

SS&C Technologies Holdings Inc

Form S-1

December 28, 2009

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As filed with the Securities and Exchange Commission on December 28, 2009
Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SS&C Technologies Holdings, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

71-0987913
*(I.R.S. Employer
Identification Number)*

7372
(Primary Standard Industrial Classification Code Number)

80 Lamberton Road
Windsor, Connecticut 06095
(860) 298-4500
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

William C. Stone

Chairman of the Board and Chief Executive Officer
SS&C Technologies Holdings, Inc.
80 Lambertson Road
Windsor, Connecticut 06095
(860) 298-4500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. _____

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.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)Smaller reporting
company **CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)(3)
Common Stock, \$0.01 par value per share	\$300,000,000	\$21,390

- (1) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(o) under the Securities Act.
- (2) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.
- (3) Pursuant to Rule 457(p) under the Securities Act, the Registrant is applying the filing fee of \$6,140 associated with the unsold securities under its registration statement on Form S-1 initially filed with the Securities and Exchange Commission on June 13, 2007 (No. 333-143719) (the Prior Registration Statement), against the total filing fee of \$21,390 due in connection with this registration statement. The Prior Registration Statement was withdrawn by the Registrant on October 29, 2008. No securities were sold under the Prior Registration Statement.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), shall determine.

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The information contained in this prospectus is not complete and may be changed. Neither we nor the selling stockholders may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated December 28, 2009
Prospectus

Shares

Common Stock

SS&C Technologies Holdings, Inc. is offering _____ shares of its common stock, and the selling stockholders are offering _____ shares of common stock. We will not receive any proceeds from the sale of shares by the selling stockholders. This is our initial public offering, and no public market currently exists for our shares. We anticipate that the initial public offering price will be between \$ _____ and \$ _____ per share.

We have applied to list our common stock on the _____ under the symbol _____.

Investing in our common stock involves risks. See Risk factors beginning on page 16.

	Per Share	Total
Price to Public	\$ _____	\$ _____
Underwriting Discounts and Commissions	\$ _____	\$ _____
Proceeds to SS&C Holdings	\$ _____	\$ _____
Proceeds to Selling Stockholders	\$ _____	\$ _____

We have granted the underwriters the right to purchase up to an additional _____ shares to cover over-allotments.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares to purchasers on or about _____, 2010.

J.P. Morgan

Credit Suisse

Morgan Stanley

Deutsche Bank Securities

Jefferies & Company

Prospectus dated , 2010

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. We are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our common stock.

Until , 2010 (25 days after the commencement of this offering), all dealers that buy, sell or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

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Prospectus summary

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should read this entire prospectus carefully, especially the risks of investing in our common stock discussed under Risk factors beginning on page 16, and our financial statements and the accompanying notes, before making an investment decision.

Unless the context otherwise requires, in this prospectus, (1) SS&C Holdings means SS&C Technologies Holdings, Inc., our top-level holding company that was formerly known as Sunshine Acquisition Corporation, (2) SS&C means SS&C Technologies, Inc., our primary operating company and a direct wholly owned subsidiary of SS&C Holdings, and (3) we, us and our mean (a) prior to November 23, 2005, SS&C and its consolidated subsidiaries and (b) on and after November 23, 2005, SS&C Holdings and its consolidated subsidiaries, including SS&C.

Overview

We are a leading provider of mission-critical, sophisticated software products and software-enabled services that allow financial services providers to automate complex business processes and effectively manage their information processing requirements. Our portfolio of software products and rapidly deployable 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. 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. We provide our solutions globally to more than 4,500 clients, principally within the institutional asset management, alternative investment management and financial institutions vertical markets.

We provide the global financial services industry with a broad range of software-enabled services, which consist of software-enabled outsourcing services and subscription-based on-demand software that are managed and hosted at our facilities, and specialized software products, which are deployed at our clients 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 mission-critical and complex 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. Our principal software products and software-enabled services include:

Portfolio Management/Accounting
Financial Modeling
Trading/Treasury Operations
Property Management

Fund Administration Services
Loan Management/Accounting
Money Market Processing

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

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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 and by selling maintenance services. Maintenance services are generally provided under annually renewable contracts. As a consequence, a significant portion of our revenues consists of subscription payments and maintenance fees and is contractually recurring in nature. Our pricing typically scales 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, increased as a percentage of total revenues from 52% in the year ended December 31, 2000 to 82% 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 software-enabled services and maintenance contracts for our core enterprise products.

Through a combination of organic growth and acquisitions, we generated revenues of \$280.0 million for the year ended December 31, 2008 as compared to revenues of \$95.9 million for the year ended December 31, 2004, which was the last reported fiscal year before the going-private transaction described below. 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.

Our industry

We serve a number of vertical markets within the financial services industry, including alternative investment funds, investment management firms, insurance companies, banks and brokerage firms. The recent economic crisis has negatively affected each of these markets and contributed to a significant decline in asset value. These factors all contribute to reducing revenues among the financial services firms, which, in turn, affects their access to credit, spending ability and, in some cases, their long-term viability. Many of these recent issues highlight the need for effective risk assessment tools, improved reporting systems, accurate accounting and compliance systems and overall management of middle- and back-office operations. These challenges provide us opportunities as industry participants seek to respond efficiently and effectively to increased regulation and investor demand for transparency, and to enhance their competitive position in a challenging environment.

Asset Classes and Securities Products Growing in Volume and Complexity. 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.

Increasing Regulatory Requirements and Investor Demand for Transparency. Recent market and economic conditions have led to new legislation and numerous proposals for changes in the regulation of the financial services industry. Several high-profile scandals have also led to increased investor demand for transparency. In addition, as the financial services industry continues to grow in complexity, we anticipate regulatory oversight will continue to impose new demands on financial services providers. The expectation is that hedge funds may start to experience similar regulatory pressures. In addition, financial services providers continue to face increasing regulatory oversight from domestic organizations such as the Financial Industry Regulatory Authority, U.S. Treasury Department, U.S. Securities and Exchange Commission, New

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York Stock Exchange, National Association of Insurance Commissioners and U.S. Department of Labor as well as foreign regulatory bodies such as the Office of Supervision of Financial Institutions in Ottawa, Canada, Financial Services Association in London, England and Ministry of Finance in Tokyo, Japan.

Increasing Willingness to Implement Solutions from Independent Software Vendors and Outsource IT Operations. 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 often cumbersome, 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.

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 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. 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.

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. 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.

Independent Fund Administration Services. Third-party service providers in the alternative investment market, such as auditors, fund administrators, attorneys, custodians and prime brokers, provide 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.

Highly Attractive Operating Model. By growing our contractually recurring revenues from our software-enabled services and our maintenance contracts, we gain greater predictability in the operation of our business, reduce volatility in our revenues and earnings, enhance our ability to manage our business and strengthen long-term relationships with our clients. We have designed our software and software-enabled services to be highly scalable to accommodate significant additional business volumes with limited incremental costs, providing us with opportunities to

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improve our operating margins and generate significant operating cash flows. We utilize a direct sales force model that benefits from significant direct participation by senior management and leverages the Internet as a direct marketing medium.

Deep Domain Knowledge and Extensive Industry Experience. As of September 30, 2009, we had 964 development and service professionals with significant expertise across the 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.

Trusted Provider to Our Highly Diversified and Growing Client Base. By providing mission-critical, reliable software products and services for more than 20 years, we have become a trusted provider to a large and growing 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. Our strong client relationships 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 believe a close and active service and support relationship, which we foster through our dedicated client support teams for larger clients and through our interactive online client community (Solution Center), significantly enhances client satisfaction, strengthens client relationships and furnishes us with information regarding evolving client issues.

Our growth strategy

We intend to be the leading provider of superior technology solutions to the financial services industry. The key elements of our growth 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, which 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, continuing to invest in internal development and opportunistically acquiring products and services that address the highly specialized needs of the financial services industry. Our software-enabled services revenues increased from \$30.9 million for the year ended December 31, 2004 to \$165.6 million for the year ended December 31, 2008, representing a compound annual growth rate of 52%.

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 and 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. 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. Many of our current clients use our products only for a portion of their total assets under management and investment funds, providing us with significant opportunities to expand our business relationship and revenues. We have been successful in, and expect to continue to focus our marketing efforts on, providing additional modules or

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features to the products and services our existing clients already use, as well as cross-selling our other products and services. Moreover, our high quality of service helps us maintain significant client retention rates and longer lasting client relationships.

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, expand our intellectual property portfolio, add new clients and supplement our internal development efforts. Our acquisitions have enabled us to expand our product and service offerings into new markets or client bases within the financial services industry. 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 have a proven ability to integrate complementary businesses as demonstrated by the 27 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. We plan to expand our international market presence by leveraging our existing software products and software-enabled services.

Our acquisitions

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 and supplement our internal development efforts. Our acquisitions have enabled us to expand our product and service offerings into new markets or client bases within the financial services industry. The addition of new products and services has also enabled us to market other products and services to acquired client bases. We believe that our acquisitions have been an extension of our research and development effort and have enabled us to purchase proven products and remove the uncertainties sometimes associated with software development projects.

Since 1995, we have acquired 27 businesses within our industry. To date, our acquisitions have contributed marketable products or services that have added to our revenues. We believe that we have generally been able to improve the operating performance and profitability of our 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 many cases, we have also been able to increase revenues generated by acquired products and services by leveraging our existing products and services, larger sales capabilities and client base.

Risks associated with our business

Our business is subject to numerous risks and uncertainties, as more fully described under **Risk factors** beginning on page 16, which you should carefully consider before purchasing our common stock. For example:

Our business is greatly affected by changes in the state of the general economy and the financial markets, and a prolonged downturn in the general economy or the financial services industry could disproportionately affect demand for our products and services.

We face significant competition with respect to our products and services, which may result in price reductions, reduced gross margins or loss of market share.

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If we cannot attract, train and retain qualified managerial, technical and sales personnel, we may not be able to provide adequate technical expertise and customer service to our clients or maintain focus on our business strategy.

Our substantial indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations under our 113/4% senior subordinated notes due 2013 and our senior credit facilities.

In addition, the ability of new investors to influence corporate matters may be limited because a small number of stockholders will beneficially own a substantial amount of our common stock after this offering. Following the completion of this offering, investment funds affiliated with Carlyle will beneficially own approximately % of our common stock, and William C. Stone, our Chairman of the Board of Directors and Chief Executive Officer, will beneficially own approximately % of our common stock, assuming that the underwriters do not exercise their option to purchase additional shares.

Principal stockholder The Carlyle Group

The Carlyle Group, or Carlyle, is a global private equity firm with \$87.6 billion under management committed to 65 funds as of September 30, 2009. Carlyle invests in buyouts, growth capital, real estate and leveraged finance in Africa, Asia, Australia, Europe, North America and South America focusing on technology, aerospace and defense, automotive and transportation, consumer and retail, energy and power, financial services, healthcare, industrial, infrastructure, business services and telecommunications and media. Since 1987, the firm has invested \$57.5 billion of equity in 932 transactions for a total purchase price of \$230.9 billion. The Carlyle Group employs more than 870 people in 19 countries. In the aggregate, Carlyle portfolio companies have more than \$109 billion in revenue and employ more than 415,000 people around the world. Carlyle deals have included the acquisitions of OpenLink Financial, a leading provider of portfolio management software solutions to the commodity, energy and financial services markets, Freescale Semiconductor, Inc., one of the world's largest semiconductor companies, The Hertz Corporation, the largest worldwide car rental brand, Blackboard, Inc., a leading e-learning platform provider, and Booz Allen, a provider of management consulting for businesses and governments.

The going-private transaction

On November 23, 2005, SS&C Holdings, a Delaware corporation owned by investment funds affiliated with Carlyle, acquired SS&C through the merger of Sunshine Merger Corporation with and into SS&C, with SS&C being the surviving company and a wholly owned subsidiary of SS&C Holdings, and SS&C's outstanding common stock converted into the right to receive \$37.25 per share in cash. We refer to the acquisition of SS&C by SS&C Holdings as the Acquisition.

The following transactions occurred in connection with the Acquisition:

Carlyle capitalized SS&C Holdings with an aggregate equity contribution of \$381.0 million;

William C. Stone, SS&C's Chairman of the Board and Chief Executive Officer, contributed \$165.0 million of equity in the form of stock and rollover options, and certain other management and employee option holders contributed approximately \$9.0 million of additional equity in the form of rollover options, to SS&C Holdings;

SS&C entered into senior secured credit facilities consisting of:

a \$75.0 million revolving credit facility, of which \$10.0 million was drawn at closing; and

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a \$275.0 million term loan B facility, which was fully drawn at closing and of which the equivalent of \$75.0 million was drawn in Canadian dollars by one of SS&C's Canadian subsidiaries;

SS&C issued and sold \$205.0 million in aggregate principal amount of 113/4% senior subordinated notes due 2013;

all outstanding options to purchase shares of SS&C's common stock became fully vested and immediately exercisable, and each outstanding option (other than options held by (1) non-employee directors, (2) certain individuals identified in a schedule to the Merger Agreement and (3) individuals who held options that were exercisable for fewer than 100 shares of SS&C's common stock) were, subject to certain conditions, assumed by SS&C Holdings and converted into an option to acquire common stock of SS&C Holdings; and

all in-the-money warrants to purchase shares of SS&C's common stock were cancelled in exchange for cash equal to the excess of the transaction price over the exercise price of the warrants.

In this prospectus, we refer to the Acquisition, the equity contributions to SS&C Holdings, the offering of the senior subordinated notes and the other transactions described above as the Transaction.

As a result of the Transaction, as of September 30, 2009, investment funds affiliated with Carlyle beneficially owned approximately 72% of the common stock of SS&C Holdings and William C. Stone, the Chairman of the Board and Chief Executive Officer of each of SS&C and SS&C Holdings, beneficially owned approximately 32% of the common stock of SS&C Holdings. See Principal and selling stockholders for additional information, including the calculation of beneficial ownership. The term Successor refers to us following the Acquisition, and the term Predecessor refers to us prior to the Acquisition.

The table set forth below compares the per share and aggregate amounts contributed to SS&C Holdings by William C. Stone, Carlyle and certain other management and employee option holders at the time of Transaction with the implied per share and aggregate value of the shares of our common stock at the time of this offering, based on an assumed initial public offering price of \$ per share (which represents the mid-point of the range set forth on the cover page of this prospectus):

	Time of transaction	Time of initial public offering
Per share	\$	\$
Aggregate	\$ million	\$ million

Additional information

SS&C Holdings was incorporated in Delaware as Sunshine Acquisition Corporation in July 2005 and changed its name to SS&C Technologies Holdings, Inc. in June 2007. SS&C was organized as a Connecticut corporation in March 1986 and reincorporated as a Delaware corporation in April 1996. On November 23, 2005, SS&C Holdings acquired SS&C, as described above under The going-private transaction. Our principal executive offices are located at 80 Lambertson Road, Windsor, Connecticut 06095, and our telephone number at that location is (860) 298-4500. Our website address is www.ssctech.com. Information contained on our website does not constitute a part of this

prospectus.

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The offering

Common stock offered by SS&C Technologies Holdings, Inc.	_____ shares
Common stock offered by the selling stockholders	_____ shares
Total	_____ shares
Common stock to be outstanding after this offering	_____ shares (_____ shares if the over-allotment option is exercised in full)
Over-allotment option offered by SS&C Technologies Holdings, Inc.	We have granted the underwriters a 30-day option to purchase up to _____ shares of our common stock.
Use of proceeds	We estimate that we will receive approximately \$ _____ million in net proceeds from the _____ shares of common stock that we are offering based upon an assumed initial public offering price of \$ _____ per share, the midpoint of the estimated price range shown on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We may use a portion of our net proceeds of this offering to redeem all or a portion of our outstanding 113/4% senior subordinated notes due 2013 at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest, and the balance of our net proceeds for working capital and other general corporate purposes, including potential acquisitions. We will not receive any proceeds from the sale of shares by the selling stockholders. See Use of proceeds for additional information.

The number of shares of our common stock to be outstanding following this offering is based on 7,104,889 shares of our common stock outstanding as of September 30, 2009, which excludes:

1,489,512 shares of common stock issuable upon the exercise of stock options outstanding as of September 30, 2009 at a weighted average exercise price of \$56.74 per share;

346,147 shares of common stock reserved as of September 30, 2009 for future issuance under our 2006 equity incentive plan; and

308,666 shares of common stock reserved as of September 30, 2009 for future issuance under our 2008 stock incentive plan.

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The shares of common stock offered by us and the selling stockholders in this offering will represent % of the total shares of common stock to be outstanding after this offering.

Unless otherwise indicated, all information in this prospectus reflects and assumes the following:

no exercise of outstanding options after September 30, 2009;

the effectiveness upon the closing of this offering of our restated certificate of incorporation and our amended and restated bylaws, which contain provisions customary for public companies, as more fully described below under Description of capital stock ; and

no exercise by the underwriters of their over-allotment option.

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Summary historical financial data

The tables below summarize our historical consolidated financial data as of and for the periods indicated. You should read the following information together with the more detailed information contained in Selected historical financial data, Management's discussion and analysis of financial condition and results of operations and our financial statements and the accompanying notes.

On November 23, 2005, SS&C Holdings acquired SS&C through the merger of Sunshine Merger Corporation, a wholly owned subsidiary of SS&C Holdings, with and into SS&C, with SS&C being the surviving company and a wholly owned subsidiary of SS&C Holdings. We refer to the acquisition of SS&C by SS&C Holdings as the Acquisition. We refer to the Acquisition, together with related transactions entered into to finance the cash consideration for the Acquisition, to refinance certain of our existing indebtedness and to pay related transaction fees and expenses, as the Transaction.

The term Successor refers to us following the Acquisition, and the term Predecessor refers to us prior to the Acquisition. Certain financial information in this prospectus for the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005 has been presented on a combined basis. This presentation does not comply with generally accepted accounting principles or with the rules for pro forma presentation, but is presented because we believe that it provides a meaningful comparison of our results. The combined operating results may not reflect the actual results we would have achieved absent the Transaction and may not be predictive of future results of operations.

The as adjusted balance sheet data set forth below give effect to the sale by us of shares of our common stock in this offering at an assumed initial public offering price of per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the use of a portion of the net proceeds thereof to redeem \$ million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest. The as adjusted balance sheet also gives effect to a loss on extinguishment of debt of approximately \$ million, including a \$ million redemption premium and a non-cash charge of approximately \$ million relating to the write-off of deferred financing fees attributable to the redeemed notes.

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	Predecessor January 1 through November 22, 2005	Successor November 23 through December 31, 2005	Combined¹ Year ended December 31, 2005	Year ended December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008	Successor Nine month ended September 30, 2008	2009
Statement of operations								
Revenues:								
Software licenses	\$ 20,147	\$ 3,587	\$ 23,734	\$ 22,925	\$ 27,514	\$ 24,844	\$ 18,353	\$ 15,633
Maintenance	44,064	3,701	47,765	55,222	61,910	65,178	48,986	48,566
Professional services	12,565	2,520	15,085	19,582	17,491	24,352	18,695	14,877
Software-enabled services	67,193	7,857	75,050	107,740	141,253	165,632	125,685	120,800
Total revenues	143,969	17,665	161,634	205,469	248,168	280,006	211,719	199,876
Total cost of revenues	59,004	7,627	66,631	100,016	128,882	142,433	107,311	102,399
Gross profit	84,965	10,038	95,003	105,453	119,286	137,573	104,408	97,477
Operating expenses:								
Selling, marketing, general and administrative	25,078	2,504	27,582	37,964	44,274	45,686	35,390	29,911
Research and development	19,199	2,071	21,270	23,620	26,282	26,804	20,341	19,599
Depreciation and amortization	36,912		36,912					
Total operating expenses	81,189	4,575	85,764	61,584	70,556	72,490	55,731	49,510
Operating income	3,776	5,463	9,239	43,869	48,730	65,083	48,677	47,967
Interest income	1,031	30	1,061	388	939	409	373	2,000
Interest expense	(2,092)	(4,920)	(7,012)	(47,427)	(45,463)	(41,539)	(31,505)	(27,811)
Other (expense) income,	655	258	913	456	1,911	1,994	278	(1,250)
Income (loss) before income taxes	3,370	831	4,201	(2,714)	6,117	25,947	17,823	18,926
Provision (benefit) for income taxes	2,658		2,658	(3,789)	(458)	7,146	5,491	5,922
Net income	\$ 712	\$ 831	\$ 1,543	\$ 1,075	\$ 6,575	\$ 18,801	\$ 12,332	\$ 12,994

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arnings per share ²														
asic	\$	0.03	\$	0.12	\$	0.15	\$	0.93	\$	2.65	\$	1.74	\$	1.8
uted	\$	0.03	\$	0.11	\$	0.15	\$	0.88	\$	2.51	\$	1.65	\$	1.7
ighted average shares														
standing ²														
asic		23,300		7,075		7,079		7,088		7,092		7,090		7,10
uted		24,478		7,314		7,316		7,457		7,494		7,486		7,42

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	Predecessor January 1 through November 22 2005	Successor November 23 through December 31 2005	Combined ¹ Year ended December 31 2005	Year ended December 31 2006	Year ended December 31 2007	Year ended December 31, 2008	Successor Nine months ended September 30, 2008	Successor Nine months ended September 30, 2009
Other financial data:								
Recurring revenue percentage ³	77.3%	65.4%	76.0%	79.3%	81.9%	82.4%	82.5%	84.7%
Consolidated EBITDA ⁴	\$ 64,989	\$ 8,588	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566	\$ 84,854	\$ 82,979

(In thousands)	As of September 30, 2009	
	Actual	As adjusted
Balance sheet data:		
Cash and cash equivalents	\$ 52,461	\$
Working capital	21,020	
Total assets	1,165,854	
113/4% senior subordinated notes due 2013	205,000	
Senior credit facility, including current portion	197,279	
Total stockholders' equity	634,818	

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ per share would increase (decrease) the as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately \$ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts commissions and estimated offering expenses payable by us.

- (1) Our combined results for the year ended December 31, 2005 represent the addition of the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005. This combination does not comply with generally accepted accounting principles (GAAP) or with the rules for pro forma presentation, but is presented because we believe it provides the most meaningful comparison of our results.
- (2) Amounts for the Predecessor period are computed based upon the capital structure in existence prior to the Acquisition. Amounts for the Successor periods are computed based upon the capital structure in existence subsequent to the Acquisition.
- (3) Recurring revenue percentage represents software-enabled services revenues and maintenance revenues as a percentage of total revenues. We do not believe that the recurring revenue percentage for the Successor period of

2005 is meaningful because such period is only five weeks in duration and not indicative of our overall trends.

- (4) Consolidated EBITDA is a non-GAAP financial measure used in key financial covenants contained in our senior credit facilities, which are material facilities supporting our capital structure and providing liquidity to our business. Consolidated EBITDA is defined as earnings before interest, taxes, depreciation and amortization (EBITDA), further adjusted to exclude unusual items and other adjustments permitted in calculating covenant compliance under our senior credit facilities. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Consolidated EBITDA is appropriate to provide additional information to investors to demonstrate compliance with the specified financial ratios and other financial condition tests contained in our senior credit facilities.

Management uses Consolidated EBITDA to gauge the costs of our capital structure on a day-to-day basis when full financial statements are unavailable. Management further believes that providing this information allows our investors greater transparency and a better understanding of our ability to meet our debt service obligations and make capital expenditures.

Any breach of covenants in our senior credit facilities that are tied to ratios based on Consolidated EBITDA could result in a default under that agreement, in which case the lenders could elect to declare all amounts borrowed due and payable and to terminate any commitments they have to provide further borrowings. Any such acceleration would also result in a default under our indenture. Any default and subsequent acceleration of payments under our debt agreements would have a material adverse effect on our results of operations, financial position and cash flows. Additionally, under our debt agreements, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is also tied to ratios based on Consolidated EBITDA.

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Consolidated EBITDA does not represent net income or cash flow from operations as those terms are defined by GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Further, our senior credit facilities require that Consolidated EBITDA be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or any complete fiscal year.

Consolidated EBITDA is not a recognized measurement under GAAP, and investors should not consider Consolidated EBITDA as a substitute for measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because other companies may calculate Consolidated EBITDA differently than we do, Consolidated EBITDA may not be comparable to similarly titled measures reported by other companies. Consolidated EBITDA has other limitations as an analytical tool, when compared to the use of net income, which is the most directly comparable GAAP financial measure, including:

Consolidated EBITDA does not reflect the provision of income tax expense in our various jurisdictions;

Consolidated EBITDA does not reflect the significant interest expense we incur as a result of our debt leverage;

Consolidated EBITDA does not reflect any attribution of costs to our operations related to our investments and capital expenditures through depreciation and amortization charges;

Consolidated EBITDA does not reflect the cost of compensation we provide to our employees in the form of stock option awards; and

Consolidated EBITDA excludes expenses that we believe are unusual or non-recurring, but which others may believe are normal expenses for the operation of a business.

The following is a reconciliation of net income to EBITDA and Consolidated EBITDA:

	Predecessor Period from January 1 through November 22, 2005	Successor Period from November 23, 2005 through December 31, 2005	Combined ^a Year ended December 31, 2005	Year ended December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008	Twelve months ended September 30, 2009 ^b	Nine mo er September 2008	Succe
(thousands)									
Income	\$ 712	\$ 831	\$ 1,543	\$ 1,075	\$ 6,575	\$ 18,801	\$ 19,465	\$ 12,332	\$ 12,332
Interest expense, net	1,061	4,890	5,951	47,039	44,524	41,130	37,789	31,132	27,000
Income taxes	2,658		2,658	(3,789)	(458)	7,146	7,583	5,491	5,491
Depreciation and amortization	9,575	2,301	11,876	27,128	35,047	35,038	35,453	26,292	26,292
EBITDA	14,006	8,022	22,028	71,453	85,668	102,115	100,290	75,247	73,115

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ase accounting									
ments ^c		616	616	3,017	(296)	(289)	(228)	(224)	
er costs	36,912		36,912						
l-based taxes				1,841	1,721	1,212	1,004	880	
al or non-recurring									
es (income) ^d	(737)	(242)	(979)	1,485	(1,718)	1,480	661	2,502	1
red EBITDA and									
avings ^e	14,808	85	14,893	1,147	135	2,379	3,455		2
-based compensation				3,871	10,979	7,323	6,281	5,405	4
		107	107	1,184	2,158	1,346	1,279	1,044	
olidated EBITDA	\$ 64,989	\$ 8,588	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566	\$ 112,742	\$ 84,854	\$ 82

(a) Our combined results for the year ended December 31, 2005 represent the addition of the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005. This combination does not comply with GAAP or with the rules for pro forma presentation, but is presented because we believe it provides the most meaningful comparison of our results.

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- (b) Results for the twelve months ended September 30, 2009 are included because our senior credit facilities require the calculation of our consolidated total leverage and consolidated net interest coverage ratio for the prior four consecutive quarters. With the exception of acquired EBITDA and cost savings, our results for the twelve months ended September 30, 2009 are calculated based on our results for the year ended December 31, 2008, in addition to our results for the nine months ended September 30, 2009, less our results for the nine months ended September 30, 2008.
- (c) Purchase accounting adjustments include (1) an adjustment to increase revenues by the amount that would have been recognized if deferred revenue were not adjusted to fair value at the date of the Transaction and (2) an adjustment to increase rent expense by the amount that would have been recognized if lease obligations were not adjusted to fair value at the date of the Transaction.
- (d) Unusual or non-recurring charges include foreign currency transaction gains and losses, expenses related to our prior proposed public offering, severance expenses associated with workforce reduction, gains and losses on the sales of marketable securities, equity earnings and losses on investments, proceeds and payments associated with legal and other settlements, costs associated with the closing of a regional office and other one-time gains and expenses.
- (e) Acquired EBITDA and cost savings reflects the EBITDA impact of significant businesses that were acquired during the period as if the acquisition occurred at the beginning of the period and cost savings to be realized from such acquisitions.
- (f) Other includes management fees and related expenses paid to Carlyle and the non-cash portion of straight-line rent expense.

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Our senior credit facilities require us to maintain both a maximum consolidated total leverage to Consolidated EBITDA ratio (currently no more than 5.50) and a minimum Consolidated EBITDA to consolidated net interest coverage ratio (currently not less than 2.00), in each case calculated for the trailing four quarters.

The table below summarizes our Consolidated EBITDA, consolidated total leverage ratio and consolidated net interest coverage ratio for the periods presented.

	Combined¹					Successor
	Twelve	Twelve	Twelve	Twelve	Twelve	Twelve
	months	months	months	months	months	months
	ended	ended	ended	ended	ended	ended
	December 31,	December 31,	December 31,	December 31,	September 30,	September 30,
(In thousands, except ratio data)	2005	2006	2007	2008	2009	2009
					adjusted	(As
						adjusted)
Consolidated EBITDA ²	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566	\$ 112,742	\$
Consolidated total leverage to Consolidated EBITDA ratio (current maximum covenant level: 5.50) ³	6.43	5.48	4.30	3.28	3.30	
Consolidated EBITDA to consolidated net interest coverage ratio (current minimum covenant level: 2.00) ⁴	10.87 ₅	1.88	2.34	2.98	3.18	

- (1) Our combined results for the year ended December 31, 2005 represent the addition of the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005. This combination does not comply with GAAP or with the rules for pro forma presentation, but is presented because we believe it provides the most meaningful comparison of our results.
- (2) We reconcile our Consolidated EBITDA for the trailing four quarters to net income for the same period using the same methods set forth above.
- (3) Consolidated total leverage ratio is defined in our senior credit facilities at the last day of any period of four consecutive fiscal quarters, as the ratio of (a) the principal amount of all debt at such date, minus the amount, up to a maximum amount of \$30.0 million, of cash and cash equivalents to (b) Consolidated EBITDA. The maximum consolidated total leverage ratio for 2009 is 5.50. The maximum consolidated total leverage ratio for 2008 was 6.00, for 2007 was 6.75 and for 2006 was 7.50. There was no maximum consolidated total leverage ratio covenant prior to June 30, 2006.

- (4) Consolidated net interest coverage ratio is defined in our senior credit facilities as for any period, the ratio of (a) Consolidated EBITDA for such period to (b) total cash interest expense for such period with respect to all outstanding indebtedness minus total cash interest income for such period. The minimum consolidated net interest coverage ratio for 2009 is 2.00. The minimum consolidated net interest coverage ratio for 2008 was 1.70, for 2007 was 1.50 and for 2006 was 1.40. There was no minimum consolidated net interest coverage ratio covenant prior to June 30, 2006.
- (5) This ratio is not comparable because we did not incur debt under our existing senior credit facilities until November 2005 in connection with the Transaction.
- (6) As adjusted to give effect to the sale by us of _____ shares of our common stock in this offering at an assumed initial public offering price of \$ _____ per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the use of a portion of the net proceeds thereof to redeem \$ _____ million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest.

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Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors, as well as the other information in this prospectus, before deciding whether to invest in our common stock. If any of the following risks occur, our business, financial condition and operating results could be materially affected. The trading price of our common stock could decline as a result of any of these risks, and you might lose all or part of your investment in our common stock.

Risks relating to our business

Our business is greatly affected by changes in the state of the general economy and the financial markets, and a prolonged downturn in the general economy or the financial services industry could disproportionately affect the demand for our products and services.

The systemic impact of a potential long-term and wide-spread recession, energy costs, geopolitical issues, the availability and cost of credit, and the global housing and mortgage markets have contributed to increased market volatility and diminished expectations for both western and emerging economies. These unfavorable changes in economic conditions, as well as declining consumer confidence, inflation, recession or other factors, have caused and could continue to cause our clients or prospective clients to delay or reduce purchases of our products, and our revenues could be adversely affected. Fluctuations in the value of assets under our clients' management could also adversely affect our revenues. These unfavorable conditions could also make it difficult for our clients to obtain credit on reasonable terms or at all, preventing them from making desired purchases of our products and services. Further, the current challenging economic conditions also may impair the ability of our clients to pay for products they have purchased and, as a result, our reserves, allowances for doubtful accounts and write-offs of accounts receivable could increase. We cannot predict the timing or duration of any economic downturn, generally, or in the markets in which our businesses operate. Continued turbulence in the U.S. and international markets and prolonged declines in business consumer spending could materially adversely affect our liquidity and financial condition, and the liquidity and financial condition of our clients.

Our clients include a range of organizations in the financial services industry whose success is linked to the health of the economy generally and of the financial markets specifically. As a result, we believe that fluctuations, disruptions, instability or prolonged downturns in the general economy and the financial services industry, including the current economic crisis, could disproportionately affect demand for our products and services. For example, such fluctuations, disruptions, instability or downturns may cause our clients to do the following:

- cancel or reduce planned expenditures for our products and services;
- process fewer transactions through our software-enabled services;
- seek to lower their costs by renegotiating their contracts with us;
- move their IT solutions in-house;
- switch to lower-priced solutions provided by our competitors; or
- exit the industry.

If such conditions occur and persist, our business and financial results, including our liquidity and our ability to fulfill our obligations to the holders of our 113/4% senior subordinated notes

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due 2013, which we refer to as the notes or senior subordinated notes, and our other lenders, could be materially adversely affected.

Further or accelerated consolidations and failures in the financial services industry could adversely affect our results of operations due to a resulting decline in demand for our products and services.

If banks and financial services firms fail or continue to consolidate, there could be a decline in demand for our products and services. Failures, mergers and consolidations of banks and financial institutions reduce the number of our clients and potential clients, which could adversely affect our revenues even if these events do not reduce the aggregate activities of the consolidated entities. Further, if our clients fail and/or merge with or are acquired by other entities that are not our clients, or that use fewer of our products and services, they may discontinue or reduce their use of our products and services. It is also possible that the larger financial institutions resulting from mergers or consolidations would have greater leverage in negotiating terms with us. In addition, these larger financial institutions could decide to perform in-house some or all of the services that we currently provide or could provide or to consolidate their processing on a non-SS&C system. The resulting decline in demand for our products and services could have a material adverse effect on our revenues.

If we are unable to retain and attract clients, our revenues and net income would remain stagnant or decline.

If we are unable to keep existing clients satisfied, sell additional products and services to existing clients or attract new clients, then our revenues and net income would remain stagnant or decline. A variety of factors could affect our ability to successfully retain and attract clients, including:

- the level of demand for our products and services;
- the level of client spending for information technology;
- the level of competition from internal client solutions and from other vendors;
- the quality of our client service;
- our ability to update our products and services and develop new products and services needed by clients;
- our ability to understand the organization and processes of our clients; and
- our ability to integrate and manage acquired businesses.

We face significant competition with respect to our products and services, which may result in price reductions, reduced gross margins or loss of market share.

The market for financial services software and services is competitive, rapidly evolving and highly sensitive to new product and service introductions and marketing efforts by industry participants. The market is also highly fragmented and served by numerous firms that target only local markets or specific client types. We also face competition from information systems developed and serviced internally by the IT departments of financial services firms.

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Some of our current and potential competitors have significantly greater financial, technical, distribution and marketing resources, generate higher revenues and have greater name recognition. Our current or potential competitors may develop products comparable or superior to those developed by us, or adapt more quickly to new technologies, evolving industry trends or changing client or regulatory requirements. It is also possible that alliances among competitors may emerge and rapidly acquire significant market share. Increased competition may result in price reductions, reduced gross margins and loss of market share. Accordingly, our business may not grow as expected and may decline.

Catastrophic events may adversely affect our ability to provide, our clients' ability to use, and the demand for, our products and services, which may disrupt our business and cause a decline in revenues.

A war, terrorist attack, natural disaster or other catastrophe may adversely affect our business. A catastrophic event could have a direct negative impact on us or an indirect impact on us by, for example, affecting our clients, the financial markets or the overall economy and reducing our ability to provide, our clients' ability to use, and the demand for, our products and services. The potential for a direct impact is due primarily to our significant investment in infrastructure. Although we maintain redundant facilities and have contingency plans in place to protect against both man-made and natural threats, it is impossible to fully anticipate and protect against all potential catastrophes. A computer virus, security breach, criminal act, military action, power or communication failure, flood, severe storm or the like could lead to service interruptions and data losses for clients, disruptions to our operations, or damage to important facilities. In addition, such an event may cause clients to cancel their agreements with us for our products or services. Any of these events could cause a decline in our revenues.

Our software-enabled services may be subject to disruptions that could adversely affect our reputation and our business.

Our software-enabled services maintain and process confidential data on behalf of our clients, some of which is critical to their business operations. For example, our trading systems maintain account and trading information for our clients and their customers. There is no guarantee that the systems and procedures that we maintain to protect against unauthorized access to such information are adequate to protect against all security breaches. If our software-enabled services are disrupted or fail for any reason, or if our systems or facilities are infiltrated or damaged by unauthorized persons, our clients could experience data loss, financial loss, harm to their reputation and significant business interruption. If that happens, we may be exposed to unexpected liability, our clients may leave, our reputation may be tarnished, and client dissatisfaction and lost business may result.

We may not achieve the anticipated benefits from our acquisitions and may face difficulties in integrating our acquisitions, which could adversely affect our revenues, subject us to unknown liabilities, increase costs and place a significant strain on our management.

We have made and intend in the future to make acquisitions of companies, products or technologies that we believe could complement or expand our business, augment our market coverage, enhance our technical capabilities or otherwise offer growth opportunities. However, acquisitions could subject us to contingent or unknown liabilities, and we may have to incur debt or severance liabilities or write off investments, infrastructure costs or other assets.

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Our success is also dependent on our ability to complete the integration of the operations of acquired businesses in an efficient and effective manner. Successful integration in the rapidly changing financial services software and services industry may be more difficult to accomplish than in other industries. We may not realize the benefits we anticipate from acquisitions, such as lower costs or increased revenues. We may also realize such benefits more slowly than anticipated, due to our inability to:

- combine operations, facilities and differing firm cultures;
- retain the clients or employees of acquired entities;
- generate market demand for new products and services;
- coordinate geographically dispersed operations and successfully adapt to the complexities of international operations;
- integrate the technical teams of these companies with our engineering organization;
- incorporate acquired technologies and products into our current and future product lines; and
- integrate the products and services of these companies with our business, where we do not have distribution, marketing or support experience for these products and services.

Integration may not be smooth or successful. The inability of management to successfully integrate the operations of acquired companies could disrupt our ongoing operations, divert management from day-to-day responsibilities, increase our expenses and harm our operating results or financial condition. Such acquisitions may also place a significant strain on our administrative, operational, financial and other resources. To manage growth effectively, we must continue to improve our management and operational controls, enhance our reporting systems and procedures, integrate new personnel and manage expanded operations. If we are unable to manage our growth and the related expansion in our operations from recent and future acquisitions, our business may be harmed through a decreased ability to monitor and control effectively our operations and a decrease in the quality of work and innovation of our employees.

We expect that our operating results, including our profit margins and profitability, may fluctuate over time.

Historically, our revenues, profit margins and other operating results have fluctuated from period to period and over time primarily due to the timing, size and nature of our license and service transactions. Additional factors that may lead to such fluctuation include:

- the timing of the introduction and the market acceptance of new products, product enhancements or services by us or our competitors;
- the lengthy and often unpredictable sales cycles of large client engagements;
- the amount and timing of our operating costs and other expenses;
- the financial health of our clients;
- changes in the value of assets under our clients' management;

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cancellations of maintenance and/or software-enabled services arrangements by our clients;

changes in local, national and international regulatory requirements;

changes in our personnel;

implementation of our licensing contracts and software-enabled services arrangements;

changes in economic and financial market conditions; and

changes in the mix in the types of products and services we provide.

If we cannot attract, train and retain qualified managerial, technical and sales personnel, we may not be able to provide adequate technical expertise and customer service to our clients or maintain focus on our business strategy.

We believe that our success is due in part to our experienced management team. We depend in large part upon the continued contribution of our senior management and, in particular, William C. Stone, our Chief Executive Officer and Chairman of the Board of Directors. Losing the services of one or more members of our senior management could significantly delay or prevent the achievement of our business objectives. Mr. Stone has been instrumental in developing our business strategy and forging our business relationships since he founded the company in 1986. We maintain no key man life insurance policies for Mr. Stone or any other senior officers or managers.

Our success is also dependent upon our ability to attract, train and retain highly skilled technical and sales personnel. Loss of the services of these employees could materially affect our operations. Competition for qualified technical personnel in the software industry is intense, and we have, at times, found it difficult to attract and retain skilled personnel for our operations.

Locating candidates with the appropriate qualifications, particularly in the desired geographic location and with the necessary subject matter expertise, is difficult. Our failure to attract and retain a sufficient number of highly skilled employees could prevent us from developing and servicing our products at the same levels as our competitors and we may, therefore, lose potential clients and suffer a decline in revenues.

If we are unable to protect our proprietary technology, our success and our ability to compete will be subject to various risks, such as third-party infringement claims, unauthorized use of our technology, disclosure of our proprietary information or inability to license technology from third parties.

Our success and ability to compete depends in part upon our ability to protect our proprietary technology. We rely on a combination of trade secret, copyright and trademark law, nondisclosure agreements and technical measures to protect our proprietary technology. We have registered trademarks for some of our products and will continue to evaluate the registration of additional trademarks as appropriate. We generally enter into confidentiality and/or license agreements with our employees, distributors, clients and potential clients. We seek to protect our software, documentation and other written materials under trade secret and copyright laws, which afford only limited protection. These efforts may be insufficient to prevent third parties from asserting intellectual property rights in our technology. Furthermore, it may be possible for unauthorized third parties to copy portions of our products or to reverse engineer or otherwise

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obtain and use our proprietary information, and third parties may assert ownership rights in our proprietary technology.

Existing patent and copyright laws afford only limited protection. Others may develop substantially equivalent or superseding proprietary technology, or competitors may offer equivalent products in competition with our products, thereby substantially reducing the value of our proprietary rights. There are many patents in the financial services field. As a result, we are subject to the risk that others will claim that the important technology we have developed, acquired or incorporated into our products will infringe the rights, including the patent rights, such persons may hold. In addition, we cannot be sure that our proprietary technology does not include open-source software, free-ware, share-ware or other publicly available technology. Third parties could claim that our software incorporates publicly available software and that, as a result, we must publicly disclose our source code. Because we rely on confidentiality for protection, such an event could result in a material loss of our intellectual property rights. Expensive and time-consuming litigation may be necessary to protect our proprietary rights.

We have acquired and may acquire important technology rights through our acquisitions and have often incorporated and may incorporate features of this technology across many products and services. As a result, we are subject to the above risks and the additional risk that the seller of the technology rights may not have appropriately protected the intellectual property rights we acquired. Indemnification and other rights under applicable acquisition documents are limited in term and scope and therefore provide us with only limited protection.

In addition, we currently use certain third-party software in providing some of our products and services, such as industry standard databases and report writers. If we lost our licenses to use such software or if such licenses were found to infringe upon the rights of others, we would need to seek alternative means of obtaining the licensed software to continue to provide our products or services. Our inability to replace such software, or to replace such software in a timely manner, could have a negative impact on our operations and financial results.

We could become subject to litigation regarding intellectual property rights, which could seriously harm our business and require us to incur significant costs, which, in turn, could reduce or eliminate profits.

In recent years, there has been significant litigation in the United States involving patents and other intellectual property rights. We may be a party to litigation in the future to enforce our intellectual property rights or as a result of an allegation that we infringe others' intellectual property rights, including patents, trademarks and copyrights. From time to time we have received notices claiming our technology may infringe third-party intellectual property rights. Any parties asserting that our products or services infringe upon their proprietary rights could force us to defend ourselves and possibly our clients against the alleged infringement. These claims and any resulting lawsuit, if successful, could subject us to significant liability for damages and invalidation of our proprietary rights. These lawsuits, regardless of their success, could be time-consuming and expensive to resolve, adversely affect our revenues, profitability and prospects and divert management time and attention away from our operations. We may be required to re-engineer our products or services or obtain a license of third-party technologies on unfavorable terms.

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Our failure to continue to derive substantial revenues from the licensing of, or the provision of software-enabled services related to, our CAMRA, TradeThru, Pacer, AdvisorWare and Total Return software, and the provision of maintenance and professional services in support of such licensed software, could adversely affect our ability to sustain or grow our revenues and harm our business, financial condition and results of operations.

The licensing of, and the provision of software-enabled services, maintenance and professional services relating to, our CAMRA, TradeThru, Pacer, AdvisorWare and Total Return software accounted for approximately 58% of our revenues for the year ended December 31, 2008. We expect that the revenues from these software products and services will continue to account for a significant portion of our total revenues for the foreseeable future. As a result, factors adversely affecting the pricing of or demand for such products and services, such as competition or technological change, could have a material adverse effect on our ability to sustain or grow our revenues and harm our business, financial condition and results of operations.

We may be unable to adapt to rapidly changing technology and evolving industry standards and regulatory requirements, and our inability to introduce new products and services could result in a loss of market share.

Rapidly changing technology, evolving industry standards and regulatory requirements and new product and service introductions characterize the market for our products and services. Our future success will depend in part upon our ability to enhance our existing products and services and to develop and introduce new products and services to keep pace with such changes and developments and to meet changing client needs. The process of developing our software products is extremely complex and is expected to become increasingly complex and expensive in the future due to the introduction of new platforms, operating systems and technologies. Our ability to keep up with technology and business and regulatory changes is subject to a number of risks, including that:

we may find it difficult or costly to update our services and software and to develop new products and services quickly enough to meet our clients' needs;

we may find it difficult or costly to make some features of our software work effectively and securely over the Internet or with new or changed operating systems;

we may find it difficult or costly to update our software and services to keep pace with business, evolving industry standards, regulatory and other developments in the industries where our clients operate; and

we may be exposed to liability for security breaches that allow unauthorized persons to gain access to confidential information stored on our computers or transmitted over our network.

Our failure to enhance our existing products and services and to develop and introduce new products and services to promptly address the needs of the financial markets could adversely affect our business and results of operations.

Undetected software design defects, errors or failures may result in loss of our clients' data, litigation against us and harm to our reputation and business.

Our software products are highly complex and sophisticated and could contain design defects or software errors that are difficult to detect and correct. Errors or bugs may result in loss of client data or require design modifications. We cannot assure you that, despite testing by us and our

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clients, errors will not be found in new products, which errors could result in data unavailability, loss or corruption of client assets, litigation and other claims for damages against us. The cost of defending such a lawsuit, regardless of its merit, could be substantial and could divert management's attention from ongoing operations of the company. In addition, if our business liability insurance coverage proves inadequate with respect to a claim or future coverage is unavailable on acceptable terms or at all, we may be liable for payment of substantial damages. Any or all of these potential consequences could have an adverse impact on our operating results and financial condition.

Challenges in maintaining and expanding our international operations can result in increased costs, delayed sales efforts and uncertainty with respect to our intellectual property rights and results of operations.

For the years ended December 31, 2006, 2007 and 2008, international revenues accounted for 40%, 41% and 39%, respectively, of our total revenues. We sell certain of our products, such as Altair and Pacer, primarily outside the United States. Our international business may be subject to a variety of risks, including:

changes in a specific country's or region's political or economic condition;

difficulties in obtaining U.S. export licenses;

potentially longer payment cycles;

increased costs associated with maintaining international marketing efforts;

foreign currency fluctuations;

the introduction of non-tariff barriers and higher duty rates;

foreign regulatory compliance; and

difficulties in enforcement of third-party contractual obligations and intellectual property rights.

Such factors could have a material adverse effect on our ability to meet our growth and revenue projections and negatively affect our results of operations.

Risks relating to our indebtedness

Our substantial indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations under our 113/4% senior subordinated notes due 2013 and our senior credit facilities.

We have incurred a significant amount of indebtedness. As of September 30, 2009, we had total indebtedness of \$402.6 million and additional available borrowings of \$75.0 million under our revolving credit facility. Our total indebtedness consisted of \$205.0 million of 113/4% senior subordinated notes due 2013, \$197.3 million of secured indebtedness under our term loan B facility and \$0.3 million of capital leases.

Our substantial indebtedness could have important consequences. For example, it could:

make it more difficult for us to satisfy our obligations with respect to our notes and our senior credit facilities;

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require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund acquisitions, working capital, capital expenditures, research and development efforts and other general corporate purposes;

increase our vulnerability to and limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

expose us to the risk of increased interest rates as borrowings under our senior credit facilities are subject to variable rates of interest;

place us at a competitive disadvantage compared to our competitors that have less debt; and

limit our ability to borrow additional funds.

In addition, the indenture governing the notes and the agreement governing our senior credit facilities contain financial and other restrictive covenants that limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our debts.

To service our indebtedness, we require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

We are currently obligated to make periodic principal and interest payments on our senior and subordinated debt of approximately \$35 million annually. Our ability to make payments on and to refinance our indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our senior credit facilities in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness on or before maturity. We cannot assure you that we will be able to refinance any of our indebtedness, including our senior credit facilities and the notes, on commercially reasonable terms or at all. If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances. We cannot assure you that any such actions, if necessary, could be effected on commercially reasonable terms or at all.

Despite current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial financial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future because the terms of the indenture governing the notes and our senior credit facilities do not fully prohibit us or our subsidiaries from doing so. Subject to covenant compliance and certain conditions, our senior credit facilities permit additional borrowing, including borrowing up to \$75.0 million under our revolving credit facility. If new debt is added to our and our subsidiaries' current debt levels, the related risks that we and they now face could intensify.

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Restrictive covenants in the indenture governing the notes and the agreement governing our senior credit facilities may restrict our ability to pursue our business strategies.

The indenture governing the notes and the agreement governing our senior credit facilities limit SS&C's ability, among other things, to:

- incur additional indebtedness;
- sell assets, including capital stock of restricted subsidiaries;
- agree to payment restrictions affecting SS&C's restricted subsidiaries;
- pay dividends;
- consolidate, merge, sell or otherwise dispose of all or substantially all of SS&C's assets;
- make strategic acquisitions;
- enter into transactions with SS&C's affiliates;
- incur liens; and
- designate any of SS&C's subsidiaries as unrestricted subsidiaries.

In addition, our senior credit facilities include other covenants which, subject to permitted exceptions, prohibit us from making capital expenditures in excess of certain thresholds, making investments, loans and other advances, engaging in sale-leaseback transactions, entering into speculative hedging agreements, and prepaying our other indebtedness while indebtedness under our senior credit facilities is outstanding. The agreement governing our senior credit facilities also requires us to maintain compliance with specified financial ratios, particularly a leverage ratio and an interest coverage ratio. Our ability to comply with these ratios may be affected by events beyond our control. See [Description of certain indebtedness](#) [Senior credit facilities](#) for additional information.

The restrictions contained in the indenture governing the notes and the agreement governing our senior credit facilities could limit our ability to plan for or react to market conditions, meet capital needs or make acquisitions or otherwise restrict our activities or business plans.

A breach of any of these restrictive covenants or our inability to comply with the required financial ratios could result in a default under the agreement governing our senior credit facilities. If a default occurs, the lenders under our senior credit facilities may elect to:

- declare all borrowings outstanding, together with accrued interest and other fees, to be immediately due and payable; or
- prevent us from making payments on the notes,

either of which would result in an event of default under the notes. The lenders also have the right in these circumstances to terminate any commitments they have to provide further borrowings. If we are unable to repay outstanding borrowings when due, the lenders under our senior credit facilities also have the right to proceed against the collateral, including our available cash, granted to them to secure the indebtedness. If the indebtedness under our senior credit facilities and the notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full that indebtedness and our other indebtedness.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture governing the notes.

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all outstanding notes at 101% of the principal amount thereof plus

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accrued and unpaid interest and liquidated damages, if any, to the date of repurchase. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of notes or that restrictions in our senior credit facilities will not allow such repurchases. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a Change of Control under the indenture governing the notes.

Risks relating to this offering and ownership of our common stock

An active trading market for our common stock may not develop, and you may not be able to sell your common stock at or above the initial public offering price.

Prior to this offering, there has been no public market for the common stock of SS&C Holdings. Although we have applied to have our common stock listed on the , an active and liquid trading market for shares of our common stock may never develop or be sustained following this offering. If no trading market develops, securities analysts may not initiate or maintain research coverage of our company, which could further depress the market for our common stock. As a result, investors may not be able to sell their common stock at or above the initial public offering price or at the time that they would like to sell.

If equity research analysts do not publish research or reports about our business or if they issue unfavorable commentary or downgrade our common stock, the price of our common stock could decline.

The trading market for our common stock will rely in part on the research and reports that equity research analysts publish about us and our business. We do not control these analysts. The price of our stock could decline if one or more equity analysts downgrade our stock or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business.

The market price of our common stock may be volatile, which could result in substantial losses for investors purchasing shares in this offering.

The initial public offering price for our common stock will be determined through negotiations with the underwriters. This initial public offering price may vary from the market price of our common stock after the offering. Some of the factors that may cause the market price of our common stock to fluctuate include:

- fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- changes in estimates of our financial results or recommendations by securities analysts;
- failure of any of our products to achieve or maintain market acceptance;
- changes in market valuations of similar companies;
- success of competitive products;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;

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announcements by us or our competitors of significant products, contracts, acquisitions or strategic alliances;
 regulatory developments in the United States, foreign countries or both;
 litigation involving our company, our general industry or both;
 additions or departures of key personnel;
 investors' general perception of us; and
 changes in general economic, industry and market conditions.

In addition, if the market for technology stocks or the stock market in general experiences a loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business, financial condition or results of operations. If any of the foregoing occurs, it could cause our stock price to fall and may expose us to class action lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

A significant portion of our total outstanding shares may be sold into the public market in the near future, which could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time after the expiration of the lock-up agreements described in Underwriting. These sales, or the market perception that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock. After this offering, we will have _____ shares of common stock outstanding based on the number of shares outstanding as of September 30, 2009. This includes the _____ shares that we and the selling stockholders are selling in this offering, which may be resold in the public market immediately. The remaining _____ shares, or _____ % of our outstanding shares after this offering, are currently restricted as a result of securities laws or lock-up agreements but will be able to be sold, subject to any applicable volume limitations under federal securities laws with respect to affiliate sales, in the near future as set forth below.

Number of shares	Date available for sale into public market
_____ shares	On the date of this prospectus.
_____ shares	90 days after the date of this prospectus.
_____ shares	180 days after the date of this prospectus, subject to extension in specified instances, due to lock-up agreements between the holders of these shares and the underwriters. However, the underwriters can waive the provisions of these lock-up agreements and allow these stockholders to sell their shares at any time.

In addition, as of September 30, 2009, there were _____ shares subject to outstanding options that will become eligible for sale in the public market to the extent permitted by any applicable vesting requirements, the lock-up agreements and Rules 144 and 701 under the Securities Act of 1933, which we refer to as the Securities Act. Moreover, after this offering, holders of an aggregate of _____ shares of our common stock as of September 30, 2009, will have rights,

subject to some conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other

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stockholders. We also intend to register all shares of common stock that we may issue under our employee benefit plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to the lock-up agreements and the restrictions imposed on our affiliates under Rule 144.

You will incur immediate and substantial dilution in the net tangible book value of your shares as a result of this offering.

If you purchase common stock in this offering, you will incur immediate and substantial dilution of \$ per share, representing the difference between the assumed initial public offering price of \$ per share and our adjusted net tangible book value per share after giving effect to this offering. Moreover, we issued options in the past to acquire common stock at prices significantly below the initial public offering price. As of September 30, 2009, there were shares subject to outstanding options with a weighted average exercise price of \$ per share. To the extent that these outstanding options are ultimately exercised, you will incur further dilution.

A few significant stockholders control the direction of our business. If the ownership of our common stock continues to be highly concentrated, it will prevent you and other stockholders from influencing significant corporate decisions.

Following the completion of this offering, investment funds affiliated with Carlyle will beneficially own approximately % of our common stock, and William C. Stone will beneficially own approximately % of our common stock, assuming that the underwriters do not exercise their option to purchase additional shares. We are also party to a stockholders agreement with Carlyle and Mr. Stone, pursuant to which Carlyle and Mr. Stone have agreed to vote in favor of nominees to our board of directors nominated by each other. As a result, Carlyle and Mr. Stone will continue to exercise control over matters requiring stockholder approval and our policy and affairs. See Certain relationships and related transactions Stockholders agreement.

The presence of Carlyle's nominees on our board of directors may result in a delay or the deterrence of possible changes in control of our company, which may reduce the market price of our common stock. The interests of our existing stockholders may conflict with the interests of our other stockholders. Additionally, Carlyle and its affiliates are in the business of making investments in companies, and may from time to time in the future acquire interests in businesses that directly or indirectly compete with certain portions of our business or are suppliers or clients of ours.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We cannot specify with certainty the particular uses of a portion of the net proceeds we will receive from this offering. Our management will have broad discretion in the application of the net proceeds, including for any of the purposes described in Use of proceeds. Accordingly, you will have to rely upon the judgment of our management with respect to the use of the proceeds, with only limited information concerning management's specific intentions. Our management may spend a portion of the net proceeds from this offering in ways that our stockholders may not desire or that may not yield a favorable return. The failure by our management to apply these funds effectively could harm our business. Pending their use, we

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may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

Provisions in our certificate of incorporation and bylaws might discourage, delay or prevent a change of control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Provisions of our certificate of incorporation and bylaws and Delaware law may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. These provisions include:

limitations on the removal of directors;

a classified board of directors so that not all members of our board are elected at one time;

advance notice requirements for stockholder proposals and nominations;

the inability of stockholders to call special meetings;

the ability of our board of directors to make, alter or repeal our bylaws;

the ability of our board of directors to designate the terms of and issue new series of preferred stock without stockholder approval, which could be used to institute a rights plan, or a poison pill, that would work to dilute the stock ownership of a potential hostile acquirer, likely preventing acquisitions that have not been approved by our board of directors; and

a prohibition on stockholders from acting by written consent if William C. Stone, investment funds affiliated with Carlyle, and certain transferees of Carlyle cease to collectively hold a majority of our outstanding common stock.

The existence of the foregoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

See [Description of capital stock](#) for additional information on the anti-takeover measures applicable to us.

As a result of our operating as a public company, our management will be required to devote significant time to public company compliance requirements. This may divert management's attention from the growth and operation of the business.

The Sarbanes-Oxley Act of 2002, and rules subsequently implemented by the Securities and Exchange Commission and the _____, impose a number of requirements on public companies, including provisions regarding corporate governance practices. Our management and other personnel will need to devote a significant amount of time to these compliance initiatives. Moreover, these rules and regulations will make some activities more time-consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantial additional costs to maintain the same or similar coverage. These rules and regulations could also make it more difficult for us to

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attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers.

In addition, the Sarbanes-Oxley Act requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. In particular, we will need to perform system and process evaluation and testing of our internal control over financial reporting to allow management and our independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses. Our compliance with Section 404 will require that we expend significant management time on compliance-related issues. Moreover, if we are not able to comply with the requirements of Section 404 in a timely manner, or if we or our independent registered public accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our common stock could decline and we could be subject to sanctions or investigations by the _____, the Securities and Exchange Commission or other regulatory authorities, which would require additional financial and management resources.

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Forward-looking statements

This prospectus includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms believes, estimates, anticipates, plans, expects, intends, may, will or should or, in each case, their negative or other comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this prospectus and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, technology and strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this prospectus. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

The following listing represents some, but not all, of the factors that may cause actual results to differ from those anticipated or predicted:

the effect of a prolonged downturn in the general economy or the financial services industry;

the effect of any further or accelerated consolidations in the financial services industry;

our ability to retain and attract clients and key personnel;

the integration of acquired businesses;

our ability to continue to derive substantial revenues from the licensing of, or provision of software-enabled services relating to, certain of our licensed software, and the provision of maintenance and professional services in support of such licensed software;

our ability to adapt to rapidly changing technology and evolving industry standards, and our ability to introduce new products and services;

challenges in maintaining and expanding our international operations;

the effects of war, terrorism and other catastrophic events;

the risk of increased interest rates due to the variable rates of interest on certain of our indebtedness; and

other risks and uncertainties, including those listed under the caption Risk factors.

You should also carefully read the factors described in the Risk factors section of this prospectus to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements.

Any forward-looking statements that we make in this prospectus speak only as of the date of such statement, and we undertake no obligation to update such statements except as required by law. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

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Use of proceeds

We estimate that we will receive approximately \$ million in net proceeds from the shares of common stock that we are offering based upon an assumed initial public offering price of \$ per share, the midpoint of the estimated price range shown on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. A \$1.00 increase (decrease) in the assumed initial public offering price of \$ would increase (decrease) the net proceeds to us from this offering by approximately \$, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. If the underwriters exercise their over-allotment option in full, we estimate our net proceeds from this offering will be approximately \$. We will not receive any proceeds from the sale of shares of common stock offered by the selling stockholders.

We may use:

a portion of our net proceeds from this offering to redeem all or a portion of our outstanding 113/4% senior subordinated notes due 2013, at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest; and

the balance of our net proceeds from this offering for working capital and other general corporate purposes, including potential acquisitions.

We believe opportunities may exist from time to time to expand our current business through acquisitions of complementary companies, products or technologies. While we have no agreements or commitments for any specific acquisitions at this time, we may use a portion of the net proceeds for these purposes.

We have not yet determined the amount of notes we will redeem with a portion of our net proceeds from this offering. The amount we redeem will depend on the amount of our proceeds from this offering, our anticipated cash resources and needs and other factors we consider relevant. If we redeem all of the notes, we will redeem \$ million in principal amount of notes for \$ million in cash, plus accrued and unpaid interest. This redemption will result in a loss on extinguishment of debt of approximately \$ million in the period in which the notes are redeemed, which includes a \$ million redemption premium and a non-cash charge of approximately \$ million relating to the write-off of deferred financing fees attributable to the redeemed notes. For each \$1.0 million decrease in the principal amount redeemed, we will pay \$1.1 million less in cash to redeem the notes.

We have not yet determined with any certainty the manner in which we will allocate the balance of our net proceeds from this offering, and as a result management will retain broad discretion in the allocation and use of the net proceeds. The amounts and timing of our expenditures will vary depending on a number of factors, including the amount of cash generated by our operations, potential acquisitions, competitive developments and the rate of growth, if any, of our business. For example, if we were to expand our operations more rapidly than anticipated by our current plans, a greater portion of the net proceeds would likely be used for working capital. Alternatively, if we were to engage in an acquisition that contained a significant cash component, some or all of the net proceeds in excess of the amount required to redeem the notes might be used for that purpose.

Pending any use, as described above, we plan to invest the net proceeds in short-term, interest-bearing, investment-grade securities.

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Dividend policy

We do not expect to pay dividends on our common stock for the foreseeable future. Instead, we anticipate that all of our earnings in the foreseeable future will be used for the operation and growth of our business. Our ability to pay dividends to holders of our common stock is limited as a practical matter by our senior credit facilities and the indenture governing our notes, insofar as we may seek to pay dividends out of funds made available to us by our subsidiaries, because our debt instruments directly or indirectly impose certain limitations on our subsidiaries' ability to pay dividends or make loans to us. Any future determination to pay dividends on our common stock is subject to the discretion of our board of directors and will depend upon various factors, including our results of operations, financial condition, liquidity requirements, restrictions that may be imposed by applicable law and our contracts, and other factors deemed relevant by our board of directors. See Management's discussion and analysis of financial condition and results of operations and note 6 to our annual consolidated financial statements included elsewhere in this prospectus.

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Capitalization

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2009, as follows:

on an actual basis; and

on an as adjusted basis to reflect:

- (1) the filing of our restated certificate of incorporation as of the closing date of this offering; and
- (2) the sale of shares of common stock that we are offering at an assumed initial public offering price of \$ per share, the midpoint of the estimated price range shown on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, the use of a portion of the net proceeds thereof to redeem \$ million in original principal amount of our outstanding 113/4% senior subordinated notes due 2013 at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest, and a loss on extinguishment of debt of approximately \$ million, including a \$ million redemption premium and a non-cash charge of approximately \$ million relating to the write-off of deferred financing fees attributable to the redeemed notes.

You should read the following table in conjunction with our financial statements and the accompanying notes and the sections entitled Selected historical financial data and Management's discussion and analysis of financial condition and results of operations appearing elsewhere in this prospectus.

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(In thousands, except per share data)	September 30, 2009	
	Actual	As adjusted
Cash and cash equivalents	\$ 52,461	\$
Senior credit facilities	\$ 197,279	\$
113/4% senior subordinated notes due 2013	205,000	
Capital leases	285	
Total debt, including current portion	402,564	
Stockholders' equity:		
Preferred stock, par value \$0.01 per share; no shares authorized, issued or outstanding, actual; 5,000 shares authorized and no shares issued or outstanding, as adjusted		
Common stock, par value \$0.01 per share; 10,000 shares authorized, 7,153 shares issued and 7,105 shares outstanding, actual; shares authorized, shares issued and shares outstanding, as adjusted		71
Additional paid-in capital	586,578	
Accumulated other comprehensive income	12,541	
Retained earnings	40,278	
Less: cost of common stock in treasury, 48 shares	(4,650)	
Total stockholders' equity	634,818	
Total capitalization, including current portion of long-term debt	\$ 1,037,382	\$

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ per share would increase (decrease) the as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately \$, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The preceding table excludes:

1,489,512 shares of common stock issuable upon the exercise of stock options outstanding as of September 30, 2009 at a weighted average exercise price of \$56.74 per share;

346,147 shares of common stock reserved as of September 30, 2009 for future issuance under our 2006 equity incentive plan; and

308,666 shares of common stock reserved as of September 30, 2009 for future issuance under our 2008 stock incentive plan.

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If you invest in our common stock, your ownership interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock immediately after this offering.

Our net tangible book value as of September 30, 2009 was \$ million, or \$ per share of common stock. Net tangible book value per share represents the amount of our total tangible assets less our total liabilities, divided by the number of shares of common stock outstanding.

After giving effect to our sale of shares of common stock in this offering at an assumed initial public offering price of \$ per share, which is the midpoint of the range listed on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our net tangible book value as of September 30, 2009 would have been approximately \$, or approximately \$ per share. This amount represents an immediate increase in net tangible book value to our existing stockholders of \$ per share and an immediate dilution to new investors of \$ per share. Dilution per share to new investors is determined by subtracting the net tangible book value per share after this offering from the initial public offering price per share paid by a new investor. The following table illustrates the per share dilution without giving effect to the over-allotment option granted to the underwriters:

Assumed initial public offering price per share		\$
Net tangible book value per share as of September 30, 2009	\$	
Increase per share attributable to new investors		
Net tangible book value per share after this offering		
Dilution per share to new investors		\$

A \$1.00 increase (decrease) in the assumed initial public offering price of \$ per share would increase (decrease) the net tangible book value per share after this offering by approximately \$ and dilution per share to new investors by approximately \$, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters' over-allotment option is exercised in full, the net tangible book value per share after this offering would be approximately \$, resulting in dilution per share to new investors of \$.

The following table summarizes, as of September 30, 2009, the differences between the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by our existing stockholders and by new investors, based upon an

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assumed initial public offering price of \$ per share and before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares purchased		Total consideration		Average price
	Number	Percent	Amount	Percent	per share
Existing stockholders		%	\$	%	\$
New investors			\$		
Total		%	\$	%	

The preceding discussion and table assume no exercise of outstanding stock options as of September 30, 2009. As of September 30, 2009, we had outstanding options to purchase a total of 1,489,512 shares of common stock at a weighted average exercise price of \$56.74 per share. To the extent any of these options are exercised, there will be further dilution to new investors.

If the underwriters' over-allotment option is exercised in full, the following will occur:

the percentage of shares of common stock held by existing stockholders will decrease to approximately % of the total number of shares of our common stock outstanding after this offering; and

the number of shares held by new investors will increase to , or approximately %, of the total number of shares of our common stock outstanding after this offering.

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Selected historical financial data

You should read the selected historical consolidated financial data with Management's discussion and analysis of financial condition and results of operations and our financial statements and the accompanying notes. The selected consolidated financial data as of September 30, 2009 and for the nine months ended September 30, 2008 and 2009 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The selected consolidated financial data as of December 31, 2007 and 2008 and for the fiscal years ended December 31, 2006, 2007 and 2008 have been derived from our consolidated financial statements included elsewhere in this prospectus, which have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm. The selected consolidated financial data as of December 31, 2004, 2005 and 2006, for the fiscal year ended December 31, 2004 and for the periods from January 1, 2005 through November 22, 2005 and from November 23, 2005 through December 31, 2005 have been derived from audited consolidated financial statements not included in this prospectus. Our historical results may not be indicative of the operating results to be expected in any future periods.

On November 23, 2005, SS&C Holdings acquired SS&C through the merger of Sunshine Merger Corporation, a wholly owned subsidiary of SS&C Holdings, with and into SS&C, with SS&C being the surviving company and a wholly owned subsidiary of SS&C Holdings. We refer to the acquisition of SS&C by SS&C Holdings as the Acquisition. We refer to the Acquisition, together with related transactions entered into to finance the cash consideration for the Acquisition, to refinance certain of our existing indebtedness and to pay related transaction fees and expenses, as the Transaction.

The term Successor refers to us following the Acquisition, and the term Predecessor refers to us prior to the Acquisition. Our combined results of operations for the year ended December 31, 2005 represent the addition of the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005. This combination does not comply with generally accepted accounting principles or with the rules for pro forma presentation, but is presented because we believe it provides a meaningful comparison of our results. The combined operating results may not reflect the actual results we would have achieved absent the Transaction and may not be predictive of future results of operations.

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	Predecessor Period from January 1, 2005 Year Ended December 31, 2004	Predecessor Period from January 1, 2005 Year Ended November 22, 2005	Period from November 23, 2005 Year Ended December 31, 2005	Successor Year Ended December 31, 2005	Combined Year Ended December 31, 2006	Year Ended December 31, 2007	Year Ended December 31, 2008
(in thousands and percentage data)	\$ 17,250	\$ 20,147	\$ 3,587	\$ 23,734	\$ 22,925	\$ 27,514	\$ 24,844
	36,433	44,064	3,701	47,765	55,222	61,910	65,178
	11,320	12,565	2,520	15,085	19,582	17,491	24,352
	30,885	67,193	7,857	75,050	107,740	141,253	165,632
	95,888	143,969	17,665	161,634	205,469	248,168	280,006
	2,258	2,963	856	3,819	9,216	9,616	9,198
	8,462	10,393	1,499	11,892	20,415	26,038	26,854
	6,606	7,849	861	8,710	12,575	14,277	16,118
	16,444	37,799	4,411	42,210	57,810	78,951	90,263
	33,770	59,004	7,627	66,631	100,016	128,882	142,433
	62,118	84,965	10,038	95,003	105,453	119,286	137,573
	10,734	13,134	1,364	14,498	17,598	19,701	19,566
	13,957	19,199	2,071	21,270	23,620	26,282	26,804
	8,014	11,944	1,140	13,084	20,366	24,573	26,120
		36,912		36,912			
	32,705	81,189	4,575	85,764	61,584	70,556	72,490
	29,413	3,776	5,463	9,239	43,869	48,730	65,083
	1,536	1,031	30	1,061	388	939	409
	(8)	(2,092)	(4,920)	(7,012)	(47,427)	(45,463)	(41,539)
	99	655	258	913	456	1,911	1,994

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es	31,040	3,370	831	4,201	(2,714)	6,117	25,947
axes	12,030	2,658		2,658	(3,789)	(458)	7,146
	\$ 19,010	\$ 712	\$ 831	\$ 1,543	\$ 1,075	\$ 6,575	\$ 18,801
	\$ 0.90	\$ 0.03	\$ 0.12		\$ 0.15	\$ 0.93	\$ 2.65
	\$ 0.84	\$ 0.03	\$ 0.11		\$ 0.15	\$ 0.88	\$ 2.51
ending ¹	21,185	23,300	7,075		7,079	7,088	7,092
	22,499	24,478	7,314		7,316	7,457	7,494
	\$ 28,524	\$ 32,116	\$ 4,915		\$ 30,709	\$ 57,057	\$ 61,655
	(89,220)	(110,495)	(877,261)		(18,626)	(12,839)	(24,608)
	74,074	69,161	868,655		(16,427)	(37,408)	(25,532)
	70.2%	77.3%	65.4%	76.0%	79.3%	81.9%	82.4%
		\$ 64,989	\$ 8,588	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566
end):							
marketable securities	\$ 130,835		\$ 15,584		\$ 11,718	\$ 19,175	\$ 29,299
	116,418		7,283		(1,312)	5,668	8,849
	185,663		1,176,371		1,152,521	1,190,495	1,127,353
portion			478,143		466,235	440,580	406,625
	156,094		557,133		563,132	612,593	587,253

- (1) Amounts for the Predecessor periods are computed based upon the capital structure in existence prior to the Acquisition. Amounts for the Successor periods are computed based upon the capital structure in existence subsequent to the Acquisition.
- (2) Recurring revenue percentage represents software-enabled services revenues and maintenance revenues as a percentage of total revenues. We do not believe that the recurring revenue percentage for the Successor period of 2005 is meaningful because such period is only five weeks in duration and not indicative of our overall trends.
- (3) Consolidated EBITDA is a non-GAAP financial measure used in key financial covenants contained in our senior credit facilities, which are material facilities supporting our capital structure and providing liquidity to our business. Consolidated EBITDA is defined as earnings before interest, taxes, depreciation and amortization (EBITDA), further adjusted to exclude unusual items and other adjustments permitted in calculating covenant compliance under our senior credit facilities. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Consolidated EBITDA is appropriate to provide additional information to investors to demonstrate compliance with the specified financial ratios and other financial condition tests

contained in our senior credit facilities. Consolidated EBITDA is not presented for the year ended December 31, 2004 because we did not have any senior credit facilities that required the calculation of Consolidated EBITDA for those years.

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Management uses Consolidated EBITDA to gauge the costs of our capital structure on a day-to-day basis when full financial statements are unavailable. Management further believes that providing this information allows our investors greater transparency and a better understanding of our ability to meet our debt service obligations and make capital expenditures.

Any breach of covenants in our senior credit facilities that are tied to ratios based on Consolidated EBITDA could result in a default under that agreement, in which case the lenders could elect to declare all amounts borrowed due and payable and to terminate any commitments they have to provide further borrowings. Any such acceleration would also result in a default under our indenture. Any default and subsequent acceleration of payments under our debt agreements would have a material adverse effect on our results of operations, financial position and cash flows. Additionally, under our debt agreements, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is also tied to ratios based on Consolidated EBITDA.

Consolidated EBITDA does not represent net income or cash flow from operations as those terms are defined by GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Further, our senior credit facilities require that Consolidated EBITDA be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or any complete fiscal year.

Consolidated EBITDA is not a recognized measurement under GAAP, and investors should not consider Consolidated EBITDA as a substitute for measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because other companies may calculate Consolidated EBITDA differently than we do, Consolidated EBITDA may not be comparable to similarly titled measures reported by other companies. Consolidated EBITDA has other limitations as an analytical tool, when compared to the use of net income, which is the most directly comparable GAAP financial measure, including:

Consolidated EBITDA does not reflect the provision of income tax expense in our various jurisdictions;

Consolidated EBITDA does not reflect the significant interest expense we incur as a result of our debt leverage;

Consolidated EBITDA does not reflect any attribution of costs to our operations related to our investments and capital expenditures through depreciation and amortization charges;

Consolidated EBITDA does not reflect the cost of compensation we provide to our employees in the form of stock option awards; and

Consolidated EBITDA excludes expenses that we believe are unusual or non-recurring, but which others may believe are normal expenses for the operation of a business.

The following is a reconciliation of net income to Consolidated EBITDA as defined in our senior credit facilities.

Predecessor	Successor	Combined
	Period	
Period	from	
from	November 23,	

Twelve

Succe

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	January 1 through November 22, 2005	2005 through December 31, 2005	Year Ended December 31, 2005	Year Ended December 31, 2006	Year Ended December 31, 2007	Year Ended December 31, 2008	Months Ended September 30, 2009 ^a	Nine Mo Er September 2008	2009
(thousands)									
Income	\$ 712	\$ 831	\$ 1,543	\$ 1,075	\$ 6,575	\$ 18,801	\$ 19,465	\$ 12,332	\$ 12,332
Cost of sales, net	1,061	4,890	5,951	47,039	44,524	41,130	37,789	31,132	27,000
Depreciation and amortization	2,658		2,658	(3,789)	(458)	7,146	7,583	5,491	5,491
Goodwill impairment	9,575	2,301	11,876	27,128	35,047	35,038	35,453	26,292	26,292
EBITDA	14,006	8,022	22,028	71,453	85,668	102,115	100,290	75,247	73,023
Share-based accounting adjustments ^b		616	616	3,017	(296)	(289)	(228)	(224)	(224)
Other costs	36,912		36,912						
Share-based taxes				1,841	1,721	1,212	1,004	880	
Goodwill or non-recurring impairment charges (income) ^c	(737)	(242)	(979)	1,485	(1,718)	1,480	661	2,502	1,480
Adjusted EBITDA and share-based compensation savings ^d	14,808	85	14,893	1,147	135	2,379	3,455		2,379
Share-based compensation expense		107	107	3,871	10,979	7,323	6,281	5,405	4,976
Adjusted EBITDA	\$ 64,989	\$ 8,588	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566	\$ 112,742	\$ 84,854	\$ 82,779

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- (a) Results for the twelve months ended September 30, 2009 are included because our senior credit facilities require the calculation of our consolidated total leverage and consolidated net interest coverage ratio for the prior four consecutive quarters. With the exception of acquired EBITDA and cost savings, our results for the twelve months ended September 30, 2009 are calculated based on our results for the year ended December 31, 2008, in addition to our results for the nine months ended September 30, 2009, less our results for the nine months ended September 30, 2008.
- (b) Purchase accounting adjustments include (1) an adjustment to increase revenues by the amount that would have been recognized if deferred revenue were not adjusted to fair value at the date of the Transaction and (2) an adjustment to increase rent expense by the amount that would have been recognized if lease obligations were not adjusted to fair value at the date of the Transaction.
- (c) Unusual or non-recurring charges include foreign currency transaction gains and losses, expenses related to our prior proposed public offering, severance expenses associated with workforce reduction, gains and losses on the sales of marketable securities, equity earnings and losses on investments, proceeds and payments associated with legal and other settlements, costs associated with the closing of a regional office and other one-time gains and expenses.
- (d) Acquired EBITDA and cost savings reflects the EBITDA impact of significant businesses that were acquired during the period as if the acquisition occurred at the beginning of the period and cost savings to be realized from such acquisitions.
- (e) Other includes management fees and related expenses paid to Carlyle and the non-cash portion of straight-line rent expense.

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Our senior credit facilities require us to maintain both a maximum consolidated total leverage to Consolidated EBITDA ratio (currently no more than 5.50) and a minimum Consolidated EBITDA to consolidated net interest ratio (currently not less than 2.00) in each case calculated for the trailing four quarters.

The table below summarizes our Consolidated EBITDA, consolidated total leverage ratio and consolidated net interest coverage ratio for the periods presented.

	Combined¹					Successor
	Twelve	Twelve	Twelve	Twelve	Twelve	Twelve
	Months	Months	Months	Months	Months	Months
	Ended	Ended	Ended	Ended	Ended	Ended
	December 31,	December 31,	December 31,	December 31,	September 30,	September 30,
	2005	2006	2007	2008	2009	2009
						Adjusted⁶
(In thousands, except ratio data)						
Consolidated EBITDA ²	\$ 73,577	\$ 83,998	\$ 98,667	\$ 115,566	\$ 112,742	\$
Consolidated total leverage to Consolidated EBITDA ratio (current maximum covenant level: 5.50) ³	6.43	5.48	4.30	3.28	3.30	
Consolidated EBITDA to consolidated net interest coverage ratio (current minimum covenant level: 2.00) ⁴	10.87 ₅	1.88	2.34	2.98	3.18	

- (1) Our combined results for the year ended December 31, 2005 represent the addition of the Predecessor period from January 1, 2005 through November 22, 2005 and the Successor period from November 23, 2005 through December 31, 2005. This combination does not comply with GAAP or with the rules for pro forma presentation, but is presented because we believe it provides the most meaningful comparison of our results.
- (2) We reconcile our Consolidated EBITDA for the trailing four quarters to net income for the same period using the same methods set forth above.
- (3) Consolidated total leverage ratio is defined in our senior credit facilities at the last day of any period of four consecutive fiscal quarters, as the ratio of (a) the principal amount of all debt at such date, minus the amount, up to a maximum amount of \$30.0 million of cash and cash equivalents to (b) Consolidated EBITDA. The maximum consolidated total leverage ratio for 2009 is 5.50. The maximum consolidated total leverage ratio for 2008 was 6.00, for 2007 was 6.75 and for 2006 was 7.50. There was no maximum consolidated total leverage ratio covenant prior to June 30, 2006.

- (4) Consolidated net interest coverage ratio is defined in our senior credit facilities as for any period, the ratio of (a) Consolidated EBITDA for such period to (b) total cash interest expense for such period with respect to all outstanding indebtedness minus total cash interest income for such period. The minimum consolidated net interest coverage ratio for 2009 is 2.00. The minimum consolidated net interest coverage ratio for 2008 was 1.70, for 2007 was 1.50 and for 2006 was 1.40. There was no minimum consolidated net interest coverage ratio covenant prior to June 30, 2006.
- (5) This ratio is not comparable because we did not incur debt under our existing senior credit facilities until November 2005 in connection with the Transaction.
- (6) As adjusted to give effect to the sale by us of shares of our common stock in this offering at an assumed initial public offering price of \$ per share (the midpoint of the range set forth on the cover page of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the use of a portion of the net proceeds thereof to redeem \$ million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest.

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**Management's discussion and analysis of
financial condition and results of operations**

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the Selected historical financial data section of this prospectus and our financial statements and the accompanying notes appearing elsewhere in this prospectus. In addition to historical information, this discussion contains forward-looking statements based on our current expectations that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the Risk factors section and elsewhere in this prospectus.

Overview

We are a leading provider of mission-critical, sophisticated software products and software-enabled services that allow financial services providers to automate complex business processes and effectively manage their information processing requirements. Our portfolio of software products and rapidly deployable 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. 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. We provide our solutions globally to more than 4,500 clients, principally within the institutional asset management, alternative investment management and financial institutions vertical markets. In addition, our clients include commercial lenders, corporate treasury groups, insurance and pension funds, municipal finance groups and real estate property managers.

In 2006, 2007 and 2008, we expanded our presence in current markets and entered a new market, increased our recurring revenues, enhanced our operating income, paid down debt and reduced our debt leverage, increased our revenues through offering our proprietary software as software-enabled services, and expanded our reach in the financial services market. Our acquisitions since 2006 have expanded our offerings for alternative investment managers and provided us with new trading products for broker/dealers and financial exchanges as well as online financial and investment training courses.

Our revenues for 2008 were \$280.0 million, compared to \$248.2 million and \$205.5 million in 2007 and 2006, respectively. Our recurring revenues, which consist of our maintenance revenues and software-enabled services revenues, were \$230.8 million in 2008, compared to \$203.2 million and \$163.0 million in 2007 and 2006, respectively. In 2008, recurring revenues represented 82.4% of total revenues, compared to 81.9% and 79.3% in 2007 and 2006, respectively. We believe our high level of recurring revenues provides us with the ability to better manage our costs and capital investments. Our revenues from sales outside the United States were \$110.3 million in 2008, compared to \$101.1 million and \$83.1 million in 2007 and 2006, respectively.

As we have expanded our business, we have focused on increasing our contractually recurring revenues. We have seen increased demand in the financial services industry for our software-enabled services from existing and new customers. To support that demand, we have taken a number of steps, such as automating our software-enabled services delivery methods and providing our employees with sales incentives. We have also acquired businesses that offer

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software-enabled services or that have a large base of maintenance clients. We believe that increasing the portion of our total revenues that are contractually recurring gives us the ability to better plan and manage our business and helps us reduce the fluctuations in revenues and cash flows typically associated with software license revenues. Our software-enabled services revenues increased from \$107.7 million in 2006 to \$165.6 million in 2008. Our maintenance revenues increased from \$55.2 million in 2006 to \$65.2 million in 2008. Maintenance customer retention rates have continued to be in excess of 90% and we have maintained both pricing levels for new contracts and annual price increases for existing contracts. To support the growth in our software-enabled services revenues and maintain our level of customer service, we have invested in increased personnel, facilities expansion and information technology. As a result of these investments and the fact that software-enabled services have lower gross margins than license and maintenance revenues, our overall gross margin percentage has been affected. We expect our contractually recurring revenues to continue to increase as a percentage of our total revenues.

We continued to focus on improving operating margins. Our total expenses, including costs of revenues, were \$214.9 million in 2008, compared to \$199.4 million and \$161.6 million in 2007 and 2006, respectively. Our expenses increased in 2008 over 2007 mainly as a result of increased payroll as we increased our personnel count from 1,059 at the end of 2007 to 1,128 at the end of 2008. The increase in personnel was mainly to support the growth in our software-enabled services and professional services revenues. As a result of managing our expenses, our operating income margins were 23.2% of revenues in 2008 compared to 19.6% in 2007 and 21.4% in 2006. Consolidated EBITDA, a non-GAAP financial measure defined in our credit agreement and used to measure our debt compliance, was \$115.6 million in 2008 compared to \$98.7 million and \$84.0 million, in 2007 and 2006, respectively. Please see Selected historical financial data for a reconciliation of net income to Consolidated EBITDA.

We generated \$61.7 million in cash from operating activities in 2008, compared to \$57.1 million and \$30.7 million in 2007 and 2006, respectively. In 2008, we used our operating cash flow to repay \$25.6 million of debt, acquire Micro Design Services for \$17.9 million and invest \$6.7 million in capital equipment in our business.

Acquisitions

To supplement our organic growth, we evaluate and execute acquisitions that provide complementary products or services, add proven technology and an established client base, expand our intellectual property portfolio or address a highly specialized problem or a market niche. Since the beginning of 2006, we have spent approximately \$67.9 million in cash to acquire seven financial services businesses.

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The following table lists the businesses we have acquired since January 1, 2006:

Acquired business	Acquisition date	Acquired capabilities, products and services
TheNextRound MAXIMIS	November 2009 May 2009	Expanded private equity client base with TNR Solution product Expanded institutional footprint and provided new cross-selling opportunities
Evare	March 2009	Expanded institutional middle- and back-office outsourcing services with financial data acquisition, transformation and delivery services
Micro Design Services	October 2008	Expanded real-time, mission-critical order routing and execution services with ACA, BlockTalk and MarketLook products
Northport	March 2007	Expanded fund administration services to private equity market
Zoologic	August 2006	Added education and training courseware offerings for financial institutions
Cogent Management	March 2006	Expanded fund administration services to hedge fund and private equity markets

Critical accounting estimates and assumptions

A number of our accounting policies require the application of significant judgment by our management, and such judgments are reflected in the amounts reported in our consolidated financial statements. In applying these policies, our management uses its judgment to determine the appropriate assumptions to be used in the determination of estimates. Those estimates are based on our historical experience, terms of existing contracts, management's observation of trends in the industry, information provided by our clients and information available from other outside sources, as appropriate. On an ongoing basis, we evaluate our estimates and judgments, including those related to revenue recognition, doubtful accounts receivable, goodwill and other intangible assets and other contingent liabilities. Actual results may differ significantly from the estimates contained in our consolidated financial statements. We believe that the following are our critical accounting policies.

Revenue recognition

Our revenues consist primarily of software-enabled services and maintenance revenues, and, to a lesser degree, software license and professional services revenues.

Software-enabled services revenues, which are based on a monthly fee or transaction-based, are recognized as the services are performed. Software-enabled services are provided under arrangements that generally have terms of two to five years and contain monthly or quarterly fixed payments, with additional billing for increases in market value of a client's assets, pricing and trading activity under certain contracts.

We recognize software-enabled services revenues on a monthly basis as the software-enabled services are provided and when persuasive evidence of an arrangement exists, the price is fixed or determinable and collectibility is reasonably assured. We do not recognize any revenues before

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services are performed. Certain contracts contain additional fees for increases in market value, pricing and trading activity. Revenues related to these additional fees are recognized in the month in which the activity occurs based upon our summarization of account information and trading volume.

We recognize revenues from the sale of software licenses when persuasive evidence of an arrangement exists, the product has been delivered, the fee is fixed or determinable and collection of the resulting receivable is reasonably assured. Our products generally do not require significant modification or customization of the underlying software and, accordingly, the implementation services we provide are not considered essential to the functionality of the software.

We use a signed license agreement as evidence of an arrangement for the majority of our transactions. Delivery generally occurs when the product is delivered to a common carrier F.O.B. shipping point, or if delivered electronically, when the client has been provided with access codes that allow for immediate possession via a download. Although our arrangements generally do not have acceptance provisions, if such provisions are included in the arrangement, then delivery occurs at acceptance, unless such acceptance is deemed perfunctory. At the time of the transaction, we assess whether the fee is fixed or determinable based on the payment terms. Collection is assessed based on several factors, including past transaction history with the client and the creditworthiness of the client. The arrangements for perpetual software licenses are generally sold with maintenance and professional services. We allocate revenue to the delivered components, normally the license component, using the residual value method based on objective evidence of the fair value of the undelivered elements. The total contract value is attributed first to the maintenance and customer support arrangement based on the fair value, which is derived from renewal rates. Fair value of the professional services is based upon stand-alone sales of those services. Professional services are generally billed at an hourly rate plus out-of-pocket expenses. Professional services revenues are recognized as the services are performed. Maintenance agreements generally require us to provide technical support and software updates to our clients (on a when-and-if-available basis). We generally provide maintenance services under one-year renewable contracts. Maintenance revenues are recognized ratably over the term of the contract.

We also sell term licenses with maintenance. These arrangements range from one to seven years. Vendor-specific objective evidence does not exist for the maintenance element in the term licenses, and revenues are therefore recognized ratably over the contractual term of the arrangement.

We occasionally enter into software license agreements requiring significant customization or fixed-fee professional service arrangements. We account for these arrangements in accordance with the percentage-of-completion method based on the ratio of hours incurred to expected total hours; accordingly we must estimate the costs to complete the arrangement utilizing an estimate of man-hours remaining. Due to uncertainties inherent in the estimation process, it is at least reasonably possible that completion costs may be revised. Such revisions are recognized in the period in which the revisions are determined. Due to the complexity of some software license agreements, we routinely apply judgments to the application of software revenue recognition accounting principles to specific agreements and transactions. Different judgments or different contract structures could have led to different accounting conclusions, which could have a material effect on our reported results of operations.

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Allowance for doubtful accounts

The preparation of financial statements requires our management to make estimates relating to the collectability of our accounts receivable. Management establishes the allowance for doubtful accounts based on historical bad debt experience. In addition, management analyzes client accounts, client concentrations, client creditworthiness, current economic trends and changes in our clients' payment terms when evaluating the adequacy of the allowance for doubtful accounts. Such estimates require significant judgment on the part of our management. Therefore, changes in the assumptions underlying our estimates or changes in the financial condition of our clients could result in a different required allowance, which could have a material effect on our reported results of operations.

Long-lived assets, intangible assets and goodwill

We must test goodwill annually for impairment (and in interim periods if certain events occur indicating that the carrying value of goodwill or indefinite-lived intangible assets may be impaired).

We assess the impairment of identifiable intangibles, long-lived assets and goodwill whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors we consider important which could trigger an impairment review include the following:

- significant underperformance relative to historical or projected future operating results;
- significant changes in the manner of our use of the acquired assets or the strategy for our overall business; and
- significant negative industry or economic trends.

When we determine that the carrying value of intangibles, long-lived assets and goodwill may not be recoverable based upon the existence of one or more of the above indicators of potential impairment, we assess whether an impairment has occurred based on whether net book value of the assets exceeds related projected undiscounted cash flows from these assets. We considered a number of factors, including past operating results, budgets, economic projections, market trends and product development cycles. Differing estimates and assumptions as to any of the factors described above could result in a materially different impairment charge and thus materially different results of operations. To the extent that we do not achieve our revenue or operating cash flow plans or other measures of fair value decline, including external valuation assumptions, our current goodwill carrying value could be impaired. Additionally, since fair value is also based in part on the market approach, if comparable company market multiples decline from the levels at December 31, 2008, it is possible we could be required to perform the second step of the goodwill impairment test and impairment could result.

Acquisition accounting

In connection with our acquisitions, we allocate the purchase price to the assets and liabilities we acquire, such as net tangible assets, completed technology, in-process research and development, client contracts, other identifiable intangible assets and goodwill. We applied significant judgments and estimates in determining the fair market value of the assets acquired and their useful lives. For example, we have determined the fair value of existing client contracts based on the discounted estimated net future cash flows from such client contracts existing at the date

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of acquisition and the fair value of the completed technology based on the discounted estimated future cash flows from the product sales of such completed technology. While actual results during the years ended December 31, 2008, 2007 and 2006 were consistent with our estimated cash flows and we did not incur any impairment charges during those years, different estimates and assumptions in valuing acquired assets could yield materially different results.

Stock-based compensation

Using the fair value recognition provisions of relevant accounting literature, stock-based compensation cost is measured at the grant date based on the value of the award and is recognized as expense over the appropriate service period. Determining the fair value of stock-based awards requires considerable judgment, including estimating the fair value of our common stock, the expected term of stock options, expected volatility of our stock price, and the number of awards expected to be forfeited. In addition, for stock-based awards where vesting is dependent upon achieving certain operating performance goals, we estimate the likelihood of achieving the performance goals. Differences between actual results and these estimates could have a material effect on our financial results. A deferred income tax asset is recorded over the vesting period as stock compensation expense is recorded. The realizability of the deferred tax asset is ultimately based on the actual value of the stock-based award upon exercise. If the actual value is lower than the fair value determined on the date of grant, then there could be an income tax expense for the portion of the deferred tax asset that is not realizable.

To date we have granted stock options to our employees and directors under our 2006 equity incentive plan. Given the lack of a public market for our common stock, our board of directors must determine the fair value of our common stock on the measurement date, which requires making complex and subjective judgments. Our board has reviewed and considered a number of factors when determining the fair value of our common stock, including:

the value of our business as determined at arm's length in connection with the Transaction;

significant business milestones that may have affected the value of our business subsequent to the Transaction;

the continued risks associated with our business;

the economic outlook in general and the condition and outlook of our industry;

our financial condition and expected operating results;

our level of outstanding indebtedness;

the market price of stocks of publicly traded corporations engaged in the same or similar lines of business; and

as of July 31, 2006, March 31, 2007 and March 1, 2008, analyses using a weighted average of three generally accepted valuation procedures: the income approach, the market approach—publicly traded guideline company method and the market approach—transaction method.

as of November 15, 2008 and April 1, 2009, analyses using a weighted average of two generally accepted valuation procedures: the income approach and the market approach—publicly traded guideline company method. The market approach—transaction method was not utilized due to the lack of comparable transactions in the evaluation period.

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The following table summarizes information about stock options granted since August 2006, the date of the first option grants since the Transaction:

Grant date	Shares under option	Exercise price	Fair value of underlying stock	Weighted-average grant date fair value of options by vesting type ¹ :		
				Time	Performance	Change in control
August 2006	1,165,830	\$ 74.50	\$ 74.50	\$ 31.08	\$ 32.98	\$ 21.23
November 2006	10,500	74.50	74.50	30.75	32.61	21.23
March 2007	23,000	74.50	74.50	30.69	32.54	7.41
May 2007	17,500	98.91	98.91	40.85	43.32	9.09
June 2007	3,000	98.91	98.91	41.37	43.89	8.64
January 2009	30,005	85.65	85.65	24.32		

- (1) The weighted-average fair value of options by vesting type represents the value at the grant date. These fair values do not reflect the re-valuation of certain options related to modifications effected in February 2009, March 2008 and April 2007, as more fully described in Note 9 to the consolidated financial statements for the year ended December 31, 2008.

Stock options granted

Between the closing date of the Transaction in November 2005 and early August 2006, we did not award any options or other equity awards to our employees or directors. In August 2006, our board of directors adopted, and our stockholders approved, our 2006 equity incentive plan. On August 9, 2006, our board of directors granted options to purchase an aggregate of 1,165,830 shares of common stock at an exercise price of \$74.50 per share. Our board of directors determined that \$74.50, which was the value of our common stock at the time of the Transaction and which was arrived at in an arm's-length negotiation between representatives of the independent committee of SS&C's board of directors and representatives of investment funds affiliated with The Carlyle Group, continued to represent the fair value of our common stock in August 2006. The board of directors believed that the business had not fundamentally changed since November 2005 and that the likelihood of a liquidity event, including a potential sale of the company or a public offering of stock, was remote. Subsequently, we filed a registration statement for a proposed public offering on June 13, 2007, which we withdrew on October 29, 2008 due to market conditions.

In October 2007, in connection with our prior proposed public offering and in anticipation of receiving a recommended initial public offering price range from our managing underwriters, our board of directors undertook a reassessment of the fair value of our common stock as of July 31, 2006 (the October 2007 reassessment). Our board of directors reassessed the fair value of our common stock using three generally accepted valuation procedures: the income approach, the market approach publicly traded guideline company method and the market approach transaction method. The income approach is a method used to value business interests that involves estimating the future cash flows of the business, discounted to their present value. The market approach publicly traded guideline company method estimates fair value using revenue and EBITDA multiples derived from the stock price of publicly traded

companies engaged in a similar line of business. The market approach transaction method estimates fair value using transactions involving the actual sale or purchase of similar companies, and we reviewed eight transactions as part of this analysis. We then compared the results of the

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various valuation methods and other factors to calculate the enterprise value attributable to common stockholders and the fair value of each share, which we determined to be between \$63 and \$77 per share. As the board's prior valuation of \$74.50 not only fell within the range of estimated values in the reassessment but also reflected the arm's-length price negotiated at the time of the Transaction, the board determined that \$74.50 continued to represent the fair value per share of our common stock as of August 9, 2006.

In November 2006 and March 2007, we granted options to purchase an aggregate of 33,500 shares of common stock at an exercise price of \$74.50 per share. In November 2006, we also sold an aggregate of 8,900 shares of common stock to our employees under the 2006 equity incentive plan for a purchase price of \$74.50 per share. The board believed that \$74.50 continued to represent the fair value of the common stock at this time because the business had not changed fundamentally and a liquidity event continued to be remote. The board did not conduct contemporaneous or retrospective valuations of the common stock in connection with the November and March grants because of the immaterial size of the awards and the cost of such valuations.

Between May 10, 2007 and June 19, 2007, we granted options to purchase an aggregate of 20,500 shares of common stock at an exercise price of \$98.91 per share, which our board of directors determined was equal to the fair value of our common stock. In setting the fair value of our common stock at \$98.91, our board used the same three generally accepted valuation procedures that were used in its October 2007 reassessment: the income approach, the market approach—publicly traded guideline company method and the market approach—transaction method. We conducted the assessment as of March 31, 2007 and then correlated the results of the various valuation methods and other factors to calculate the enterprise value attributable to common stockholders and the fair value of each share. Our board believed that the fair value of our common stock had increased to \$98.91 per share as of March 31, 2007 because of improvements in the performance of our business and the near-term outlook of our business, as well as management's expectations regarding the imminence of our prior proposed public offering. The fair value of our common stock had increased since the July 2006 determinations under all three methodologies for the following reasons:

Income Approach. Our board factored in timing differences in the receipt of future cash flows, as well as the reduction in net debt. In addition, while the expected timing of a liquidity event was still believed to be remote as of July 31, 2006, a public offering was imminent as of March 31, 2007 and thus our board did not apply a liquidity discount as of March 31, 2007.

Publicly Traded Guideline Company Method. Our board determined that revenue and EBITDA multiples for guideline companies generally increased or remained flat between July 31, 2006 and March 31, 2007. Moreover, we experienced improvements in the performance of our business between July 31, 2006 and March 31, 2007, which resulted in higher trailing twelve-month and projected revenues and EBITDA. Under this methodology, our board also factored in the reduction in net debt and the imminence of a public offering.

Transaction Method. Our board believed our valuation was higher due to our improved revenue and EBITDA metrics (against flat multiples of comparable transactions), our reduction in net debt and the imminence of a public offering.

On January 6, 2009, we granted options to purchase an aggregate of 30,005 shares of common stock at an exercise price of \$85.65 per share, which our board of directors determined was

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equal to the fair value of our common stock. In setting the fair value of our common stock at \$85.65, our board used two generally accepted valuation procedures: the income approach and the market approach publicly traded guideline company method. The market approach transaction method was not utilized due to the lack of comparable transactions in the evaluation period. We conducted the assessment as of November 15, 2008 and then correlated the results of the various valuation methods and other factors to calculate the enterprise value attributable to common stockholders and the fair value of each share. The board did not conduct contemporaneous or retrospective valuations of the common stock in connection with the January 2009 grants because of the availability of the November 15, 2008 valuation, the immaterial size of the awards and the cost of such valuation.

Stock option modifications

In April 2007, our board of directors approved (i) the vesting, as of April 18, 2007, of 50% of the performance-based options granted to our employees through March 31, 2007 that would have vested if the we had met our EBITDA target for fiscal year 2006 (collectively, the 2006 Performance Options); (ii) the vesting, conditioned upon us meeting our EBITDA target for fiscal year 2007, of the other 50% of the 2006 Performance Options; and (iii) the reduction of our EBITDA target for fiscal year 2007. We re-measured those awards using the Black-Scholes option-pricing model and assumptions reflecting current facts and circumstances as of the modification date. As of the modification date, we estimated the fair value of the modified performance-based options to be \$45.45. We estimated the fair value of our common stock as of the modification to be \$98.91. Our board used the three generally accepted valuation procedures used in its March 2008 reassessment: the income approach, the market approach publicly traded guideline company method and the market approach transaction method. We used the following assumptions to estimate the value of the modified performance-based options: expected term to exercise of 3.5 years; expected volatility of 41.0%; risk-free interest rate of 4.57%; and no dividend yield. Expected volatility is based on a combination of our historical volatility adjusted for the Transaction and historical volatility of our peer group. Expected term to exercise is based on our historical stock option exercise experience, adjusted for the Transaction.

In March 2008, our board of directors approved (1) the vesting, conditioned upon our EBITDA for 2008 falling within the targeted range, of the 2006 and 2007 performance-based options that did not otherwise vest during 2007, and (2) the reduction of our annual EBITDA target range for 2008. We re-measured affected performance-based options using the Black-Scholes option pricing model and assumptions reflecting current facts and circumstances as of the modification date. We estimated the weighted-average fair value of performance-based options that vest upon the attainment of the 2008 EBITDA target range to be \$41.06. We estimated the fair value of our common stock as of the modification to be \$110.03. Our board used the three generally accepted valuation procedures used in its March 2008 reassessment: the income approach, the market approach publicly traded guideline company method and the market approach transaction method. We used the following weighted-average assumptions to estimate the option value: expected term to exercise of 2.5 years; expected volatility of 26.0%; risk-free interest rate of 1.735%; and no dividend yield. Expected volatility is based on the historical volatility of our peer group. Expected term to exercise is based on our historical stock option exercise experience, adjusted for the Transaction.

In February 2009, our board of directors (1) approved the immediate vesting of the 2006, 2007 and 2008 performance-based options that did not otherwise vest during 2006, 2007 or 2008 and

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(2) established our annual EBITDA target range for 2009. As of that date, we estimated the weighted-average fair value of the performance-based options that were vested by the board and those that vest upon the attainment of the 2009 EBITDA target range to be \$31.00. We estimated the fair value of our common stock as of the modification to be \$92.71 (the April 1, 2009 analysis). Our board used two generally accepted valuation procedures: the income approach and the market approach publicly traded guideline company method. The market approach transaction method was not utilized due to the lack of comparable transactions in the evaluation period. We used the following weighted-average assumptions to estimate the option value: expected term to exercise of 2.5 years; expected volatility of 38.0%; risk-free interest rate of 1.2%; and no dividend yield. Expected volatility is based on the historical volatility of our peer group. Expected term to exercise is based on our historical stock option exercise experience, adjusted for the Transaction.

If factors change and we employ different assumptions in future periods, the compensation expense that we record may differ significantly from what we have recorded in the current period. In addition, there is a risk that our estimates of the fair values of our share-based compensation awards on the grant dates may bear little resemblance to the actual values realized upon the exercise, expiration, early termination or forfeiture of those share-based payments in the future. Certain share-based payments, such as employee stock options, may expire worthless or otherwise result in zero intrinsic value as compared to the fair values originally estimated on the grant date and reported in our financial statements.

We believe that we have used reasonable methodologies, approaches and assumptions consistent with the *AICPA's Practice Aid Valuation of Privately-Held-Company Equity Securities Issued as Compensation* to determine the fair value of our common stock on the date of grant or the date of the modification of a grant.

The values of outstanding vested and unvested options as of September 30, 2009 based on the difference between an assumed initial public offering price of \$ per share and the exercise price of the options outstanding are as follows:

	Options	Intrinsic value
Unvested		
Vested		

Income taxes

The carrying value of our deferred tax assets assumes that we will be able to generate sufficient future taxable income in certain tax jurisdictions, based on estimates and assumptions. If these estimates and related assumptions change in the future, we may be required to record additional valuation allowances against our deferred tax assets resulting in additional income tax expense in our consolidated statement of operations. On a quarterly basis, we evaluate whether deferred tax assets are realizable and assess whether there is a need for additional valuation allowances. Such estimates require significant judgment on the part of our management. In addition, we evaluate the need to provide additional tax provisions for adjustments proposed by taxing authorities.

On January 1, 2007, we adopted a new accounting standard related to the accounting for uncertainty in income taxes. At adoption, we had \$5.3 million of liabilities for unrecognized tax benefits. The adoption of this standard resulted in a reclassification of certain tax liabilities from

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current to non-current and to certain related deferred tax assets. We did not record a cumulative effect adjustment to retained earnings as a result of adopting this standard. As of January 1, 2007, accrued interest related to unrecognized tax benefits was less than \$0.1 million. We recognize accrued interest and penalties relating to the unrecognized tax benefits as a component of the income tax provision.

As of September 30, 2009, we had \$7.6 million of liabilities for unrecognized tax benefits. Of this amount, \$5.6 million relates to uncertain income tax positions that either existed prior to or were created as a result of the Transaction. All of the unrecognized tax benefits, if recognized, would decrease our effective tax rate and increase our net income.

Results of operations

The following table sets forth revenues (dollars in thousands) and changes in revenues for the periods indicated:

	Year ended December 31,			Percent change from prior period	
	2008	2007	2006	2008	2007
Revenues:					
Software licenses	\$ 24,844	\$ 27,514	\$ 22,925	(9.7)%	20.0%
Maintenance	65,178	61,910	55,222	5.3	12.1
Professional services	24,352	17,491	19,582	39.2	(10.7)
Software-enabled services	165,632	141,253	107,740	17.3	31.1
Total revenues	\$ 280,006	\$ 248,168	\$ 205,469	12.8	20.8

	Nine months ended September 30,		Percent change
	2009	2008	
Revenues:			
Software licenses	\$ 15,632	\$ 18,353	(14.8)%
Maintenance	48,565	48,986	(0.9)
Professional services	14,872	18,695	(20.4)
Software-enabled services	120,801	125,685	(3.9)
Total revenues	\$ 199,870	\$ 211,719	(5.6)

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The following table sets forth the percentage of our total revenues represented by each of the following sources of revenues for the periods indicated:

	Year ended December 31,			Nine months ended	
	2008	2007	2006	September 30, 2009	2008
Revenues:					
Software licenses	8.9%	11.1%	11.2%	7.8%	8.7%
Maintenance	23.3	25.0	26.9	24.3	23.1
Professional services	8.7	7.0	9.5	7.5	8.8
Software-enabled services	59.1	56.9	52.4	60.4	59.4
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%

**Comparison of nine months ended
September 30, 2009 and 2008**

Revenues

Our revenues consist primarily of software-enabled services and maintenance revenues, and, to a lesser degree, software license and professional services revenues. As a general matter, our software license and professional services revenues tend to fluctuate based on the number of new licensing clients, while fluctuations in our software-enabled services revenues are attributable to the number of new software-enabled services clients as well as the number of outsourced transactions provided to our existing clients and total assets under management in our clients' portfolios. Maintenance revenues vary based on the rate by which we add or lose maintenance clients over time and, to a lesser extent, on the annual increases in maintenance fees, which are generally tied to the consumer price index.

Revenues for the nine months ended September 30, 2009 were \$199.9 million, decreasing 6% from \$211.7 million in the same period in 2008. The decrease in revenues includes the unfavorable impact from foreign currency translation of \$8.4 million. This impact was offset by acquisitions, which added \$10.8 million in the aggregate. Excluding these items, organic revenues, which are revenues from businesses that we have owned for at least twelve months, decreased \$14.2 million, or 7%.

Software licenses

Software license revenues for the nine months ended September 30, 2009 and 2008 were \$15.6 million and \$18.4 million, respectively. Revenues of \$1.3 million from acquisitions partially offset a decrease of \$3.6 million in organic software license revenues and a decrease of \$0.5 million related to foreign currency translation. Software license revenues will vary depending on the timing, size and nature of our license transactions. For example, the average size of our software license transactions and the number of large transactions may fluctuate on a period-to-period basis. For the nine months ended September 30, 2009, there were fewer

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perpetual license transactions than there were for the comparable period in 2008, but at a greater average size. Additionally, software license revenues will vary among the various products that we offer, due to differences such as the timing of new releases and variances in economic conditions affecting opportunities in the vertical markets served by such products.

Maintenance

Maintenance revenues for the nine months ended September 30, 2009 and 2008 were \$48.6 million and \$49.0 million, respectively. Revenues of \$3.1 million from acquisitions were offset by a decrease of \$1.5 million related to foreign currency translation. Excluding these items, organic revenues decreased \$2.0 million, or 4%, primarily as a result of a decrease in fees for one significant customer. Additionally, annual maintenance fee increases, which are generally tied to the percentage change in the consumer price index (CPI), were not as favorable as they have been historically due to a lower change in CPI. We typically provide maintenance services under one-year renewable contracts that provide for an annual increase in fees. Future maintenance revenue growth is dependent on our ability to retain existing clients, add new license clients, and increase average maintenance fees.

Professional services

Professional services revenues for the nine months ended September 30, 2009 and 2008 were \$14.9 million and \$18.7 million, respectively. The decrease in revenues includes the unfavorable impact from foreign currency translation of \$0.9 million, offset by acquisitions, which added \$1.6 million. Excluding these items, organic revenues decreased \$4.5 million. The decrease in revenues for both periods was primarily due to one significant professional services project that commenced during the first quarter of 2008 and was completed during 2008. Our overall software license revenue levels and market demand for professional services will continue to have an effect on our professional services revenues.

Software-enabled services

Software-enabled services revenues for the nine months ended September 30, 2009 and 2008 were \$120.8 million and \$125.7 million, respectively. The decrease in revenues includes the unfavorable impact from foreign currency translation of \$5.5 million, partially offset by our acquisitions, which added \$4.8 million. Excluding these items, organic revenues decreased \$4.2 million. Contributing to the decline in organic revenues for such period was a decrease in fees for one significant customer and decreases in the variable portion of our fees, which are tied to our clients' assets under management. Future software-enabled services revenue growth is dependent on our ability to retain existing clients, add new clients and increase average fees, as well as growth in our clients' assets under management.

Cost of revenues

The total cost of revenues for the nine months ended September 30, 2009 and 2008 was \$102.4 million and \$107.3 million, respectively. The gross margin was 49% for each of the nine-month periods ended September 30, 2009 and 2008. The impact of foreign currency translation reduced cost of revenues by \$4.6 million, and we reduced our costs of revenues by \$6.1 million, mainly in cost of software-enabled services revenues and cost of professional services revenues. Additionally, stock-based compensation expense decreased by \$0.4 million. These cost reductions were partially offset by our acquisitions, which added costs of \$6.2 million.

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Cost of software license revenues

Cost of software license revenues consists primarily of amortization expense of completed technology, royalties, third-party software, and the costs of product media, packaging and documentation. The cost of software licenses for the nine months ended September 30, 2009 and 2008 was \$6.3 million and \$6.9 million, respectively. A decrease in costs of \$0.9 million, primarily amortization, and a decrease in costs of \$0.2 million related to foreign currency translation, was partially offset by an increase of \$0.5 million related to acquisitions.

Cost of maintenance revenues

Cost of maintenance revenues consists primarily of technical client support, costs associated with the distribution of products and regulatory updates and amortization of intangible assets. The cost of maintenance revenues was \$20.3 million and \$20.1 million for the nine months ended September 30, 2009 and 2008, respectively. An increase in costs of \$1.2 million due to our acquisitions was partially offset by a decrease in costs of \$0.8 million related to foreign currency translation. Excluding these items, costs decreased \$0.2 million. Cost of maintenance revenues as a percentage of these revenues was 42% for the nine months ended September 30, 2009 compared to 41% for the nine months ended September 30, 2008.

Cost of professional services revenues

Cost of professional services revenues consists primarily of the cost related to personnel utilized to provide implementation, conversion and training services to our software licensees, as well as system integration, custom programming and actuarial consulting services. The cost of professional services revenues for the nine months ended September 30, 2009 and 2008 was \$10.7 million and \$11.9 million, respectively. Cost reductions of \$2.4 million and a decrease of \$0.6 million related to foreign currency translation were partially offset by our acquisitions, which added \$1.9 million in costs. Additionally, stock-based compensation expense decreased \$0.1 million. Cost of professional services revenues in the prior-year period reflected increased personnel-related costs to support a significant implementation project that was completed during 2008.

Cost of software-enabled services revenues

Cost of software-enabled services revenues consists primarily of the cost related to personnel utilized in servicing our software-enabled services clients and amortization of intangible assets. The cost of software-enabled services revenues for the nine months ended September 30, 2009 and 2008 was \$65.1 million and \$68.4 million, respectively. A decrease in costs of \$2.6 million and a decrease of \$3.0 million related to foreign currency translation were partially offset by our acquisitions, which added \$2.6 million in costs. Additionally, stock-based compensation expense decreased \$0.3 million.

Operating expenses

Total operating expenses for the nine months ended September 30, 2009 and 2008 were \$49.5 million and \$55.7 million, respectively. A reduction of \$4.1 million in costs, a decrease of \$2.0 million related to foreign currency translation and a decrease of \$0.7 million in stock-based compensation expense were partially offset by our acquisitions, which added \$2.7 million. Additionally, the prior-year period included \$2.1 million in costs related to our prior proposed

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public offering. Total operating expenses as a percentage of total revenues decreased to 25% for the 2009 period from 26% for the 2008 period.

Selling and marketing

Selling and marketing expenses consist primarily of the personnel costs associated with the selling and marketing of our products, including salaries, commissions and travel and entertainment. Such expenses also include amortization of intangible assets, the cost of branch sales offices, trade shows and marketing and promotional materials. Selling and marketing expenses for the nine months ended September 30, 2009 and 2008 were \$15.2 million and \$14.7 million, respectively, representing 8% and 7% of total revenues in those periods, respectively. The increase in costs was primarily related to our acquisitions, which added \$0.9 million in costs, partially offset by a decrease of \$0.7 million related to foreign currency translation. Additionally, an increase of \$0.4 million in personnel and other costs was offset by a decrease of \$0.1 million in stock-based compensation expense.

Research and development

Research and development expenses consist primarily of personnel costs attributable to the enhancement of existing products and the development of new software products. Research and development expenses for the nine months ended September 30, 2009 and 2008 were \$19.6 million and \$20.3 million, respectively, representing 10% of total revenues in each of these periods. A decrease of \$1.3 million in costs, primarily personnel-related, a decrease of \$0.8 million related to foreign currency translation and a decrease in stock-based compensation expense of \$0.1 million were partially offset by our acquisitions, which added \$1.5 million in costs.

General and administrative

General and administrative expenses consist primarily of personnel costs related to management, accounting and finance, information management, human resources and administration and associated overhead costs, as well as fees for professional services. General and administrative expenses for the nine months ended September 30, 2009 and 2008 were \$14.7 million and \$20.7 million, respectively, representing 7% and 10% of total revenues in those periods, respectively. General and administrative expenses for the prior-year period included \$2.1 million in costs related to our prior proposed public offering. Contributing to the remainder of the variance was a reduction of \$3.2 million in costs, primarily related to personnel, bad debt, capital-based taxes and the impact of cost controls, a decrease of \$0.5 million in stock-based compensation expense and a decrease of \$0.5 million related to foreign currency translation, partially offset by our acquisitions, which added \$0.3 million in costs.

Interest expense, net

Net interest expense was \$27.8 million and \$31.1 million for the nine months ended September 30, 2009 and 2008, respectively. Interest expense is primarily related to interest expense on debt outstanding under our senior credit facility and 113/4% senior subordinated notes due 2013. The decrease in interest expense is due to a decrease in outstanding debt and lower average interest rates for the 2009 period.

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Other income (expense), net

Other expense, net for the nine months ended September 30, 2009 consisted primarily of foreign currency losses. Other income, net for the nine months ended September 30, 2008 consisted primarily of foreign currency gains of \$1.3 million, partially offset by the \$1.0 million loss we recorded relating to our investment in a private company.

Provision for income taxes

We had effective tax rates of 31.3% and 30.8% for the nine months ended September 30, 2009 and 2008, respectively. The effective tax rate for the balance of the year is expected to be between 30% and 35%.

**Comparison of years ended
December 31, 2008, 2007 and 2006**

Revenues

Revenues were \$280.0 million, \$248.2 million and \$205.5 million in 2008, 2007 and 2006, respectively. Revenue growth in 2008 of \$31.8 million, or 13%, was driven by revenues for businesses and products that we have owned for at least 12 months, or organic revenues, which increased 12%, accounting for \$28.7 million of the increase, and came from increased demand of \$23.2 million for our software-enabled services, an increase of \$6.0 million in professional services revenues and an increase of \$2.8 million in maintenance revenues, partially offset by a decrease of \$3.3 million in license sales. The remaining \$3.1 million increase was due to sales of products and services that we acquired in our acquisitions of Micro Design Services, or MDS, and Northport, which occurred in October 2008 and March 2007, respectively. Revenue growth in 2008 includes the unfavorable impact from foreign currency translation of \$0.7 million resulting from the strength of the U.S. dollar relative to the British pound, partially offset by weakness relative to the Canadian dollar and the euro. Revenue growth in 2007 of \$42.7 million, or 21%, was driven by revenues for businesses and products that we have owned for at least 12 months, or organic revenues, which increased 16%, accounting for \$32.7 million of the increase, and came from increased demand of \$29.0 million for our software-enabled services, an increase of \$3.7 million in maintenance revenues and an increase of \$2.0 million in license sales, partially offset by a decrease of \$2.0 million in professional services revenues. The remaining \$6.4 million increase was due to sales of products and services that we acquired in our acquisitions of Northport, Zoologic and Cogent, which occurred in March 2007, August 2006 and March 2006, respectively. Additionally, revenues for 2006 include a reduction of \$3.6 million as a result of adjusting deferred revenue to fair value in connection with the Transaction. Revenue growth in 2007 includes the favorable impact from foreign currency translation of \$4.6 million resulting from the weakness of the U.S. dollar relative to currencies such as the Canadian dollar, the British pound and the euro.

Software licenses

Software license revenues were \$24.8 million, \$27.5 million and \$22.9 million in 2008, 2007 and 2006, respectively. The decrease in software license revenues from 2007 to 2008 of \$2.7 million was due to a decrease of \$3.3 million in organic license sales, partially offset by \$0.6 million

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related to sales of products we acquired as a result of our acquisition of MDS. During 2008, we had fewer perpetual license transactions than in 2007, but at a similar average size, offset by an increase in revenues from term licenses. The increase in software license revenues from 2006 to 2007 of \$4.6 million was primarily due to organic growth of \$2.0 million and acquisitions, which contributed \$1.1 million to the increase. Additionally, software license revenues for 2006 included a reduction of \$1.5 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction. During 2007, both the number of perpetual license transactions and the average size of those transactions increased from 2006. Software license revenues will vary depending on the timing, size and nature of our license transactions. For example, the average size of our software license transactions and the number of large transactions may fluctuate on a period-to-period basis. Additionally, software license revenues will vary among the various products that we offer, due to differences such as the timing of new releases and variances in economic conditions affecting opportunities in the vertical markets served by such products.

Maintenance

Maintenance revenues were \$65.2 million, \$61.9 million and \$55.2 million in 2008, 2007 and 2006, respectively. The increase in maintenance revenues of \$3.3 million, or 5%, in 2008 was due in part to organic revenue growth of \$2.8 million and our acquisition of MDS, which added \$0.5 million. The increase in maintenance revenues of \$6.7 million, or 12%, in 2007 was due in part to organic revenue growth of \$3.7 million and acquisitions, which added \$0.2 million. Additionally, maintenance revenues in 2006 included a reduction of \$2.8 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction. We typically provide maintenance services under one-year renewable contracts that provide for an annual increase in fees, generally tied to the percentage changes in the consumer price index. Future maintenance revenue growth is dependent on our ability to retain existing clients, add new license clients and increase average maintenance fees.

Professional services

Professional services revenues were \$24.4 million, \$17.5 million and \$19.6 million in 2008, 2007 and 2006, respectively. The increase in professional services revenues of \$6.9 million, or 39%, in 2008 was primarily due to organic growth of \$6.0 million and our acquisition of MDS, which contributed \$0.9 million to the increase. The growth in organic revenues was primarily attributable to one significant implementation project for a client that transitioned to our software-enabled services. The decrease in professional services revenues in 2007 was primarily related to several large professional services projects that were either completed or substantially completed in late 2006; we were not engaged in similar sized projects in 2007. Additionally, professional services revenues for 2006 included an increase of \$0.2 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction. Our overall software license revenue levels and market demand for professional services will continue to have an effect on our professional services revenues.

Software-enabled services

Software-enabled services revenues were \$165.6 million, \$141.3 million and \$107.7 million in 2008, 2007 and 2006, respectively. The increase in software-enabled services revenues in 2008 of \$24.3 million, or 17%, was primarily due to organic growth of \$23.2 million, which included

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increased demand for portfolio management and accounting services from existing clients and the addition of new clients for our SS&C Fund Services and SS&C Direct software-enabled services, as well as our Pacer application service provider (ASP) services and Securities Valuation (SVC) securities data services provided by SS&C Technologies Canada Corp. Our 2007 acquisition of Northport contributed \$1.1 million of the growth, reflecting a full twelve months of activity. The increase in software-enabled services revenues in 2007 of \$33.6 million, or 31%, was primarily due to organic growth of \$29.0 million, which included increased demand for portfolio management and accounting services from existing clients and the addition of new clients for our SS&C Fund Services and SS&C Direct software-enabled services, as well as our Pacer ASP services and SVC securities data services provided by SS&C Technologies Canada Corp. Acquisitions added \$5.0 million in revenues. Additionally, software-enabled services revenues for 2006 include an increase of \$0.4 million related to the valuation of deferred revenue acquired in the Transaction. Future software-enabled services revenue growth is dependent on our ability to add new software-enabled services clients, retain existing clients and increase average software-enabled services fees.

During the fourth quarter of 2008, we experienced a decline in software-enabled services revenues of approximately 9% from the third quarter. We believe these declines are attributable to the overall weakening of economic conditions and were the result of fund redemption, several fund liquidations and the movement of existing fund investments from securities to cash. While we have continued to add new clients, we cannot be certain that revenues from these additional clients will be sufficient to offset any continued effects from the recent economic crisis.

Cost of revenues

The total cost of revenues was \$142.4 million, \$128.9 million and \$100.0 million in 2008, 2007 and 2006, respectively. The gross margin changed from 51% in 2006 to 48% in 2007 and 49% in 2008. The increase of \$13.5 million in total cost of revenues in 2008 was mainly due to personnel increases early in the year to support revenue growth, particularly professional services and software-enabled services, and acquisitions. Cost increases to support our organic revenue growth were \$12.5 million and acquisitions added \$1.5 million in costs, primarily in software-enabled services revenues. In November 2008, we reduced our workforce by approximately 9% in response to the anticipated effects of the recent economic crisis. Severance expenses related to this action added \$0.6 million in expenses to total cost of revenues. These increases were offset by a decrease of \$1.1 million in stock-based compensation expense, as 2007 stock-based compensation expense included charges related to the vesting of 2006 performance options. The increase in total cost of revenues in 2007 was mainly due to three factors: personnel increases to support revenue growth, acquisitions and the increased costs associated with stock-based compensation and amortization of intangibles. Cost increases to support our organic revenue growth were \$15.8 million and acquisitions added \$4.0 million in costs, primarily in software-enabled services revenues. Stock-based compensation expense increased \$2.0 million due to the vesting of certain performance-based options, amortization expense increased \$6.9 million as a result of increasing cash flows, and non-cash rent expense increased \$0.2 million. Certain of our intangible assets are amortized into cost of revenues based on the ratio that current cash flows for the intangible assets bear to the total of current and expected future cash flows for the intangible assets.

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Cost of software license revenues

The cost of software license revenues was \$9.2 million, \$9.6 million and \$9.2 million in 2008, 2007 and 2006, respectively. The decrease in cost of software licenses in 2008 was due to a reduction in amortization expense under the percent of cash flows method, as a lower percentage of current license revenues was deemed associated with technology that existed at the date of the Transaction. The increase in cost of software licenses in 2007 was due to additional amortization expense under the percent of cash flows method.

Cost of maintenance revenues

The cost of maintenance revenues was \$26.9 million, \$26.0 million and \$20.4 million in 2008, 2007 and 2006, respectively. The increase in cost of maintenance revenues in 2008 was primarily due to additional personnel and related costs of \$0.7 million and additional amortization expense of \$0.3 million as a result of increasing cash flows, partially offset by a decrease of \$0.1 million in stock-based compensation expense. The increase in cost of maintenance revenues in 2007 was primarily due to additional amortization expense of \$4.6 million as a result of increasing cash flows, acquisitions, which added \$0.5 million in costs, an increase of \$0.3 million in costs to support organic revenue growth and additional stock-based compensation expense of \$0.2 million.

Cost of professional services revenues

The cost of professional services revenue was \$16.1 million, \$14.3 million and \$12.6 million in 2008, 2007 and 2006, respectively. The increase in cost of professional services revenues in 2008 was primarily due to an increase of \$0.4 million in personnel and related costs to support revenue growth and \$0.7 million in costs for third-party hardware, partially offset by a decrease of \$0.1 million in stock-based compensation expense. Acquisitions added \$0.8 million in costs. The increase in cost of professional services revenues in 2007 was primarily due to additional stock-based compensation expense of \$0.2 million and an increase of \$1.4 million in personnel costs. Acquisitions added \$0.1 million in costs.

Cost of software-enabled services revenues

The cost of software-enabled services revenues was \$90.3 million, \$79.0 million and \$57.8 million in 2008, 2007 and 2006, respectively. The increase in cost of software-enabled services revenues in 2008 was primarily due to an increase of \$10.8 million in costs, primarily related to personnel and communications, to support the growth in organic revenues and our acquisition of Northport, which added \$0.7 million, representing a full year of costs. Additionally, severance expenses related to our workforce reduction contributed \$0.4 million and amortization expense increased \$0.3 million. These increases were partially offset by a decrease of \$0.9 million in stock-based compensation expense. The increase in cost of software-enabled services revenues in 2007 was primarily due to an increase of \$14.2 million in costs to support the growth in organic revenues, additional stock-based compensation expense of \$1.7 million and acquisitions, which added \$3.2 million. Additionally, amortization expense increased \$2.0 million due to increasing cash flows and non-cash rent expense increased \$0.1 million.

Table of Contents**Operating expenses**

Our total operating expenses were \$72.5 million, \$70.6 million and \$61.6 million in 2008, 2007 and 2006, respectively, representing 26%, 28% and 30%, respectively, of total revenues in those years. The increase in operating expenses in 2008 was primarily due to our expensing \$1.6 million in costs related to our prior proposed public offering and severance expenses of \$1.0 million related to our workforce reduction. Additionally, operating costs increased \$2.3 million, primarily related to personnel, and amortization expense increased \$0.2 million. These increases were offset in part by a decrease of \$2.6 million in stock-based compensation expense, as 2007 stock-based compensation expense included charges related to the vesting of 2006 performance options, a decrease of \$0.5 million in capital-based taxes and a decrease of \$0.5 million in expenses paid to The Carlyle Group. Acquisitions added \$0.4 million in costs. The increase in operating expenses in 2007 was primarily due to additional stock-based compensation expense of \$5.1 million due to the vesting of certain performance-based options and additional increases of \$2.9 million in costs to support organic revenue growth. Expenses increased \$0.2 million related to increased amortization expense, partially offset by a decrease of \$0.2 million in capital-based taxes. The remaining \$1.0 million of the increase was due to our acquisitions of Northport, Zoologic and Cogent.

Selling and marketing

Selling and marketing expenses were \$19.6 million, \$19.7 million and \$17.6 million in 2008, 2007 and 2006, respectively, representing 7%, 8% and 9%, respectively, of total revenues in those years. The decrease in selling and marketing expenses in 2008 was primarily attributable to a decrease in stock-based compensation expense of \$0.6 million, partially offset by acquisitions, which added \$0.2 million in costs, and an increase of \$0.3 million in amortization expense. The increase in selling and marketing expenses in 2007 was primarily attributable to an increase in stock-based compensation expense of \$1.2 million, our acquisitions, which added \$0.5 million in costs, and an increase of \$0.4 million in costs, primarily commissions due to the increase in revenue.

Research and development

Research and development expenses were \$26.8 million, \$26.3 million and \$23.6 million in 2008, 2007 and 2006, respectively, representing 10%, 11% and 11%, respectively, of total revenues in those years. The increase in research and development expenses in 2008 was primarily due to an increase of \$0.6 million in costs, to support organic revenue growth, and severance expenses of \$0.3 million, partially offset by a decrease of \$0.4 million in stock-based compensation expense. The increase in research and development expenses in 2007 was primarily due to an increase of \$1.4 million in costs to support organic revenue growth, additional stock-based compensation expense of \$0.7 million, our acquisitions, which added \$0.4 million and an increase of \$0.1 million in non-cash rent expense.

General and administrative

General and administrative expenses were \$26.1 million, \$24.6 million and \$20.4 million in 2008, 2007 and 2006, respectively, representing 9%, 10% and 10%, respectively, of total revenues in those years. The increase in general and administrative expenses in 2008 was primarily due to an increase of \$1.7 million in operating costs, primarily related to personnel, our expensing \$1.6 million in costs related to our prior proposed public offering and severance expenses of

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\$0.7 million. These increases were offset in part by a decrease of \$1.6 million in stock-based compensation expense, a decrease of \$0.5 million in capital-based taxes and a decrease of \$0.5 million in expenses paid to Carlyle. Acquisitions added \$0.2 million in costs. The increase in general and administrative expenses in 2007 was primarily due to an increase of \$0.9 million in costs to support the growth in organic revenues, primarily personnel related costs, additional stock-based compensation expense of \$3.2 million and acquisitions, which added \$0.2 million. These increases were partially offset by a decrease of \$0.1 million in non-cash rent expense.

Interest income, interest expense and other income, net

We had interest expense of \$41.5 million and interest income of \$0.4 million in 2008 compared to interest expense of \$45.5 million and interest income of \$0.9 million in 2007. In 2006, we had interest expense of \$47.4 million and interest income of \$0.4 million. The decrease in interest expense in 2008 reflects the lower average debt balance and lower average interest rates on the floating portion of our debt as compared to 2007. The decrease in interest income in 2008 is also related to the lower average interest rates as compared to 2007. The decrease in interest expense in 2007 reflects the lower average debt balance as compared to 2006. The increase in interest income in 2007 is related to the higher average cash balance as compared to 2006. Other income, net in 2008 consists primarily of foreign currency translation gains of \$4.0 million, partially offset by a \$2.0 million loss we recorded relating to our investment in a private company which we account for under the equity method of accounting. Other income, net in 2007 consists primarily of foreign currency translation gains of \$0.6 million, property tax refunds of \$0.9 million and \$0.4 million related to the favorable settlement of a liability accrued at the time of our acquisition of Financial Models in 2005. Other income, net in 2006 primarily reflects income recorded under the equity method from a private investment.

Provision for income taxes

For the year ended December 31, 2008, we recorded a provision for income taxes of \$7.1 million. The difference between the provision we recorded and the statutory rate was primarily due to foreign tax benefits of approximately \$2.3 million and a benefit of \$0.6 million due to changes in Canadian withholding rates enacted in December 2008. These benefits were partially offset by state income taxes of \$1.0 million. For the year ended December 31, 2007, we recorded a benefit of \$0.5 million. The difference between the benefit we recorded and the statutory rate was partially due to changes in Canadian statutory tax rates enacted in June 2007 and December 2007, for which we recorded a benefit of approximately \$1.5 million, and other foreign tax benefits of approximately \$1.9 million. For the year ended December 31, 2006, we recorded a benefit of \$3.8 million. This was partially due to a change in Canadian statutory tax rates enacted in June 2006, for which we recorded a benefit of approximately \$1.2 million and other foreign tax benefits of approximately \$1.9 million. We had \$65.6 million of deferred tax liabilities and \$12.8 million of deferred tax assets at December 31, 2008. In future years, we expect to have sufficient levels of profitability to realize the net deferred tax assets at December 31, 2008.

Liquidity and capital resources

Our principal cash requirements are to finance the costs of our operations pending the billing and collection of client receivables, to fund payments with respect to our indebtedness, to invest in research and development and to acquire complementary businesses or assets. We expect our

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cash on hand, the net proceeds of this offering, cash flows from operations and availability under the revolving credit portion of our senior credit facilities to provide sufficient liquidity to fund our current obligations, projected working capital requirements and capital spending for at least the next twelve months.

Our cash and cash equivalents at September 30, 2009 were \$52.5 million, an increase of \$23.2 million from \$29.3 million at December 31, 2008. Cash provided by operations was partially offset by net repayments of debt, cash used for acquisitions and capital expenditures. Our cash and cash equivalents at December 31, 2008 were \$29.3 million, an increase of \$10.1 million from \$19.2 million at December 31, 2007. Cash provided by operations was partially offset by net repayments of debt and cash used for an acquisition and capital expenditures.

Net cash provided by operating activities was \$45.0 million for the nine months ended September 30, 2009. Cash provided by operating activities was primarily due to net income of \$13.0 million adjusted for non-cash items of \$24.4 million and changes in our working capital accounts totaling \$7.6 million. The changes in our working capital accounts were driven by a decrease in accounts receivable and increases in accrued expenses and deferred revenues, partially offset by a decrease in income taxes payable. The decrease in accounts receivable was primarily due to the timing of collections. Days sales outstanding decreased to 49 days as of September 30, 2009 from 51 days as of December 31, 2008. The increase in accrued expenses was primarily due to an increase in interest payable related to the timing of interest payments on our notes, offset in part by the payment of annual employee bonuses. The increase in deferred revenues was primarily due to the collection and timing of annual maintenance fee renewals and a significant term license fee billed during the second quarter.

Net cash provided by operating activities was \$61.7 million in 2008. Net cash provided by operating activities during 2008 was primarily the result of our net income, adjusted for non-cash expenses including depreciation and amortization, stock compensation expense, amortization of loan origination costs and a decrease in deferred income taxes. The net change in our operating accounts was driven by increases in accrued expenses, income taxes payable and deferred revenues, partially offset by increases in prepaid expenses and other assets and accounts receivable. The increase in accrued expenses primarily represents the increases in accrued employee bonuses. The increase in accounts receivable is primarily attributable to our growth in revenues. Days sales outstanding decreased to 51 days as of December 31, 2008 from 52 days as of December 31, 2007. Deferred revenues increased as a result of maintenance revenues increasing in 2008 over 2007.

Investing activities used net cash of \$11.6 million for the nine months ended September 30, 2009, primarily related to the \$10.4 million cash paid for our acquisitions of MAXIMIS and Evare, offset in part by a \$0.1 million adjustment to the MDS purchase price. Capital expenditures accounted for the remaining \$1.2 million. Investing activities used net cash of \$24.6 million in 2008. Cash used by investing activities was primarily due to \$17.9 million cash paid for the acquisition of MDS and \$6.7 million in capital expenditures to support the growth of our business.

Financing activities used net cash of \$12.0 million for the nine months ended September 30, 2009, representing net repayments of debt under our senior credit facilities and the repurchase of our common stock in connection with stock option exercises. Net cash used in financing activities was \$25.5 million in 2008, primarily related to net repayments of debt.

Table of Contents**Contractual obligations**

The following table summarizes our contractual obligations as of December 31, 2008 that require us to make future cash payments (in thousands):

Contractual obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years	All other
Short-term and long-term debt ¹	\$ 408,726	\$ 2,101	\$ 4,202	\$ 402,423	\$	\$
Interest payments ²	152,521	34,770	65,990	51,761		
Operating lease obligations ³	36,138	7,540	13,154	9,266	6,178	
Purchase obligations ⁴	3,157	2,209	658	290		
Uncertain tax positions and related interest ⁵	6,341					6,341
Total contractual obligations	\$ 606,883	\$ 46,620	\$ 84,004	\$ 463,740	\$ 6,178	\$ 6,341

- (1) Short-term and long-term debt obligations do not reflect repayment of any indebtedness with the proceeds of this offering. For example, if we redeem \$ of our senior subordinated notes with the net proceeds from this offering, our payments due in 3-5 years will be reduced by \$ million.
- (2) Reflects interest payments on our term loan facility and associated interest rate swap agreement at an assumed interest rate of three-month LIBOR of 1.46% plus 2.0% for U.S. dollar loans and CDOR of 1.57% plus 2.85% for Canadian dollar loans, and required interest payment payments on our senior subordinated notes of 11.75%.
- (3) We are obligated under noncancelable operating leases for office space and office equipment. The lease for the corporate facility in Windsor, Connecticut expires in 2016. We sublease office space under noncancelable leases. We received rental income under these leases of \$1.4 million, \$1.5 million and \$1.4 million for the years ended December 31, 2008, 2007 and 2006, respectively. The effect of the rental income to be received in the future has not been included in the table above.
- (4) Purchase obligations include the minimum amounts committed under contracts for goods and services.
- (5) As of December 31, 2008, our liability for uncertain tax positions and related net interest payable were \$5.8 million and \$0.5 million, respectively. We are unable to reasonably estimate the timing of our uncertain tax position liability and interest payments in individual years beyond 12 months due to uncertainties in the timing of the effective settlement of tax positions.

Off-balance sheet arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital

expenditures or capital resources that is material to investors.

Our credit arrangements

The Transaction

On November 23, 2005, in connection with the Transaction, SS&C (1) entered into a new \$350.0 million credit facility, consisting of a \$200.0 million term loan facility with SS&C as the borrower, a \$75.0 million equivalent term loan facility with a Canadian subsidiary as the borrower (\$17.0 million of which is denominated in US dollars and \$58.0 million of which is denominated in Canadian dollars) and a \$75.0 million revolving credit facility and (2) issued \$205.0 million aggregate principal amount of 113/4% senior subordinated notes due 2013.

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As a result of the Transaction, we are highly leveraged and our debt service requirements are significant. At September 30, 2009, our total indebtedness was \$402.6 million and we had \$75.0 million available for borrowing under our revolving credit facility.

Senior credit facilities

SS&C's borrowings under the senior credit facilities bear interest at either a floating base rate or a Eurocurrency rate plus, in each case, an applicable margin. In addition, SS&C pays a commitment fee in respect of unused revolving commitments at a rate that will be adjusted based on our leverage ratio. SS&C is obligated to make quarterly principal payments on the term loan of \$2.1 million per year. Subject to certain exceptions, thresholds and other limitations, SS&C is required to prepay outstanding loans under the senior credit facilities with the net proceeds of certain asset dispositions and certain debt issuances and 50% of its excess cash flow (as defined in the agreements governing our senior credit facilities), which percentage will be reduced based on our reaching certain leverage ratio thresholds.

The obligations under our senior credit facilities are guaranteed by SS&C Holdings and all of SS&C's existing and future material wholly owned U.S. subsidiaries, with certain exceptions as set forth in our credit agreement. The obligations of the Canadian borrower are guaranteed by SS&C Holdings, SS&C and each of SS&C's U.S. and Canadian subsidiaries, with certain exceptions as set forth in the credit agreement. The obligations under the senior credit facilities are secured by a perfected first priority security interest in all of SS&C's capital stock and all of the capital stock or other equity interests held by SS&C Holdings, SS&C and each of SS&C's existing and future U.S. subsidiary guarantors (subject to certain limitations for equity interests of foreign subsidiaries and other exceptions as set forth in our credit agreement) and all of SS&C Holdings' and SS&C's tangible and intangible assets and the tangible and intangible assets of each of SS&C's existing and future U.S. subsidiary guarantors, with certain exceptions as set forth in the credit agreement. The Canadian borrower's borrowings under the senior credit facilities and all guarantees thereof are secured by a perfected first priority security interest in all of SS&C's capital stock and all of the capital stock or other equity interests held by SS&C Holdings, SS&C and each of SS&C's existing and future U.S. and Canadian subsidiary guarantors, with certain exceptions as set forth in the credit agreement, and all of SS&C Holdings' and SS&C's tangible and intangible assets and the tangible and intangible assets of each of SS&C's existing and future U.S. and Canadian subsidiary guarantors, with certain exceptions as set forth in the credit agreement.

The senior credit facilities contain a number of covenants that, among other things, restrict, subject to certain exceptions, SS&C's (and its restricted subsidiaries') ability to incur additional indebtedness, pay dividends and distributions on capital stock, create liens on assets, enter into sale and lease-back transactions, repay subordinated indebtedness, make capital expenditures, engage in certain transactions with affiliates, dispose of assets and engage in mergers or acquisitions. In addition, under the senior credit facilities, SS&C is required to satisfy and maintain a maximum total leverage ratio and a minimum interest coverage ratio. We were in compliance with all covenants at September 30, 2009.

113/4% senior subordinated notes due 2013

The 113/4% senior subordinated notes due 2013 are unsecured senior subordinated obligations of SS&C that are subordinated in right of payment to all existing and future senior debt,

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including the senior credit facilities. The senior subordinated notes will be *pari passu* in right of payment to all future senior subordinated debt of SS&C.

The senior subordinated notes are redeemable in whole or in part, at SS&C's option, at any time at varying redemption prices that generally include premiums, which are defined in the indenture. In addition, upon a change of control, SS&C is required to make an offer to redeem all of the senior subordinated notes at a redemption price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest.

The indenture governing the senior subordinated notes contains a number of covenants that restrict, subject to certain exceptions, SS&C's ability and the ability of its restricted subsidiaries to incur additional indebtedness, pay dividends, make certain investments, create liens, dispose of certain assets and engage in mergers or acquisitions.

We may use a portion of our net proceeds from this offering to redeem all or a portion of outstanding senior subordinated notes, at a redemption price of 105.875% of the principal amount, plus accrued and unpaid interest. Any redemption will result in a loss on extinguishment of debt in the period in which the notes are redeemed, which includes a redemption premium and a non-cash charge of approximately \$ million relating to the write-off of deferred financing fees attributable to the redeemed notes. For each \$1.0 million decrease in the principal amount redeemed, we will pay \$1.1 million less in cash to redeem the notes. See "Use of proceeds" for additional information.

Covenant compliance

Under the senior credit facilities, we are required to satisfy and maintain specified financial ratios and other financial condition tests. As of September 30, 2009, we were in compliance with the financial and nonfinancial covenants. Our continued ability to meet these financial ratios and tests can be affected by events beyond our control, and we cannot assure you that we will meet these ratios and tests. A breach of any of these covenants could result in a default under the senior credit facilities. Upon the occurrence of any event of default under the senior credit facilities, the lenders could elect to declare all amounts outstanding under the senior credit facilities to be immediately due and payable and terminate all commitments to extend further credit.

Consolidated EBITDA is a non-GAAP financial measure used in key financial covenants contained in our senior credit facilities, which are material facilities supporting our capital structure and providing liquidity to our business. Consolidated EBITDA is defined as earnings before interest, taxes, depreciation and amortization (EBITDA), further adjusted to exclude unusual items and other adjustments permitted in calculating covenant compliance under our senior credit facilities. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Consolidated EBITDA is appropriate to provide additional information to investors to demonstrate compliance with the specified financial ratios and other financial condition tests contained in our senior credit facilities.

Management uses Consolidated EBITDA to gauge the costs of our capital structure on a day-to-day basis when full financial statements are unavailable. Management further believes that providing this information allows our investors greater transparency and a better understanding of our ability to meet our debt service obligations and make capital expenditures.

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Any breach of covenants in our senior credit facilities that are tied to ratios based on Consolidated EBITDA could result in a default under that agreement, in which case the lenders could elect to declare all amounts borrowed due and payable and to terminate any commitments they have to provide further borrowings. Any such acceleration would also result in a default under our indenture. Any default and subsequent acceleration of payments under our debt agreements would have a material adverse effect on our results of operations, financial position and cash flows. Additionally, under our debt agreements, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is also tied to ratios based on Consolidated EBITDA.

Consolidated EBITDA does not represent net income or cash flow from operations as those terms are defined by GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Further, our senior credit facilities require that Consolidated EBITDA be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or any complete fiscal year.

Consolidated EBITDA is not a recognized measurement under GAAP, and investors should not consider Consolidated EBITDA as a substitute for measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because other companies may calculate Consolidated EBITDA differently than we do, Consolidated EBITDA may not be comparable to similarly titled measures reported by other companies. Consolidated EBITDA has other limitations as an analytical tool, when compared to the use of net income, which is the most directly comparable GAAP financial measure, including:

Consolidated EBITDA does not reflect the provision of income tax expense in our various jurisdictions;

Consolidated EBITDA does not reflect the significant interest expense we incur as a result of our debt leverage;

Consolidated EBITDA does not reflect any attribution of costs to our operations related to our investments and capital expenditures through depreciation and amortization charges;

Consolidated EBITDA does not reflect the cost of compensation we provide to our employees in the form of stock option awards; and

Consolidated EBITDA excludes expenses that we believe are unusual or non-recurring, but which others may believe are normal expenses for the operation of a business.

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The following is a reconciliation of net income to Consolidated EBITDA as defined in our senior credit facilities.

(In thousands)	Year ended December 31,			Nine months ended September 30,	
	2008	2007	2006	2009	2008
Net income	\$ 18,801	\$ 6,575	\$ 1,075	\$ 12,996	\$ 12,332
Interest expense, net	41,130	44,524	47,039	27,791	31,132
Income tax provision (benefit)	7,146	(458)	(3,789)	5,928	5,491
Depreciation and amortization	35,038	35,047	27,128	26,707	26,292
EBITDA	102,115	85,688	71,453	73,422	75,247
Purchase accounting adjustments ¹	(289)	(296)	3,017	(163)	(224)
Capital-based taxes	1,212	1,721	1,841	672	880
Unusual or non-recurring charges ²	1,480	(1,718)	1,485	1,683	2,502
Acquired EBITDA and cost savings ³	2,379	135	1,147	2,025	
Stock-based compensation	7,323	10,979	3,871	4,363	5,405
Other ⁴	1,346	2,158	1,184	977	1,044
Consolidated EBITDA, as defined	\$ 115,566	\$ 98,667	\$ 83,998	\$ 82,979	\$ 84,854

- (1) Purchase accounting adjustments include (a) an adjustment to increase revenues by the amount that would have been recognized if deferred revenue were not adjusted to fair value at the date of the Transaction and (b) an adjustment to increase rent expense by the amount that would have been recognized if lease obligations were not adjusted to fair value at the date of the Transaction.
- (2) Unusual or non-recurring charges include foreign currency transaction gains and losses, expenses related to our prior proposed public offering, severance expenses associated with workforce reduction, equity earning and losses on investments, proceeds and payments from legal and other settlements, costs associated with the closing of a regional office and other one-time gains and expenses.
- (3) Acquired EBITDA and cost savings reflects the EBITDA impact of significant businesses that were acquired during the period as if the acquisition occurred at the beginning of the period and cost savings to be realized from such acquisitions.
- (4) Other includes management fees and related expenses paid to Carlyle and the non-cash portion of straight-line rent expense.

Our covenant restricting capital expenditures for the year ending December 31, 2009 limits expenditures to \$17.5 million. Actual capital expenditures through September 30, 2009 were \$1.2 million. Our covenant requirements

for total leverage ratio and minimum interest coverage ratio and the actual ratios for the twelve months ended September 30, 2009 are as follows:

	Covenant requirements	Actual ratios
Maximum consolidated total leverage to Consolidated EBITDA Ratio	5.50x	3.30x
Minimum Consolidated EBITDA to consolidated net interest coverage ratio	2.00x	3.18x

Recent accounting pronouncements

In June 2009, the Financial Accounting Standards Board (FASB) issued The FASB Accounting Standards Codification (Codification) and the Hierarchy of GAAP , which establishes the Codification as the single source of authoritative U.S. GAAP recognized by the FASB to be applied by nongovernmental entities. SEC rules and interpretive releases are also sources of authoritative

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GAAP for SEC registrants. The Codification modifies the GAAP hierarchy to include only two levels of GAAP: authoritative and nonauthoritative. We adopted the Codification effective with this filing and, as it is not intended to change or alter existing GAAP, it did not impact our results of operations, cash flows or financial position.

In May 2009, the FASB issued new accounting guidance related to the accounting and disclosures of subsequent events. This guidance establishes general standards of accounting for, and disclosure of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. We adopted this guidance upon its issuance and such adoption did not have a material impact on our condensed consolidated financial statements.

In April 2009, the FASB issued new accounting guidance related to interim disclosures about the fair values of financial instruments, which requires disclosures about fair value of financial instruments not measured on the balance sheet at fair value in interim financial statements as well as in annual financial statements. Prior to this, fair values for these assets and liabilities were only disclosed annually. This new accounting guidance requires all entities to disclose the method(s) and significant assumptions used to estimate the fair value of financial instruments. We adopted this guidance upon its issuance and such adoption did not have a material impact on our condensed consolidated financial statements.

Quantitative and qualitative disclosures about market risk

We do not use derivative financial instruments for trading or speculative purposes. We have invested our available cash in short-term, highly liquid financial instruments, having initial maturities of three months or less. When necessary we have borrowed to fund acquisitions.

At September 30, 2009, excluding capital leases, we had total debt of \$402.3 million, including \$197.3 million of variable interest rate debt. We have entered into an interest rate swap agreement having a notional value of \$100 million that effectively fixes our interest rate at 6.78% and expires in December 2010. During the period when this swap agreement is effective, a 1% change in interest rates would result in a change in interest expense of approximately \$1.0 million per year. Upon the expiration of the interest rate swap agreement in December 2010, a 1% change in interest rates would result in a change in interest expense of approximately \$2.0 million per year.

At September 30, 2009, \$41.3 million of our debt was denominated in Canadian dollars. We expect that our Canadian dollar-denominated debt will be serviced through operating cash flows from our Canadian operations.

During 2008, approximately 39% of our revenues were from clients located outside the United States. A portion of the revenues from clients located outside the United States is denominated in foreign currencies, the majority being the Canadian dollar. Revenues and expenses of our foreign operations are denominated in their respective local currencies. We continue to monitor our exposure to foreign exchange rates as a result of our foreign currency denominated debt, our acquisitions and changes in our operations.

The foregoing risk management discussion and the effect thereof are forward-looking statements. Actual results in the future may differ materially from these projected results due to actual developments in global financial markets. The analytical methods used by us to assess and minimize risk discussed above should not be considered projections of future events or losses.

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We are a leading provider of mission-critical, sophisticated software products and software-enabled services that allow financial services providers to automate complex business processes and effectively manage their information processing requirements. Our portfolio of software products and rapidly deployable 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. 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. We provide our solutions globally to more than 4,500 clients, principally within the institutional asset management, alternative investment management and financial institutions vertical markets. In addition, our clients include commercial lenders, corporate treasury groups, insurance and pension funds, municipal finance groups and real estate property managers.

We provide the global financial services industry with a broad range of software-enabled services, which consist of software-enabled outsourcing services and subscription-based on-demand software that are managed and hosted at our facilities, and specialized software products, which are deployed at our clients' 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 mission-critical and complex 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 complicated financial software. The following table describes selected functionality of our software products and software enabled services and the eight vertical markets that we serve.

Selected functionality	Alternative investment managers	Financial markets	Treasury,	Institutional credit unions	asset managers	Insurance	Commercial lenders	Municipal	Real estate
			banks			& pension funds		finance groups	property managers
Portfolio Management/Accounting	ü	ü		ü	ü	ü			
Trading/Treasury Operations	ü	ü		ü	ü	ü			
Financial Modeling				ü		ü		ü	
Fund Administration 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 and by selling maintenance services. Maintenance services are generally provided under annually renewable contracts. As a consequence, a significant portion of our revenues consists of subscription payments and maintenance fees and is contractually recurring in nature. Our pricing typically scales 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 software-enabled services and maintenance contracts for our core enterprise products. We believe that the high value-added nature of our products and services has enabled us to maintain our high revenue retention rates and significant operating margins.

Through a combination of 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

We serve a number of vertical markets within the financial services industry, including alternative investment funds, investment management firms, insurance companies, banks and brokerage firms. The recent economic crisis has negatively affected each of these markets and contributed to a significant decline in asset value. In particular, alternative investment funds, such as hedge funds, experienced increased redemption requests and money managers experienced a 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, affects their access to credit, spending ability and, in some cases, their long-term viability.

Many of these recent issues highlight the need for effective risk assessment tools, improved reporting systems, accurate accounting and compliance systems and overall management of middle- and back-office operations. These challenges provide us opportunities as industry participants seek to respond efficiently and effectively to increased regulation and investor demand for transparency, and to enhance their competitive position in a challenging environment.

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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. 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 for these assets. 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 and Investor Demand for Transparency. Recent market and economic conditions have led to new legislation and numerous proposals for changes in the regulation of the financial services industry, including significant additional legislation and regulation in the United States. Several high-profile scandals have also led to increased investor demand for transparency. The financial services industry must meet these complicated and burdensome requirements, and many have struggled to do so. In addition, as the financial services industry continues to grow in complexity, we anticipate regulatory oversight will continue to impose new demands on financial services providers. The expectation is that hedge funds may start to experience similar regulatory pressures. In addition, financial services providers continue to face increasing