SS&C Technologies Holdings Inc
Form S-1/A
October 15, 2007

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**As filed with the Securities and Exchange Commission on October 15, 2007**

**Registration No. 333-143719**

**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, DC 20549**

**Amendment No. 4 to**
**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** | **71-0987913** |
| *(State or other jurisdiction of incorporation or organization)* | *(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 Lamberton Road**
**Windsor, Connecticut 06095**
**(860) 298-4500**
*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

***Copies to:***

**John A. Burgess, Esq.**
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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this registration statement becomes effective. o

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. o

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. o _____

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. o _____

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. o _____

**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.

**PROSPECTUS** (Subject to completion)
Issued October 15, 2007

**Shares**

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 NASDAQ Global Market under the symbol SSNC.

**Investing in our common stock involves risks. See Risk Factors beginning on page 13.**

*Price $ Per Share*

| | *Underwriting Discounts and Commissions* | *Proceeds to SS&C Holdings* | *Proceeds to Selling Stockholders* |
|---|---|---|---|

| | *Price to Public* | | | |
|---|---|---|---|---|
| *Per Share* | $ | $ | $ | $ |
| *Total* | $ | $ | $ | $ |

The selling stockholders 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 , 2007.

**Morgan Stanley** **Credit Suisse** **JPMorgan**

**Jefferies & Company** **Wachovia Securities**

, 2007

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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 , 2007 (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 13, and our consolidated 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.*

## SS&C TECHNOLOGIES HOLDINGS, INC.

### 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 4,000 clients, principally within the institutional asset management, alternative investment management and financial institutions sectors.

We provide the global financial services industry with a broad range of both specialized software products, which are deployed at our clients facilities, and software-enabled services, which are managed and hosted at our facilities. Our software-enabled services, which combine the strengths of our proprietary software with our domain expertise, enable our clients to contract with us to provide many of their 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 and processing. 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 | Fund Administration Services |
| Financial Modeling | Loan Management/Accounting |
| Trading/Treasury Operations | 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. We also generate revenues by licensing our software to clients through either perpetual or term licenses, both of which include annually renewable maintenance contracts. As a consequence, a significant portion of our revenues 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

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revenues, increased as a percentage of total revenues from 52% in the year ended December 31, 2000 to 79% in the year ended December 31, 2006. 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 consistent organic growth and acquisitions, we generated revenues of $205.5 million for the year ended December 31, 2006 as compared to revenues of $95.9 million for the year ended December 31, 2004. We generated 77% of our revenues in 2006 from clients in North America and 23% from clients outside North America. Our revenues are highly diversified, with our largest client in 2006 accounting for 5.5% of our revenues.

## Our Industry

The financial services industry is a large, dynamic and rapidly growing market. According to a 2006 Gartner report, worldwide financial services industry spending on IT services and software is forecasted to grow from $163.5 billion in 2005 to $230.9 billion in 2010, representing a 7.2% compound annual growth rate. Additionally, worldwide financial services spending on outsourced process management is expected to grow from $26.5 billion in 2005 to $40.7 billion in 2010, representing an 8.9% compound annual growth rate. We expect our growth to continue due to a number of factors related to the financial services industry and evolving challenges faced by industry participants, including:

***Rapidly Growing Worldwide Financial Services Industry.*** As both transaction volumes and assets under management increase, financial services providers require more advanced solutions to automate complex business processes and manage their information processing requirements. To keep pace with the rapid growth in the industry and remain competitive with other industry participants, financial services providers increasingly need to implement advanced software applications or utilize service offerings from third parties to manage their most critical and complex IT processes.

***Increasing Willingness to Implement Solutions from Independent Software Vendors and Outsource IT Operations***. Rather than relying on their internal IT departments to develop 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 increase their efficiency and time to market.

***Asset Classes and Securities Products Growing in Both Number and Complexity***. Investment professionals must increasingly track and invest in numerous types of asset classes and securities that are often far more complex than traditional equity and debt instruments, including mortgage- and asset-backed securities, derivatives, swaps, futures, repos and options. 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.*** Increasing domestic and foreign regulation is forcing compliance with more complicated and burdensome requirements for financial services providers. This has escalated demand for software solutions that both meet compliance requirements and reduce the burden of compliance reporting and enforcement.

***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 increasingly competitive conditions worldwide, financial services organizations seek to rapidly expand into new markets, increase front-office productivity by offering investment professionals greater modeling functionality and better tools to solve complex financial problems, and drive cost savings by utilizing software to automate and integrate their mission-critical and labor intensive business processes.

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## Our Competitive Strengths

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

***Broad Portfolio of Products and Services Focused on Financial Services Organizations***. Our broad portfolio of over 50 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 with growing assets under management and meet evolving regulatory requirements.

***Enhanced Profitability 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 own and control our products source code, we can quickly identify and deploy product improvements and respond to client feedback.

***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 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 June 30, 2007, we had 833 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, 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-

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enabled services revenues increased from $30.9 million for the year ended December 31, 2004 to $107.7 million for the year ended December 31, 2006, representing a compound annual growth rate of 87%.

***Expand Our Client Base.*** Our client base of more than 4,000 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 for a minority 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 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, add new clients, supplement our internal development efforts and accelerate our expected growth. We believe that our acquisitions have been an extension of our research and development effort that has enabled us to purchase proven products and remove the uncertainties associated with software development projects. We have a proven ability to integrate complementary businesses as demonstrated by the 23 businesses that we have acquired since 1995. Our acquisitions have contributed marketable products or services that have added to our revenues and we have been able to improve the operational performance and profitability of our acquired businesses, creating significant value for our stockholders.

***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 2006, we generated 23% 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 for alternative investment managers, which to date have primarily been implemented by U.S.-based alternative investment management firms.

**Risks Associated with Our Business**

Our business is subject to numerous risks and uncertainties, as more fully described under Risk Factors beginning on page 13, which you should carefully consider before purchasing our common stock. For example:

- Our business is affected by changes in the state of the general economy and the financial markets, and a slowdown or downturn in the general economy or the financial markets 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.

- 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.

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Following the completion of this offering, investment funds affiliated with Carlyle will beneficially own approximately % of the outstanding shares of our common stock, and William C. Stone, our Chairman of the Board of Directors and Chief Executive Officer, will beneficially own approximately % of the outstanding shares of our common stock, assuming that the underwriters do not exercise their option to purchase additional shares.

**Developments Since 2005**

Since 2005, our business has continued to grow and we have made significant operational improvements. We acquired EisnerFast, Financial Interactive, Cogent Management and Northport, which enabled us to expand our software-enabled services for alternative investment managers, as well as MarginMan, Open Information Systems and Zoologic, which added software solutions to complement our product suite. We acquired and integrated the operations of Financial Models Company, which significantly increased our client base and product capabilities. Moreover, we have strengthened our product portfolio through internal development and introduced new offerings for institutional asset managers, alternative investment managers and mortgage and commercial loan managers. On November 23, 2005, SS&C was acquired by SS&C Holdings, which is currently owned principally by funds affiliated with The Carlyle Group and by William C. Stone, the Chairman of the Board and Chief Executive Officer of both SS&C and SS&C Holdings.

**Principal Stockholder The Carlyle Group**

The Carlyle Group, or Carlyle, is a global private equity firm with over $71.4 billion under management. Carlyle invests in buyouts, venture and growth capital, real estate and leveraged finance in Asia, Europe and North America. Its investments focus principally on the technology, aerospace and defense, automotive and transportation, business services, consumer and retail, energy and power, healthcare, industrial, and telecommunications and media industries. Since 1987, the firm has invested $28.3 billion of equity in 636 transactions for a total purchase price of $132.0 billion. Carlyle employs more than 800 people in 18 countries. Carlyle deals have included the acquisitions of Open Solutions Inc., a leading provider of core processing software to financial institutions, Freescale Semiconductor, Inc., one of the world s largest semiconductor companies, The Hertz Corporation, the largest worldwide car rental brand, Dex Media, Inc., a leading telephone directory publisher, and Blackboard, Inc., a leading e-learning platform provider.

**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

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;

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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.

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 July 31, 2007, investment funds affiliated with Carlyle beneficially owned approximately 72% of the outstanding shares of 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 31% of the outstanding shares of 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 of this prospectus):

| | Time of Transaction | Time of Initial Public Offering |
|---|---|---|
| Per Share | $ | $ |
| Aggregate | $ | $ |

**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 Lamberton 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 |
| Over-allotment option offered by the selling stockholders | The selling stockholders have granted the underwriters a 30-day option to purchase up to shares of our common stock. |
| Use of proceeds | We intend to use substantially all of our net proceeds of this offering to redeem up to $71.75 million in principal amount of our outstanding 113/4% senior subordinated notes due 2013 at a redemption price of 111.75% 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. See Use of Proceeds for additional information. We will not receive any proceeds from the sale of shares by the selling stockholders. |
| Proposed NASDAQ Global Market symbol | SSNC |

The number of shares of our common stock to be outstanding following this offering is based on the number of shares of our common stock outstanding as of July 31, 2007, and excludes:

1,622,950 shares of common stock issuable upon the exercise of stock options outstanding as of July 31, 2007 at a weighted average exercise price of $57.80 per share; and

170,641 shares of common stock reserved as of July 31, 2007 for future issuance under our 2006 equity incentive plan.

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 July 31, 2007;

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 Consolidated Financial Data

The tables below summarize our consolidated financial information as of and for the periods indicated. You should read the following information together with the more detailed information contained in Selected Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated 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. See Management s Discussion and Analysis of Financial Condition and Results of Operations Results of Operations for a discussion of the presentation of our results for the year ended December 31, 2005 on a combined basis.

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 of this prospectus), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the use of substantially all of the net proceeds thereof to redeem $71.75 million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 111.75% of the principal amount, plus accrued and unpaid interest.

| | Predecessor | | Successor | Combined | | Successor | |
|---|---|---|---|---|---|---|---|
| | Year Ended December 31, 2004 | January 1 through November 22, 2005 | November 23 through December 31, 2005 | Year Ended December 31, 2005(1) | Year Ended December 31, 2006 | Six Months Ended June 30, 2006 | 2007 |
| | (In thousands, except per share and percentage data) | | | | | | |
| **Statement of Operations Data:** | | | | | | | |
| Revenues: | | | | | | | |
| Software licenses | $ 17,250 | $ 20,147 | $ 3,587 | $ 23,734 | $ 22,925 | $ 10,362 | $ 11,494 |
| Maintenance | 36,433 | 44,064 | 3,701 | 47,765 | 55,222 | 26,348 | 30,233 |
| Professional services | 11,320 | 12,565 | 2,520 | 15,085 | 19,582 | 10,128 | 9,043 |
| Software-enabled services | 30,885 | 67,193 | 7,857 | 75,050 | 107,740 | 52,182 | 65,472 |
| Total revenues | 95,888 | 143,969 | 17,665 | 161,634 | 205,469 | 99,020 | 116,242 |
| Total cost of revenues | 33,770 | 59,004 | 7,627 | 66,631 | 100,016 | 47,801 | 61,750 |
| Gross profit | 62,118 | 84,965 | 10,038 | 95,003 | 105,453 | 51,219 | 54,492 |
| Operating expenses: | | | | | | | |
| Selling, marketing, general and administrative | 18,748 | 25,078 | 2,504 | 27,582 | 37,964 | 16,648 | 20,810 |
| Research and development | 13,957 | 19,199 | 2,071 | 21,270 | 23,620 | 11,804 | 13,037 |
| Merger costs | | 36,912 | | 36,912 | | | |
| Total operating expenses | 32,705 | 81,189 | 4,575 | 85,764 | 61,584 | 28,452 | 33,847 |
| Operating income | 29,413 | 3,776 | 5,463 | 9,239 | 43,869 | 22,767 | 20,645 |
| Interest income | 1,528 | 1,031 | 30 | 1,061 | 388 | 229 | 209 |
| Interest expense | | (2,092) | (4,920) | (7,012) | (47,427) | (23,502) | (22,764) |
| Other (expense) income, net | 99 | 655 | 258 | 913 | 456 | 827 | 580 |
| Income (loss) before income taxes | 31,040 | 3,370 | 831 | 4,201 | (2,714) | 321 | (1,330) |
| Provision (benefit) for income taxes | 12,030 | 2,658 | | 2,658 | (3,789) | (1,240) | (98) |
| Net income (loss) | $ 19,010 | $ 712 | $ 831 | $ 1,543 | $ 1,075 | $ 1,561 | $ (1,232) |
| Earnings (loss) per share(2) | | | | | | | |
| Basic | $ 0.90 | $ 0.03 | $ 0.12 | | $ 0.15 | $ 0.22 | $ (0.17) |
| Diluted | $ 0.84 | $ 0.03 | $ 0.11 | | $ 0.15 | $ 0.21 | $ (0.17) |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Weighted average shares outstanding(2) | | | | | | | |
| Basic | 21,185 | 23,300 | 7,075 | | 7,079 | 7,077 | 7,088 |
| Diluted | 22,499 | 24,478 | 7,314 | | 7,316 | 7,314 | 7,088 |
| **Other financial data:** | | | | | | | |
| Recurring revenue percentage(3) | 70.2% | 77.3% | 65.4% | 76.0% | 79.3% | 79.3% | 82.3% |
| Consolidated EBITDA(4) | | $ 64,989 | $ 8,588 | $ 73,577 | $ 83,998 | $ 40,979 | $ 44,182 |

| | As of June 30, 2007 | |
|---|---|---|
| | Actual | As Adjusted |
| | (In thousands) | |
| **Balance Sheet Data:** | | |
| Cash and cash equivalents | $ 13,210 | $ |
| Working capital | 3,488 | |
| Total assets | 1,177,600 | |
| 113/4% senior subordinated notes due 2013 | 205,000 | |
| Senior credit facility, including current portion | 258,757 | |
| Total stockholders equity | 586,722 | |

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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 (deficit) capital, total assets and total stockholders equity by $ , 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 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.

(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. 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 that year.

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.

The 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 (loss) 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.

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Consolidated EBITDA has other limitations as an analytical tool, when compared to the use of net income (loss), 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 | Successor | Combined | Successor | | | |
|---|---|---|---|---|---|---|---|
| | Period from January 1 through November 22, 2005 | Period from November 23, 2005 through December 31, 2005 | Year Ended December 31, 2005 | Year Ended December 31, 2006 | Twelve Months Ended June 30, 2007(a) | Six Months Ended June 30, 2006 | Six Months Ended June 30, 2007 |
| | (In thousands) | | | | | | |
| Net income (loss) | $ 712 | $ 831 | $ 1,543 | $ 1,075 | $ (1,718) | $ 1,561 | $ (1,232) |
| Interest expense (income), net | 1,061 | 4,890 | 5,951 | 47,039 | 46,320 | 23,273 | 22,555 |
| Income taxes | 2,658 | | 2,658 | (3,789) | (2,647) | (1,240) | (98) |
| Depreciation and amortization | 9,575 | 2,301 | 11,876 | 27,128 | 30,969 | 13,372 | 17,213 |
| EBITDA | 14,006 | 8,022 | 22,028 | 71,453 | 72,924 | 36,966 | 38,438 |
| Purchase accounting adjustments(b) | | 616 | 616 | 3,017 | 323 | 2,555 | (139) |
| Merger costs | 36,912 | | 36,912 | | | | |
| Capital-based taxes | | | | 1,841 | 1,625 | 880 | 664 |
| Unusual or non-recurring charges(c) | (737) | (242) | (979) | 1,485 | 1,914 | (670) | (241) |
| Acquired EBITDA and cost savings(d) | 14,808 | 85 | 14,893 | 1,147 | 729 | 748 | 135 |
| Stock-based compensation | | | | 3,871 | 8,411 | | 4,540 |
| Other(e) | | 107 | 107 | 1,184 | 1,469 | 500 | 785 |
| Consolidated EBITDA | $ 64,989 | $ 8,588 | $ 73,577 | $ 83,998 | $ 87,395 | $ 40,979 | $ 44,182 |

(a) Results for the twelve months ended June 30, 2007 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 June 30, 2007 are calculated based on our results for the year ended December 31, 2006, in addition to our results for the six months ended June 30, 2007, less our results for the six months ended June 30, 2006. Acquired EBITDA and cost savings for the twelve months ended June 30, 2007 reflects the EBITDA impact of significant businesses that were acquired during this period as if the acquisitions occurred as of July 1, 2006 and cost savings to be realized from such acquisitions.

(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 gains and losses, gains and losses on the sales of marketable securities, proceeds from legal settlements, costs associated with the closing of a regional office and other one-time 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 paid to Carlyle and the non-cash portion of straight-line rent expense.

**Consolidated EBITDA and Consolidated Leverage Ratios**

Our senior credit facilities require us to maintain both a maximum consolidated total leverage to Consolidated EBITDA ratio (currently no more than 6.75) and a minimum Consolidated EBITDA to consolidated net interest ratio (currently not less than 1.50), 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.

| | Combined | Successor | | |
|---|---|---|---|---|
| | Twelve Months Ended December 31, 2005 | Twelve Months Ended December 31, 2006 | Twelve Months Ended June 30, 2007 | Twelve Months Ended June 30, 2007 (As adjusted)(5) |
| | (In thousands, except ratio data) | | | |
| Consolidated EBITDA(1) | $ 73,577 | $ 83,998 | $ 87,395 | |
| Consolidated total leverage to Consolidated EBITDA ratio (current maximum covenant level: 6.75)(2) | 6.43 | 5.48 | 5.16 | |
| Consolidated EBITDA to consolidated net interest coverage ratio (current minimum covenant level: 1.50)(3) | 10.87(4) | 1.88 | 2.00 | |

(1) We reconcile our Consolidated EBITDA for the trailing four quarters to net income for the same period using the same methods set forth above.

(2) 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 $30,000,000, of cash and cash equivalents to (b) Consolidated EBITDA.

(3) 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.

(4) 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.

(5) As adjusted to give effect to the use of substantially all of our net proceeds of this offering to redeem $71.75 million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 111.75% of the principal amount, plus accrued and unpaid interest.

## 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 materializes, our business, financial condition and results of operations would suffer. 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 affected by changes in the state of the general economy and the financial markets, and a slowdown or downturn in the general economy or the financial markets could disproportionately affect the demand for our products and services.***

Our clients include a range of organizations in the financial services industry whose success is intrinsically linked to the health of the economy generally and of the financial markets specifically. As a result, we believe that fluctuations, disruptions, instability or downturns in the general economy and the financial markets 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;
- 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 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 in the financial services industry could result in a decline in demand for our products and services.***

If financial services firms continue to consolidate, as they have over the past decade, there could be a decline in demand for our products and services. For example, if a client merges with a firm using its own solution or another vendor s solution, it could decide to consolidate its 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. For instance, in 2007, a client that represented 5.5% of our revenues in 2006 was acquired in a tender offer transaction. Although the effect of the acquisition on our business is not yet known, if that client were to stop using our products and services as a result of the acquisition, it could cause a significant decrease in our revenues, at least in the short term.

***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 volume of assets under our clients management;

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 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 are currently subject to a consolidated shareholder class action lawsuit, the unfavorable outcome of which might have a material adverse impact on our financial condition, operating results and cash flows during the period in which a final outcome is reached.***

In connection with the Acquisition, two lawsuits were filed in the Delaware Chancery Court against SS&C, members of the SS&C board of directors and, with respect to one lawsuit, SS&C Holdings. The lawsuits, which were subsequently consolidated, allege that the Acquisition benefited SS&C s senior management at the expense of its public stockholders, that SS&C s board breached its fiduciary duties and that the merger consideration paid to SS&C s stockholders was inadequate and did not represent the best price available in the marketplace for SS&C. The plaintiffs in the consolidated shareholder class action lawsuit have not sought a specific amount of monetary damages. The parties to the consolidated lawsuit entered into a memorandum of understanding on October 18, 2005, in which SS&C agreed to make additional disclosures in connection with the approval of the Acquisition, and executed a settlement agreement on July 6, 2006. Under the settlement agreement, SS&C agreed to pay up to $350,000 of plaintiffs legal fees and expenses. However, the court disapproved the proposed settlement on November 29, 2006. In its opinion, the court criticized plaintiffs counsel s handling of the litigation and raised questions regarding management s involvement in the process leading up to the Acquisition. The parties are currently in discovery, and the court has set a trial date for July 2008. We face the expense and burden incurred in defending the lawsuit, which may divert our management s efforts and attention from ordinary business operations. If the final resolution of this litigation is unfavorable to us, we may have to pay a substantial sum to SS&C s former stockholders, which might materially adversely affect our financial condition, operating results and cash flows during the period in which a final outcome is reached if our existing insurance coverage is unavailable or inadequate to resolve the matter. Please see Business Legal Proceedings for a discussion of the lawsuits.

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***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.

Some of our current and potential competitors have significantly greater financial, technical 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 result in client dissatisfaction and lost 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.

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 such 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.

***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.

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***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 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. We cannot be sure that our proprietary technology does not include open-source software, free-ware, share-ware or other publicly available technology. 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. Third parties also 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 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. While we are not currently a party to any litigation asserting that we have violated third-party 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 relating 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 51% of our revenues for the year ended December 31, 2006. 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 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.

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***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, 2004, 2005 and 2006, international revenues accounted for 22%, 37% and 40%, respectively, of our total revenues. We sell certain of our products, such as Altair, Mabel 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 Substantial 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 June 30, 2007, we had total indebtedness of $463.8 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 and $258.8 million of secured indebtedness under our term loan B facility.

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;
- 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 obligated to make periodic principal and interest payments on our senior and subordinated debt of approximately $46 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.

***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 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 our common stock. Although we have applied to have our common stock listed on the NASDAQ Global Market, 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.

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***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;
- 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 July 31, 2007. 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, in the near future as set forth below.

| Number of Shares and % of Total Outstanding | Date Available for Sale Into Public Market |
|---|---|
| shares, or % | On the date of this prospectus. |
| shares, or % | 90 days after the date of this prospectus. |
| shares, or % | 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. |
| shares, or % | Between 181 and 365 days after the date of this prospectus, depending on the requirements of the federal securities laws. |

In addition, as of July 31, 2007, there were 1,622,950 shares subject to outstanding options and an additional 170,641 shares reserved for future issuance under our 2006 equity incentive plan 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 July 31, 2007, 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 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 July 31, 2007, there were 1,622,950 shares subject to outstanding options with a weighted average exercise price of $57.80 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 the outstanding shares of our common stock, and William C. Stone will beneficially own approximately % of the outstanding shares 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,

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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 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 and investment funds affiliated with 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 substantial time to new compliance initiatives. 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 NASDAQ Stock Market, impose a number of requirements on public companies, including provisions regarding corporate governance practices. Our management and other personnel will need to devote a substantial 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

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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 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 NASDAQ Global Market, 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, expects, intends, may, will or should or, in each case, their negative or other variatio 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 slowdown or downturn in the general economy or the financial markets;
- 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 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 $ million, assuming the number of shares offered by us, as set forth on the cover of this prospectus, remains the same. We will not receive any proceeds from the sale of shares of common stock offered by the selling stockholders.

We currently intend to use:

- substantially all of our net proceeds from this offering to redeem up to $71.75 million in principal amount of our outstanding notes, at a redemption price of 111.75% 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 current plans for any specific acquisitions at this time, we may use a portion of the net proceeds for these purposes.

Under the terms of the indenture governing our notes, we are permitted to use our net proceeds from this offering to redeem additional outstanding notes at a redemption price of 111.75%, plus accrued and unpaid interest, subject to an overall requirement that we may not redeem more than 35% of the aggregate principal amount of notes originally issued. As a result, we are permitted to redeem up to $71.75 million in principal amount of notes with a portion of our net proceeds from this offering. 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 the maximum amount, we will redeem $71.75 million in principal amount of notes for $80.18 million in cash, plus accrued and unpaid interest. This redemption will result in a loss on extinguishment of debt of approximately $8.4 million in the period in which the notes are redeemed. Additionally, we will incur a non-cash charge of approximately $2.2 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 $1.12 million less in cash.

We have not yet determined with any certainty the manner in which we will allocate 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 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 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 June 30, 2007, as follows:

- on an actual basis; and

- on an as adjusted basis to reflect the sale of shares of common stock that we are offering at an assumed initial public offering price of $ per share, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the use of substantially all of the net proceeds thereof to redeem $71.75 million in original principal amount of our outstanding 113/4% senior subordinated notes due 2013 at a redemption price of 111.75% of the principal amount, plus accrued and unpaid interest.

You should read the following table in conjunction with our consolidated financial statements and the accompanying notes and the sections entitled Selected Consolidated Financial Data and Management s Discussion and Analysis of Financial Condition and Results of Operations appearing elsewhere in this prospectus.

| | As of June 30, 2007 | |
|---|---|---|
| | Actual | As Adjusted |
| | (In thousands) | |
| Cash and cash equivalents | $ 13,210 | $ |
| Senior credit facilities | $ 258,757 | $ |
| 113/4% senior subordinated notes due 2013 | 205,000 | |
| Total debt, including current portion | 463,757 | |
| Stockholders equity: | | |
| Common stock, par value $0.01 per share; 10,000 shares authorized, 7,088 shares issued, actual; shares authorized, shares issued, as adjusted | 71 | |
| Additional paid-in capital | 564,064 | |
| Accumulated other comprehensive income | 21,989 | |
| Retained earnings | 674 | |
| Less: cost of common stock in treasury, 1 share | (76) | |
| Total stockholders equity | 586,722 | |
| Total capitalization, including current portion of long-term debt | $ 1,050,479 | $ |

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 $ , 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:

- 1,625,355 shares of common stock issuable upon the exercise of stock options outstanding as of June 30, 2007 at a weighted average exercise price of $57.83 per share; and

- 168,236 shares of common stock reserved as of June 30, 2007 for future issuance under our 2006 equity incentive plan.

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# DILUTION

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 common stock and the net tangible book value per share of common stock immediately after this offering.

Our net tangible book value as of June 30, 2007 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 adjusted net tangible book value as of June 30, 2007 would have been approximately $ million, 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 June 30, 2007 | $ | |
| 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.

The following table summarizes, as of June 30, 2007, 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 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 June 30, 2007. As of June 30, 2007, we had outstanding options to purchase a total of 1,625,355 shares of common stock at a weighted average exercise price of $57.83 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 CONSOLIDATED FINANCIAL DATA

You should read the selected consolidated financial data with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the accompanying notes. The selected consolidated financial data as of June 30, 2007 and for the six months ended June 30, 2006 and 2007 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The selected consolidated financial data as of December 31, 2005 and 2006 and for the fiscal year ended December 31, 2004, for the periods from January 1, 2005 through November 22, 2005 and from November 23, 2005 through December 31, 2005, and for the fiscal year ended December 31, 2006 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, 2002, 2003 and 2004 and for the fiscal years ended December 31, 2002 and 2003 have been derived from audited consolidated financial statements not included in this prospectus.

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 the most meaningful comparison of our results. See Management s Discussion and Analysis of Financial Condition and Results of Operations Results of Operations for a discussion of the presentation of our results for the year ended December 31, 2005 on a combined basis.

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The selected consolidated financial information set forth below is not necessarily indicative of the results of future operations and should be read in conjunction with, and is qualified in its entirety by, the discussion under the heading Management s Discussion and Analysis of Financial Condition and Results of Operations and in our consolidated financial statements and the accompanying notes.

| | Predecessor | | | | Successor | Combined | | Successor |
|---|---|---|---|---|---|---|---|---|
| | Year Ended December 31, | | | Period from January 1, 2005 through November 22, | Period from November 23, 2005 through December 31, | Year Ended December 31, | Year Ended December 31, | Six Mon Ju |
| | 2002 | 2003 | 2004 | 2005 | 2005 | 2005 | 2006 | 2006 |
| | (In thousands, except per share and percentage data) | | | | | | | |
| **rations** | | | | | | | | |
| | $ 15,631 | $ 14,233 | $ 17,250 | $ 20,147 | $ 3,587 | $ 23,734 | $ 22,925 | $ 10,362 |
| | 27,850 | 31,318 | 36,433 | 44,064 | 3,701 | 47,765 | 55,222 | 26,348 |
| ces | 6,326 | 6,757 | 11,320 | 12,565 | 2,520 | 15,085 | 19,582 | 10,128 |
| services | 12,627 | 13,223 | 30,885 | 67,193 | 7,857 | 75,050 | 107,740 | 52,182 |
| | 62,434 | 65,531 | 95,888 | 143,969 | 17,665 | 161,634 | 205,469 | 99,020 |
| | 1,316 | 1,788 | 2,258 | 2,963 | 856 | 3,819 | 9,216 | 4,548 |
| | 5,640 | 6,248 | 8,462 | 10,393 | 1,499 | 11,892 | 20,415 | 9,863 |
| ces | 5,412 | 4,387 | 6,606 | 7,849 | 861 | 8,710 | 12,575 | 6,293 |
| services | 8,621 | 8,003 | 16,444 | 37,799 | 4,411 | 42,210 | 57,810 | 27,097 |
| ues | 20,989 | 20,426 | 33,770 | 59,004 | 7,627 | 66,631 | 100,016 | 47,801 |
| | 41,445 | 45,105 | 62,118 | 84,965 | 10,038 | 95,003 | 105,453 | 51,219 |
| es: | | | | | | | | |
| ting | 9,078 | 8,393 | 10,734 | 13,134 | 1,364 | 14,498 | 17,598 | 7,895 |
| elopment | 11,760 | 11,180 | 13,957 | 19,199 | 2,071 | 21,270 | 23,620 | 11,804 |
| istrative | 7,721 | 7,154 | 8,014 | 11,944 | 1,140 | 13,084 | 20,366 | 8,753 |
| ased n and | | | | | | | | |
| | 1,744 | | | | | | | |
| | | | | 36,912 | | 36,912 | | |
| penses | 30,303 | 26,727 | 32,705 | 81,189 | 4,575 | 85,764 | 61,584 | 28,452 |
| | 11,142 | 18,378 | 29,413 | 3,776 | 5,463 | 9,239 | 43,869 | 22,767 |
| | 1,431 | 912 | 1,528 | 1,031 | 30 | 1,061 | 388 | 229 |
| | | | | (2,092) | (4,920) | (7,012) | (47,427) | (23,502) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| pense), | (273) | 47 | 99 | 655 | 258 | 913 | 456 | 827 |
| ore | 12,300 | 19,337 | 31,040 | 3,370 | 831 | 4,201 | (2,714) | 321 |
| ) for | 4,995 | 7,541 | 12,030 | 2,658 | | 2,658 | (3,789) | (1,240) |
| | $ 7,305 | $ 11,796 | $ 19,010 | $ 712 | $ 831 | $ 1,543 | $ 1,075 | 1,561 |
| r | | | | | | | | |
| | $ 0.38 | $ 0.63 | $ 0.90 | $ 0.03 | $ 0.12 | | $ 0.15 | $ 0.22 |
| | $ 0.36 | $ 0.59 | $ 0.84 | $ 0.03 | $ 0.11 | | $ 0.15 | $ 0.21 |
| shares | | | | | | | | |
| | 19,473 | 18,617 | 21,185 | 23,300 | 7,075 | | 7,079 | 7,077 |
| | 20,531 | 19,832 | 22,499 | 24,478 | 7,314 | | 7,316 | 7,314 |
| **flows** | | | | | | | | |
| by (used | | | | | | | | |
| es | $ 15,495 | $ 23,711 | $ 28,524 | $ 32,116 | $ 4,915 | | $ 30,709 | $ 16,801 |
| ies | (2,738) | (15,321) | (89,220) | (110,495) | (877,261) | | (18,626) | (13,442) |
| es | (23,290) | (12,081) | 74,074 | 69,161 | 868,655 | | (16,427) | (4,699) |
| **ata:** | | | | | | | | |
| | 64.8% | 68.0% | 70.2% | 77.3% | 65.4% | 76.0% | 79.3% | 79.3% |
| TDA(3) | | | | $ 64,989 | $ 8,588 | $ 73,577 | $ 83,998 | $ 40,979 |
| **ta (at** | | | | | | | | |
| lents and | | | | | | | | |
| ies | $ 41,719 | $ 52,381 | $ 130,835 | | $ 15,584 | | $ 11,718 | |
| deficit) | 36,699 | 42,009 | 116,418 | | 7,283 | | (1,312) | |
| | 75,480 | 82,585 | 185,663 | | 1,176,371 | | 1,152,521 | |
| | | | | | 478,143 | | 466,235 | |
| equity | 57,270 | 61,588 | 156,094 | | 557,133 | | 563,132 | |

(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 years ended December 31, 2002, 2003 and 2004 because we did not have any senior credit facilities that required the calculation of Consolidated EBITDA for those years.

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.

The 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 (loss) 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 (loss), 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.

| | Predecessor | Successor | Combined | Successor | | | |
|---|---|---|---|---|---|---|---|
| | Period from January 1 through November 22, 2005 | Period from November 23, 2005 through December 31, 2005 | Year Ended December 31, 2005 | Year Ended December 31, 2006 | Twelve Months Ended June 30, 2007(a) | Six Months Ended June 30, 2006 | Six Months Ended June 30, 2007 |
| | | | | (In thousands) | | | |
| Net income (loss) | $ 712 | $ 831 | $ 1,543 | $ 1,075 | $ (1,718) | $ 1,561 | $ (1,232) |
| Interest expense (income), net | 1,061 | 4,890 | 5,951 | 47,039 | 46,320 | 23,273 | 22,555 |
| Income taxes | 2,658 | | 2,658 | (3,789) | (2,647) | (1,240) | (98) |
| Depreciation and amortization | 9,575 | 2,301 | 11,876 | 27,128 | 30,969 | 13,372 | 17,213 |
| EBITDA | 14,006 | 8,022 | 22,028 | 71,453 | 72,924 | 36,966 | 38,438 |
| Purchase accounting adjustments(b) | | 616 | 616 | 3,017 | 323 | 2,555 | (139) |
| Merger costs | 36,912 | | 36,912 | | | | |
| Capital-based taxes | | | | 1,841 | 1,625 | 880 | 664 |
| Unusual or non-recurring charges(c) | (737) | (242) | (979) | 1,485 | 1,914 | (670) | (241) |
| Acquired EBITDA and cost savings(d) | 14,808 | 85 | 14,893 | 1,147 | 729 | 748 | 135 |
| Stock-based compensation | | | | 3,871 | 8,411 | | 4,540 |
| Other(e) | | 107 | 107 | 1,184 | 1,469 | 500 | 785 |
| Consolidated EBITDA | $ 64,989 | $ 8,588 | $ 73,577 | $ 83,998 | $ 87,395 | $ 40,979 | $ 44,182 |

(a) Results for the twelve months ended June 30, 2007 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 June 30, 2007 are calculated based on our results for the year ended December 31, 2006, in addition to our results for the six months ended June 30, 2007, less our results for the six months ended June 30, 2006. Acquired EBITDA and cost savings for the twelve months ended June 30, 2007 reflects the EBITDA impact of significant businesses that were acquired during this period as if the acquisitions occurred as of July 1, 2006 and cost savings to be realized from such acquisitions.

(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 gains and losses, gains and losses on the sales of marketable securities, proceeds from legal settlements, costs associated with the closing of a regional office and other one-time 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 paid to Carlyle and the non-cash portion of straight-line rent expense.

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### Consolidated EBITDA and Consolidated Leverage Ratios

Our senior credit facilities require us to maintain both a maximum consolidated total leverage to Consolidated EBITDA ratio (currently no more than 6.75) and a minimum Consolidated EBITDA to consolidated net interest ratio (currently not less than 1.50) 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.

| | Combined | Successor | | |
|---|---|---|---|---|
| | Twelve Months Ended December 31, 2005 | Twelve Months Ended December 31, 2006 | Twelve Months Ended June 30, 2007 | Twelve Months Ended June 30, 2007 (As Adjusted)(5) |
| | (In thousands, except ratio data) | | | |
| Consolidated EBITDA(1) | $ 73,577 | $ 83,998 | $ 87,395 | |
| Consolidated total leverage to Consolidated EBITDA ratio (current maximum covenant level: 6.75)(2) | 6.43 | 5.48 | 5.16 | |
| Consolidated EBITDA to consolidated net interest coverage ratio (current minimum covenant level: 1.50)(3) | 10.87 (4) | 1.88 | 2.00 | |

(1) We reconcile our Consolidated EBITDA for the trailing four quarters to net income for the same period using the same methods set forth above.

(2) 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 $30,000,000 of cash and cash equivalents to (b) Consolidated EBITDA.

(3) 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.

(4) 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.

(5) As adjusted to give effect to the use of substantially all of our net proceeds of this offering to redeem $71.75 million in original principal amount of our outstanding 113/4% senior subordinated notes at a redemption price of 111.75% 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 Consolidated Financial Data section of this prospectus and our consolidated 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 4,000 clients, principally within the institutional asset management, alternative investment management and financial institutions sectors.

In 2006 and the first half of 2007, we accomplished four primary objectives: entered new markets and expanded our presence in current markets, increased our recurring revenues, enhanced our operating income and paid down debt and reduced our debt leverage.

Through two acquisitions in 2006, we expanded our presence in the alternative investment market and entered the financial services training market. In March 2006, we acquired Cogent Management Inc., a provider of services to the alternative investment management market. We combined the Cogent business with our SS&C Fund Services business and increased our presence in this market. In August 2006, we acquired the assets of Zoologic Inc., a provider of web-based courseware and training for the financial services industry. We further expanded our services in the alternative investment market in March 2007 when we acquired the assets of Northport LLC. In 2005, we expanded our presence in the international market with both the acquisition of FMC, which had operations in both London and Australia and the acquisition of MarginMan, which had operations in Ireland. In 2006, we expanded our alternative asset market services into our European operations. Since the beginning of 2005, our headcount outside North America has increased by approximately 50 employees or 100%, and we expect it will continue to increase in future periods. As a result, our revenue outside of North America has increased from \$21.2 million in 2004 to \$47.2 million in 2006.

As we have expanded our business, we have focused on increasing our contractually recurring revenues, which include maintenance revenues and software-enabled services revenues. We have seen increased demand in the financial services industry for our software-enabled services. This demand has been both from existing customers increasing services they purchase from us and from selling our services to new customers. To support that demand, we have taken a number of steps, such as automating our software-enabled services delivery methods, providing our employees with sales incentives and acquiring businesses that offer 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 to reduce the fluctuations in revenues and cash flows typically associated with software license revenues. Our software-enabled services revenues increased from

$30.9 million, or 32% of total revenues, in 2004 to $107.7 million, or 52% of total revenues, in 2006. Our maintenance revenues increased from $36.4 million in 2004 to $55.2 million in 2006. 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. Our software-enabled services revenue has grown from 32.2% of total revenues in 2004 to

56.2% of total revenues in the six months ended June 30, 2007. To support that growth 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 impacted. We expect our contractually recurring revenues to continue to increase as a percentage of our total revenues.

While increasing our contractually recurring revenues, we also focus on increasing our profitability. Although operating expenses increased in terms of dollars due to our acquisitions, we reduced operating expenses as a percentage of total revenues from 34% in 2004 to 30% in 2006. These efforts contributed to a 49% increase in our operating income from 2004 to 2006. We believe that our success in managing operating expenses results from a disciplined approach to cost controls, our focus on operational efficiencies, identification of synergies related to acquisitions and more cost-effective marketing programs.

In 2006, we generated $30.7 million of net cash from operating activities. We used $17.1 million, net of borrowings, to pay down debt. For the six months ended June 30, 2007, we further paid down $12.9 million of debt. Our operating results improvements and the reduction of debt resulted in a reduction of our consolidated total leverage ratio from 6.43x as of December 31, 2005 to 5.16x as of June 30, 2007. Please see Selected Consolidated Financial Data for additional information on our financial ratios.

### The Going-Private Transaction

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.

The accompanying financial information is presented for two periods: Predecessor and Successor, which relate to the period preceding the Transaction and the period succeeding the Transaction, respectively. The results of operations for the year ended December 31, 2004 are the results of operations of SS&C and its consolidated subsidiaries (Predecessor). The results of operations for the year ended December 31, 2006 and the six months ended June 30, 2006 and 2007 are the results of operations of SS&C Holdings and its consolidated subsidiaries, including SS&C (Successor). Our results of operations for 2005 consist of SS&C s consolidated results of operations for the Predecessor period from January 1, 2005 through November 22, 2005 and SS&C Holdings consolidated results of operations for the Successor period from November 23, 2005 through December 31, 2005. To facilitate comparison among the annual periods, we have prepared our discussion of the results of operations by comparing the mathematical combination of the Successor and Predecessor periods in the year ended December 31, 2005 to the years ended December 31, 2004 and 2006. Although this presentation does not comply with GAAP, we believe that it provides a meaningful method of comparison. The combined operating results have not been prepared as pro forma results under applicable regulations and may not reflect the actual results we would have achieved absent the Transaction and may not be predictive of future results of operations.

### Effect of the Going-Private Transaction

As a result of the Transaction, our assets and liabilities, including client relationships, completed technology and trade names, were adjusted to their fair market values as of the closing date. These adjusted valuations resulted in an increase in our cost of revenue and operating expenses due to the increase in expense related to amortization of intangible assets.

The value at which we carry our intangible assets and goodwill increased significantly. As set forth in greater detail in the table below, as a result of the application of purchase accounting, our intangible assets with definite lives were revalued from an aggregate of $80.7 million prior to the consummation of the Transaction to $272.1 million after the consummation of the Transaction, and were assigned new amortization periods.

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The valuation assigned to our intangible assets at the date of the Transaction was as follows:

| | Carrying Value (In millions) | | Weighted Average Amortization Period |
|---|---|---|---|
| Customer relationships | $ | 197.1 | 11.5 years |
| Completed technology | $ | 55.7 | 8.5 years |
| Trade names | $ | 17.2 | 13.9 years |
| Exchange relationships | $ | 1.4 | 10 years |
| Other | $ | 0.7 | 3 years |

Goodwill was also revalued from $175.5 million prior to the consummation of the Transaction to $809.5 million after the consummation of the Transaction and is subject to annual impairment testing.

Additionally, as discussed below in Liquidity and Capital Resources, we incurred significant indebtedness in connection with the consummation of the Transaction, and our total indebtedness and related interest expenses are significantly higher than prior to the Transaction. We are obligated to make periodic principal and interest payments on our senior and subordinated debt of approximately $46 million annually.

**Strategic Acquisitions**

To complement our organic growth, we evaluate and execute acquisitions that expand our client base, increase our market presence both in the United States and abroad, expand the breadth of our proprietary software and software-enabled service offerings and enhance our strategic assets. Since the beginning of 2004, we have spent approximately $259 million in cash to acquire 12 financial services businesses.

The following table lists the businesses we have acquired since 2004:

| Acquired Business | Acquisition Date | Description |
|---|---|---|
| Northport | March 12, 2007 | Alternative investment fund management services |
| Zoologic | August 31, 2006 | Web-based training software |
| Cogent Management | March 3, 2006 | Alternative investment fund management services |
| Open Information Systems | October 31, 2005 | Money market processing software and services |
| MarginMan | August 24, 2005 | Collateralized trading software and services |
| Financial Interactive | June 3, 2005 | Investor relations software and services |
| Financial Models Company | April 19, 2005 | Investment management software and services |
| EisnerFast | February 28, 2005 | Alternative investment fund management services |
| Achievement Technologies | February 11, 2005 | Facilities management software |
| OMR Systems Corporation | April 12, 2004 | Treasury processing software and services |
| NeoVision Hypersystems | February 17, 2004 | Visual analytic software |
| Investment Advisory Network | January 16, 2004 | Wealth management software and services |

**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.

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### *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 in accordance with Staff Accounting Bulletin ( SAB ) 104 Revenue Recognition , 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 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 apply the provisions of Statement of Position No. 97-2, Software Revenue Recognition (SOP 97-2) to all software transactions. 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. 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 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 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 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 quarterly 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*

Under Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and Other Intangible Assets (SFAS 142), 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) using reporting units identified for the purpose of assessing potential future impairments of goodwill.

We apply the provisions of SFAS 142 and SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, and 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.

### *Acquisition Accounting*

In connection with our acquisitions, we apply the provisions of SFAS No. 141, Business Combinations, and 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 apply 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 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, 2006, 2005 and 2004 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***

As of the date of the Transaction, the Company adopted SFAS No. 123R (revised 2004), Share-Based Payment (SFAS 123R), using the modified prospective method, which requires companies to record stock compensation expense over the remaining service period for all unvested awards as of the adoption date.

Accordingly, prior period amounts have not been restated. Using the fair value recognition provisions of SFAS 123R, 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 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.

We grant 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 date of grant, 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 and March 31, 2007, 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.

The following table summarizes information about stock options granted since August 2006:

| | | | | Weighted-Average Fair Value of Options by Vesting Type(1): | | |
|---|---|---|---|---|---|---|
| **Grant Date** | **Shares** | **Exercise Price** | **Fair Value of Underlying Stock** | **Time** | **Performance** | **Change in Control** |
| August 2006 | 1,165,831 | $ 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 | (2) |
| May 2007 | 17,500 | 98.91 | 98.91 | 40.85 | 43.32 | (2) |

| | | | | | | |
|---|---|---|---|---|---|---|
| June 2007 | 3,000 | 98.91 | 98.91 | 41.37 | 43.89 | (2) |

(1) The weighted-average fair value of options by vesting type represents the value as determined under SFAS 123R at the grant date. These fair values do not reflect the re-valuation of certain options related to modifications effected in April 2007, as more fully described in note 3 to the condensed consolidated financial statements for the six months ended June 30, 2007. Based upon our current assessment of the number of modified performance-based options that will eventually vest, we expect to recognize additional stock-based compensation expense of approximately $2.1 million ratably over the remainder of 2007 related to these modified options.

(2) We have not yet determined the fair value of options granted during 2007 that vest only upon a change-in-control.

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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 1,165,831 shares of common stock at an exercise price of $74.50 per share. Our board of directors determined that the $74.50 price, 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.

In October 2007, in connection with our proposed initial 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. 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 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 three generally accepted valuation procedures 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 an initial 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 an initial 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 an initial public offering.

We believe that several factors account for the difference in the fair value of our common stock of $98.91 as of June 2007 and $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, including the following:

the increase in the fair value of our common stock as a result of market considerations, as represented in the significant number of public offerings in the months immediately prior to this offering;

the changes that will result in our capital structure as a result of this offering, including the anticipated reduction in outstanding debt resulting from the redemption of $71.75 million in principal amount of our 113/4% senior subordinated notes due 2013;

the added liquidity of our common stock attributable to our listing on a public securities exchange; and

the growth of our software-enabled services business.

If factors change and we employ different assumptions in the application of SFAS 123R in future periods, the compensation expense that we record under SFAS 123R 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.

The values of outstanding vested and unvested options as of June 30, 2007 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 | 925,390 | $ |
| Vested | 699,965 | $ |

***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 the provisions of Financial Standards Accounting Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). At adoption, we had

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$4.2 million of liabilities for unrecognized tax benefits. The adoption of FIN 48 resulted in a reclassification of certain tax liabilities from 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 FIN 48. 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 June 30, 2007, we had $5.4 million of liabilities for unrecognized tax benefits. Of this amount, $5.1 million relates to uncertain income tax positions that either existed prior to or were created as a result of the Transaction and would decrease goodwill if recognized. The remainder 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:

| | Successor | Combined | Successor | Predecessor | | | |
|---|---|---|---|---|---|---|---|
| | Year Ended December 31, 2006 | Year Ended December 31, 2005 | Period from November 23, 2005 through December 31, 2005 | Period from January 1, 2005 through November 22, 2005 | Year Ended December 31, 2004 | Percent Change From Prior Year 2006 | Percent Change From Prior Year 2005 |
| Revenues: | | | | | | | |
| Software licenses | $ 22,925 | $ 23,734 | $ 3,587 | $ 20,147 | $ 17,250 | (3.4)% | 37.6% |
| Maintenance | 55,222 | 47,765 | 3,701 | 44,064 | 36,433 | 15.6 | 31.1 |
| Professional services | 19,582 | 15,085 | 2,520 | 12,565 | 11,320 | 29.8 | 33.3 |
| Software-enabled services | 107,740 | 75,050 | 7,857 | 67,193 | 30,885 | 43.6 | 143.0 |
| Total revenues | $ 205,469 | $ 161,634 | $ 17,665 | $ 143,969 | $ 95,888 | 27.1 | 68.6 |

| | Successor | | |
|---|---|---|---|
| | Six Months Ended June 30, 2007 | Six Months Ended June 30, 2006 | Percent Change |
| Revenues: | | | |
| Software licenses | $ 11,494 | $ 10,362 | 10.9% |
| Maintenance | 30,233 | 26,348 | 14.7 |
| Professional services | 9,043 | 10,128 | (10.7) |
| Software-enabled services | 65,472 | 52,182 | 25.5 |
| Total revenues | $ 116,242 | $ 99,020 | 17.4 |

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

| | **Successor** | **Combined** | **Predecessor** | **Successor Six Months** | |
|---|---|---|---|---|---|
| | **Year Ended December 31, 2006** | **Year Ended December 31, 2005** | **Year Ended December 31, 2004** | **Ended June 30, 2007** | **2006** |
| Revenues: | | | | | |
| Software licenses | 11.2% | 14.7% | 18.0% | 9.9% | 10.5% |
| Maintenance | 26.9 | 29.6 | 38.0 | 26.0 | 26.6 |
| Professional services | 9.5 | 9.3 | 11.8 | 7.8 | 10.2 |
| Software-enabled services | 52.4 | 46.4 | 32.2 | 56.3 | 52.7 |

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## Comparison of Six Months Ended June 30, 2007 and 2006

### 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. 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 six months ended June 30, 2007 were $116.2 million, increasing 17% from $99.0 million in the same period in 2006. Revenues for businesses and products that we have owned for at least 12 months, or organic revenues, increased 11%, accounting for $10.9 million of the increase, and came from increased demand of $11.4 million for our software-enabled services and an increase of $1.5 million in maintenance revenues, offset by decreases of $1.1 million in license sales and $0.9 million in professional services revenues. The remaining $3.3 million increase was due to sales of products and services that we acquired in our recent acquisitions of Northport, Zoologic and Cogent, which we acquired in March 2007, August 2006 and March 2006, respectively. Additionally, revenues for the six months ended June 30, 2006 include a reduction of $3.0 million as a result of adjusting deferred revenue to fair value in connection with the Transaction.

#### *Software Licenses*

Software license revenues were $11.5 million and $10.4 million for the six months ended June 30, 2007 and 2006, respectively. Acquisitions added $0.8 million in revenues, partially offsetting a decrease of $1.1 million in organic revenues. Additionally, software license revenues for the six months ended June 30, 2006 included a reduction of $1.4 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction. 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 six months ended June 30, 2007, we had a similar number of perpetual license transactions as we did in the six months ended June 30, 2006. However, the average size of the transactions was smaller than that of the prior year. 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 $30.2 million and $26.3 million for the six months ended June 30, 2007 and 2006, respectively. Maintenance revenue growth of $3.9 million was due in part to organic revenue growth of $1.5 million and acquisitions, which added $0.2 million in revenues. Additionally, maintenance revenues for the six months ended June 30, 2006 included a reduction of $2.2 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 change 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 $9.0 million and $10.1 million for the six months ended June 30, 2007 and 2006, respectively. Organic professional services revenues decreased $0.9 million, primarily related to four significant professional services projects that were either completed or substantially completed in late 2006. Additionally, professional services revenues for the six months ended June 30, 2006 included an increase of $0.2 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction.

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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 six months ended June 30, 2007 and 2006 were $65.5 million and $52.2 million, respectively. Organic revenue growth accounted for $11.4 million of the increase and came from increased demand 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. Acquisitions added $2.3 million in revenues in the aggregate. Additionally, software-enabled services revenues for the six months ended June 30, 2006 include an increase of $0.4 million as a result of adjusting our deferred revenue to fair value in connection with the Transaction. Future software-enabled services revenue growth is dependent on our ability to retain existing clients, add new clients and increase average fees.

**Cost of Revenues**

The total cost of revenues for the six months ended June 30, 2007 and 2006 was $61.8 million and $47.8 million, respectively. The gross margin decreased to 47% for the six months ended June 30, 2007 from 52% for the comparable period in 2006. The decrease in gross margin was primarily attributable to additional amortization of $2.6 million, stock-based compensation expense of $1.2 million and a non-cash increase in rent expense of $0.2 million. In addition, we have invested in increased personnel, facilities expansion and information technology to support our growth and maintain our level of customer service for our software-enabled services. As a result, and due to the fact that software-enabled services have lower gross margins than license and maintenance revenues, our overall gross margin percentage has been impacted. Accounting for the remainder of the total cost of revenues increase was $2.2 million in costs associated with the acquisitions of Northport, Zoologic and Cogent, and cost increases of $7.8 million to support our organic revenue growth, primarily in software-enabled services revenues.

***Cost of Software Licenses***

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 license revenues for the six months ended June 30, 2007 and 2006 was $4.8 million and $4.5 million, respectively. The increase in cost of software licenses was due in part to additional amortization expense of $0.1 million based on cash flows and $0.1 million of costs related to acquisitions. Cost of software license revenues as a percentage of such revenues was 42% and 44% for the six months ended June 30, 2007 and 2006, respectively.

***Cost of Maintenance***

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 for the six months ended June 30, 2007 and 2006 was $13.1 million and $9.9 million, respectively. The increase in cost of maintenance revenues was due principally to increased amortization of intangible assets of $2.2 million, acquisitions, which added $0.4 million in costs, and organic cost increases of $0.6 million to support the growth in organic revenues.

***Cost of Professional Services***

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 six months ended June 30, 2007 and 2006 was $7.0 million and $6.3 million, respectively. The increase

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in cost of professional services revenues was primarily due to stock-based compensation expense of $0.1 million and an increase of $0.5 million in organic personnel costs.

***Cost of Software-enabled Services***

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 six months ended June 30, 2007 and 2006 was $36.8 million and $27.1 million, respectively. The increase in cost of software-enabled services revenues was primarily due to an increase of $6.6 million in organic costs to support the growth in organic revenues and acquisitions, which added $1.7 million in the aggregate. Additionally, stock-based compensation represented $1.0 million of the increase and increases of $0.3 million in amortization expense and $0.1 million in non-cash rent expense contributed to the overall increase.

## Operating Expenses

Total operating expenses for the six months ended June 30, 2007 and 2006 were $33.8 million and $28.5 million, respectively. The $5.3 million increase in operating expenses was primarily due to stock-based compensation expense of $3.3 million and our acquisitions of Northport, Zoologic and Cogent, which added $0.7 million in costs. These increases were partially offset by a reduction of $0.2 million in capital-based taxes. The remainder of the increase was due to an increase in organic costs to support the growth in organic revenues.

***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 six months ended June 30, 2007 and 2006 were $9.3 million and $7.9 million, respectively. The increase in selling and marketing expenses was primarily attributable to stock-based compensation expense of $0.7 million, acquisitions, which added $0.4 million in costs, and an increase of $0.2 million in organic costs.

***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 six months ended June 30, 2007 and 2006 were $13.0 million and $11.8 million, respectively. The increase in research and development expenses was primarily due to $0.5 million of stock-based compensation expense, acquisitions, which added $0.3 million in costs, and an increase of $0.4 million in organic 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 six months ended June 30, 2007 and 2006 were $11.5 million and $8.8 million, respectively. The increase in general and administrative expenses was primarily due to stock-based compensation expense of $2.1 million and acquisitions, which added $0.1 million. These increases were offset by a decrease of $0.2 million in capital-based taxes. The remainder of the increase was due to an increase in organic costs to support the growth in organic revenues.

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### Interest Expense, Net

Net interest expense was $22.6 million and $23.3 million for the six months ended June 30, 2007 and 2006, respectively. Interest expense was primarily related to our debt outstanding under our senior credit facility and 113/4% senior subordinated notes due 2013.

### Other Income, Net

Other income, net for the six months ended June 30, 2007 consisted primarily of foreign currency gains and proceeds received from insurance policies. Other income, net for the six months ended June 30, 2006 consisted primarily of foreign currency gains.

### Benefit for Income Taxes

We had an effective tax rate of 7% for the six months ended June 30, 2007. While we currently estimate that the effective tax rate for the balance of the year will be approximately 12%, the effective tax rate may fluctuate significantly based on the amount of our annual consolidated pre-tax income (loss) and which tax jurisdictions generate the majority of our annual consolidated pre-tax income (loss). Our anticipated annual effective tax rate of 12% is lower than the U.S. statutory tax rate of 35% because we have incurred losses in tax jurisdictions with higher statutory tax rates and generated income in tax jurisdictions with lower statutory tax rates.

## Comparison of Years Ended December 31, 2006, 2005 and 2004

### Revenues

Revenues were $205.5 million, $161.6 million and $95.9 million in 2006, 2005 and 2004, respectively. Revenue growth in 2006 of $43.8 million, or 27%, was primarily a result of our 2005 acquisitions of FMC, EisnerFast, Financial Interactive, Inc., MarginMan and OIS, which increased revenues by an aggregate of $24.5 million, reflecting a full 12 months of activity. Our 2006 acquisitions of Cogent and Zoologic added $5.1 million in the aggregate and revenues for businesses and products that we have owned for at least 12 months, or organic revenues, increased $17.1 million, or 10.5%, from 2005. Organic growth came from increased demand for our software-enabled services totaling $15.7 million and increases in sales of our maintenance and professional services of $3.2 million and $1.6 million, respectively. These increases were offset by a decrease of $3.4 million in license sales. Revenues for 2006 also include a reduction of $3.6 million related to the valuation of deferred revenue acquired in the Transaction, while 2005 revenues were reduced by $0.7 million. The increase in revenues from 2004 to 2005 of $65.7 million, or 69%, was primarily a result of our 2005 acquisitions, which added an aggregate of $53.5 million, our 2004 acquisition of OMR, which added $6.4 million, reflecting a full 12 months of activity and organic revenue growth of $6.6 million, or 6.9%. Revenues for 2005 also include a reduction of $0.7 million related to the valuation of deferred revenue acquired in the Transaction.

#### *Software Licenses*

Software license revenues were $22.9 million, $23.7 million and $17.3 million in 2006, 2005 and 2004, respectively. The decrease in software license revenues from 2005 to 2006 of $0.8 million was due to a reduction of $1.5 million related to the valuation of deferred revenue acquired in the Transaction. Our acquisition of Zoologic in August 2006 added $0.7 million, while organic revenues were consistent with 2005. During 2006 and 2005, we had a similar number of perpetual license transactions at a comparable average size. The increase in software license revenues from 2004 to 2005 of $6.4 million, or 38%, was due to our 2005 acquisitions, which contributed $4.3 million in the aggregate and organic revenue growth of $2.1 million, or 12.5%. During 2005, we had a greater number of perpetual license transactions, at a slightly smaller average size than 2004. 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

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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 $55.2 million, $47.8 million and $36.4 million in 2006, 2005 and 2004, respectively. The increase in maintenance revenues from 2005 to 2006 of $7.5 million, or 16%, was primarily due to our 2005 acquisitions, which increased revenues an aggregate of $5.9 million, reflecting a full 12 months of activity, organic growth of $3.2 million and our acquisition of Zoologic, which added $0.2 million. These increases in maintenance revenues were offset by a reduction of $2.8 million related to the valuation of deferred revenue acquired in the Transaction, and 2005 revenues were reduced by $1.0 million due to the valuation of acquired deferred revenues. The increase in maintenance revenues from 2004 to 2005 of $11.4 million, or 31%, was primarily attributable to our 2005 acquisitions, which added $9.3 million in the aggregate, our 2004 acquisition of OMR, which increased $1.5 million, reflecting a full 12 months of activity and organic revenue growth of $1.5 million, or 4.0%. These increases in maintenance revenues were offset by a reduction of $1.0 million related to the valuation of deferred revenue acquired in 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 $19.6 million, $15.1 million and $11.3 million in 2006, 2005 and 2004, respectively. The increase in professional services revenues from 2005 to 2006 of $4.5 million, or 30%, was primarily due to our 2005 acquisitions, which increased revenues by an aggregate of $2.9 million, reflecting a full 12 months of activity and organic growth of $1.6 million. The increase in professional services revenues from 2004 to 2005 of $3.8 million, or 33%, was primarily attributable to our 2005 acquisitions, which added an aggregate of $5.0 million in revenues. Organic revenues decreased by $1.4 million, primarily the result of significant implementation projects from 2004 that were completed during the first quarter of 2005. Professional services revenues for 2005 also include an increase of $0.2 million related to the valuation of deferred revenue acquired in 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 $107.7 million, $75.1 million and $30.9 million in 2006, 2005 and 2004, respectively. The increase in software-enabled services revenues from 2005 to 2006 of $32.7 million, or 44%, was primarily due to our 2005 acquisitions, which increased revenues by an aggregate of $12.5 million, reflecting a full 12 months of activity, our 2006 acquisition of Cogent, which added $4.2 million and organic growth of $15.7 million, or 21%. Organic growth was driven by SS&C Fund Services and Pacer ASP services provided by SS&C Canada. Software-enabled services revenues for 2006 include an increase of $0.4 million related to the valuation of deferred revenue acquired in the Transaction, while 2005 revenues were increased by $0.1 million. The increase in software-enabled services revenues from 2004 to 2005 of $44.2 million, or 143%, was primarily attributable to our 2005 acquisitions, which added an aggregate of $34.9 million in revenues, our 2004 acquisition of OMR, which increased $3.8 million, reflecting a full 12 months of activity and organic revenue growth of $5.4 million, or 17.6%. Software-enabled services revenues for 2005 also include an increase of $0.1 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.

**Cost of Revenues**

The total cost of revenues was $100.0 million, $66.6 million and $33.8 million in 2006, 2005 and 2004, respectively. The gross margin decreased from 65% in 2004 to 59% in 2005 and to 51% in 2006. The increase in costs in 2006 was primarily due to our 2005 acquisitions, which increased costs by an aggregate of $10.7 million, reflecting a full 12 months of activity, our 2006 acquisitions of Cogent and Zoologic, which added $2.9 million, incremental amortization of $10.2 million related to the revaluation of intangible assets in connection with the Transaction and cost increases of $10.0 million to support our organic revenue growth. The increased costs included $9.0 million for personnel, infrastructure and other costs to support the growth in our software-enabled services revenues and professional services revenues, respectively, and $1.0 million of stock-based compensation expense. The increase in cost of revenues in 2005 was primarily attributable to our 2005 acquisitions, which added an aggregate of $25.6 million in costs. Our April 2005 acquisition of FMC initially increased our headcount by approximately 300 employees, of which approximately 150 employees were performing operating functions that affected cost of revenues. Additionally, costs for OMR increased $3.2 million, reflecting a full twelve months of activity for this April 2004 acquisition, and personnel costs and other expenses increased $4.0 million to support our increased organic revenues.

***Cost of Software License Revenues***

The cost of software license revenues was $9.2 million, $3.8 million and $2.3 million in 2006, 2005 and 2004, respectively. The increase in cost from 2005 to 2006 was primarily attributable to $3.9 million in additional amortization relating to the Transaction, reflecting a full 12 months, our 2005 acquisitions, which increased costs by an aggregate of $0.8 million, reflecting a full 12 months, and our acquisition of Zoologic, which added $0.1 million in costs. Organically, costs increased $0.6 million, reflecting additional amortization under the percent of cash flows method. The increase in cost from 2004 to 2005 was primarily attributable to amortization of completed technology associated with our 2005 acquisitions, which added $0.8 million in costs, and $0.2 million of costs for OMR, reflecting a full 12 months of amortization for the completed technology acquired in April 2004. Additionally, costs increased $0.5 million reflecting the revaluation of intangibles acquired in the Transaction.

***Cost of Maintenance Revenues***

The cost of maintenance revenues was $20.4 million, $11.9 million and $8.5 million in 2006, 2005 and 2004, respectively. The increase in costs from 2005 to 2006 was primarily due to $7.0 million in additional amortization relating to the Transaction, our 2005 acquisitions, which increased costs by an aggregate of $1.4 million, reflecting a full 12 months of activity, and our 2006 acquisition of Zoologic, which added $0.3 million. These increases were offset by a $0.2 million decrease in organic costs. The increase in costs from 2004 to 2005 was primarily due to $2.7 million in additional costs associated with our 2005 acquisitions and additional costs of $0.7 million related to OMR, reflecting a full 12 months of activity. Additionally, reductions in personnel and other expenses of $0.7 million were fully offset by an increase in amortization expense related to the revaluation of intangible assets acquired in the Transaction.

***Cost of Professional Services Revenues***

The cost of professional services revenue was $12.6 million, $8.7 million and $6.6 million in 2006, 2005 and 2004, respectively. The increase in costs from 2005 to 2006 was primarily due to our 2005 acquisitions, which increased an aggregate of $2.3 million, reflecting a full 12 months of activity, and an increase of $1.5 million to support organic revenue growth. The increase in costs from 2004 to 2005 was attributable to our 2005 acquisitions, which added $2.1 million in the aggregate, and increased costs of $0.5 million related to OMR, reflecting a full 12 months of activity, partially offset by a reduction of $0.5 million in personnel and other expenses.

***Cost of Software-Enabled Services Revenues***

The cost of software-enabled services revenues was $57.8 million, $42.2 million and $16.4 million in 2006, 2005 and 2004, respectively. The increase in costs from 2005 to 2006 was primarily due to our 2005 acquisitions, which increased costs by an aggregate of $6.2 million, reflecting a full 12 months of activity, our 2006 acquisition of Cogent, which added $2.5 million, and an increase of $7.0 million in organic costs to support the growth in software-enabled services revenues. Additionally, 2006 costs include $0.8 million related to stock-based compensation and a decrease of $0.8 million in amortization expense. The increase in costs from 2004 to 2005 was primarily due to $20.0 million of costs associated with our 2005 acquisitions and increased costs of $1.8 million related to OMR, reflecting a full 12 months of activity. Additionally, personnel and other expenses increased $3.8 million to support growth in organic revenues, and amortization expense increased $0.2 million due to the revaluation of intangible assets acquired in the Transaction.

### Operating Expenses

Our total operating expenses were $61.6 million, $85.8 million and $32.7 million in 2006, 2005 and 2004, respectively, and represent 30%, 53% and 34%, respectively, of total revenues in those years. The decrease in total operating expenses from 2005 to 2006 was primarily due to one-time transaction costs of $36.9 million in 2005. Additionally, our 2005 acquisitions increased costs by an aggregate of $6.6 million, reflecting a full 12 months of activity, our 2006 acquisitions added $0.6 million and organic costs increased $5.5 million. The increase in organic costs was primarily due to $2.9 million in stock-based compensation, $1.8 million in capital-based taxes, $1.1 million in increased amortization expense due to the revaluation of intangible assets acquired in the Transaction and $1.0 million in post-Transaction management services provided by Carlyle. These increases were offset by a decrease of $1.3 million in personnel and other expenses. The increase in total operating expenses from 2004 to 2005 was primarily due to transaction costs of $36.9 million related to the sale of the Company and the 2005 acquisitions, which added $14.1 million in expenses. Our April 2005 acquisition of FMC initially increased our headcount by approximately 300 employees, of which approximately 150 employees affect operating expenses. Shortly after the acquisition, we consolidated functions and reduced the number of development projects, thereby reducing the number of employees performing development, sales and administrative functions to approximately 110. Additionally, expenses for OMR increased $1.1 million, reflecting a full 12 months of activity and bad debt expense increased $1.3 million, mainly due to a benefit of $0.4 million recorded in 2004, partially offset by a decrease in personnel and other costs of $0.3 million.

#### *Selling and Marketing*

Selling and marketing expenses were $17.6 million, $14.5 million and $10.7 million in 2006, 2005 and 2004, respectively, representing 9%, 9% and 11%, respectively, of total revenues in those years. The increase in expenses from 2005 to 2006 was primarily due to our 2005 acquisitions, which increased costs by an aggregate of $1.8 million, reflecting a full 12 months of activity, our 2006 acquisitions, which added $0.4 million, a $1.0 million in increased amortization expense due to the revaluation of intangible assets acquired in the Transaction and stock-based compensation expense of $0.6 million. These increases were offset by a decrease of $0.7 million in personnel and other costs. The increase in expenses from 2004 to 2005 was due to the 2005 acquisitions, which added $4.2 million in costs, and an increase of $0.2 million, reflecting a full 12 months of activity for OMR. Additionally, a reduction in personnel and other costs of $0.7 million was partially offset by increased amortization of $0.1 million related to the revaluation of intangible assets acquired in the Transaction.

#### *Research and Development*

Research and development expenses were $23.6 million, $21.3 million and $14.0 million in 2006, 2005 and 2004, respectively, representing 11%, 13% and 15%, respectively, of total revenues in those years. The increase in expenses from 2005 to 2006 was primarily due to our 2005 acquisitions, which increased costs by an aggregate of $3.4 million, reflecting a full 12 months of activity, our 2006 acquisitions, which added $0.2 million, and stock-based compensation expense of $0.4 million. These increases were offset by a decrease of $1.6 million in personnel and other costs. The increase in expenses from 2004 to 2005 was primarily attributable to our 2005 acquisitions, which added $6.7 million in costs, and increased expenses of $0.7 million, reflecting a full 12 months of activity for OMR, partially offset by a reduction in personnel costs of $0.1 million.

***General and Administrative***

General and administrative expenses were $20.4 million, $13.1 million and $8.0 million in 2006, 2005 and 2004, respectively, representing 10%, 8% and 8%, respectively, of total revenues in those years. The increase in expenses from 2005 to 2006 was primarily due to our 2005 acquisitions, which increased costs by an aggregate of $1.4 million, reflecting a full 12 months of activity, stock-based compensation expense of $1.8 million, capital-based taxes of $1.8 million and $1.0 million in post-Transaction management services provided by Carlyle. Personnel and other costs increased an additional $1.3 million. The increase in expenses from 2004 to 2005 was primarily attributable to our 2005 acquisitions, which added $3.2 million in costs, and increased expenses of $0.2 million, reflecting a full 12 months of activity for OMR. Additionally, bad debt expense increased $1.3 million, primarily due to a benefit of $0.4 million recorded in 2004, and personnel costs increased $0.4 million.

***Merger Costs Related to the Transaction***

In connection with the Transaction, we incurred $36.9 million in costs, including $31.7 million of compensation expense related to the payment and settlement of SS&C s outstanding stock options.

**Interest Income, Interest Expense and Other Income, Net**

We had interest expense of $47.4 million and interest income of $0.4 million in 2006. In 2005, we had interest expense of $7.0 million and interest income of $1.1 million. In 2004, we had no interest expense and interest income of $1.5 million. The increase in interest expense from 2005 to 2006 reflects a full 12 months of carrying the debt issued in connection with the Transaction. The interest expense in 2005 was due to the issuance of $205.0 million in 113/4% senior subordinated notes due 2013 and $285.0 million of borrowings in November 2005 in connection with the Transaction. Additionally, we used $84.0 million of cash on hand and incurred $75.0 million of debt to effect our acquisition of FMC in April 2005. Other income, net in 2006 primarily reflects income recorded under the equity method from a private investment. Included in other income, net in 2005 were net gains of $0.6 million resulting from the sale of marketable securities and net foreign currency translation gains of $0.2 million. Included in other income, net in 2004 was $0.1 million related to a favorable legal settlement.

**Provision for Income Taxes**

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 on our deferred tax assets, and foreign tax benefits of approximately $1.9 million. For the years ended December 31, 2005 and 2004, we had effective income tax rates of approximately 63% and 39%, respectively. The higher tax rate in 2005 was primarily due to merger costs related to the sale of SS&C, which were not deductible for tax purposes. We had $89.0 million of deferred tax liabilities and $19.1 million of deferred tax assets at December 31, 2006. In future years, we expect to have sufficient levels of profitability to realize the deferred tax assets at December 31, 2006.

**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 cash on hand, cash flows from operations, net proceeds from this offering 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 12 months.

Our cash, cash equivalents and marketable securities at June 30, 2007 were $13.2 million, an increase of $1.5 million from $11.7 million at December 31, 2006. Cash provided by operations was partially offset by net repayments of debt and cash used for acquisitions and capital expenditures. Our cash, cash equivalents and marketable securities at December 31, 2006 represents a decrease of $3.9 million from $15.6 million at December 31, 2005. The decrease was primarily due to net repayment of debt and cash paid for acquisitions and fixed assets, partially offset by cash provided by operations.

Net cash provided by operating activities was $22.7 million for the six months ended June 30, 2007. Cash provided by operating activities was primarily due to a net loss of $1.2 million adjusted for non-cash items of