marathon | Alternative investment managers | |
| Global Wealth Platform | Brokers/dealers | |
| Lightning | | |
| Pacer | | |
| Pages | | |
| PALMS | | |
| PortPro | | |
| Recon | | |
| Suite for Australia | | |
| Sylvan | | |
| Total Return | | |
| <i>Trading/Treasury Operations</i> | | |
| Antares | Securities traders | Alternative investment managers |
| BlockTalk | Financial institutions | Financial markets |
| BlockTalk <i>Plus</i> | Risk managers | Institutional asset managers |
| MarginMan | Foreign exchange traders | Insurance & pension funds |
| MarketLook Information System | Asset managers | Treasury, banks & credit unions |
| MarketTrader | Brokers/dealers | |
| TradeDesk | Financial exchanges | |
| TradeThru | | |
| <i>Financial Modeling</i> | | |
| DBC (family of products) | CEO/CFOs | Insurance & pension funds |
| PTS | Risk managers | Municipal finance groups |
| | Actuarial professionals | Treasury, banks & credit unions |
| | Bank asset/liability managers | |
| | Investment bankers | |
| | State/local treasury staff | |
| | Financial advisors | |
| <i>Loan Management/Accounting</i> | | |
| LMS Loan Suite | Mortgage originators | Commercial lenders |
| LMS Originator | Commercial lenders | Insurance & pension funds |
| LMS Servicer | Mortgage loan servicers | Treasury, banks & credit unions |
| The BANC Mall | Mortgage loan portfolio managers | |
| | Real estate investment managers | |
| | Bank/credit union loan officers | |
| <i>Property Management</i> | | |

SKYLINE (family of products)
SamTrak

Real estate investment managers
Real estate leasing agents
Real estate property managers
Facility managers

Real estate property managers

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| Products | Typical Users | Vertical Markets Served |
|---|---------------------------------|---------------------------------|
| <i>Money Market Processing</i> | | |
| Information Manager | Financial institutions | Treasury, banks & credit unions |
| Money Market Manager | Custodians | |
| | Security lenders | |
| | Cash managers | |
| <i>Training</i> | | |
| Zoologic Learning Solutions | Financial institutions | All verticals |
| | Asset managers | |
| | Hedge fund managers | |
| | Investment bankers | |
| Services | Typical Users | Vertical Markets Served |
| <i>Software-enabled services</i> | | |
| Advanced Component Architecture (ACA) | Portfolio managers | Alternative investment managers |
| Custom Mobility | Asset managers | Financial markets |
| SS&C Direct | Financial exchanges | Institutional asset managers |
| SS&C Fund Services | Fund administrators | Insurance and pension funds |
| SSCNet | Investment advisors | Treasury, banks & credit unions |
| SVC | Alternative investment managers | |
| | Securities traders | |
| | Brokers/dealers | |

Portfolio Management/Accounting

Our products and services for portfolio management span most of our vertical markets and offer our clients a wide range of investment management solutions. Revenues from these products and services represented approximately 80%, 78% and 74% of total revenues for the years ended December 31, 2008, 2007 and 2006, respectively.

AdvisorWare. AdvisorWare software supports hedge funds, funds of funds and family offices with sophisticated global investment, trading and management concerns, and/or complex financial, tax (including German tax requirements), partnership and allocation reporting requirements. It delivers comprehensive multi-currency investment management, financial reporting, performance fee calculations, net asset value calculations, contact management and partnership accounting in a straight-through processing environment.

Altair. Altair software is a portfolio management system designed for companies that are looking for a solution that meets Benelux market requirements and want client/server architecture with SQL support. We sell Altair primarily to European asset managers, stock brokers, custodians, banks, pension funds and insurance companies. Altair supports a full range of financial instruments, including fixed income, equities, real estate investments and alternative investment vehicles.

CAMRA. CAMRA (Complete Asset Management, Reporting and Accounting) software supports the integrated management of asset portfolios by investment professionals operating across a wide range of institutional investment entities. CAMRA is a 32-bit, multi-user, integrated solution tailored to support the entire portfolio management function and includes features to execute, account for and report on all typical securities transactions.