

GlobeOp Financial Services S.A.
Société Anonyme

Directors' Report and Financial Statements
Year Ended 31 December 2009

5, rue Guillaume, Kroll
L-1882 Luxembourg
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GlobeOp Financial Services S.A.

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GlobeOp Financial Services S.A.

Directors' Report Year Ended 31 December 2009

The Directors' present their report and the audited financial statements for the year ended 31 December 2009.

Principal Activity and Registered Office

The Company holds participations in companies that provide specialized, integrated web-based financial products supporting middle and back office trade processing, fund administration, complex derivatives and risk reporting to hedge funds and other targeted sectors of the financial services industry.

The Company was admitted to the Official List of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange PLC on 30 July 2007 (LSE: GO.).

Additional information about the Company's principal risks and uncertainties, activities and business during 2009, strategy for the future and compliance with the Combined Code on Corporate Governance is contained in the Chairman's Statement, Chief Executive's Statement, Business Review, Financial Review, Corporate Governance, Remuneration Report of the Board of Directors and Shareholder Information sections included within the consolidated financial statements as at 31 December 2009, available on the Company's website, www.globeop.com.

The Company's registered office is 5, rue Guillaume Kroll, L-1882 Luxembourg.

Business Review and Future Developments

During 2009, the Company and its subsidiaries' ("the Group") scalable platform and steady focus on efficiency and client services enabled it to weather the market turbulence and increase its Asset under Administration from \$88 billion at the beginning of the year to \$109 billion by the end of the year. During the year the Group launched new client services to respond market changes and demands. The Group expanded its client base and included a \$13 billion loan portfolio administration client and \$125 billion pension fund manager in its client base. Industry ranking solidly positioned the Company among the top 10 largest fund administrator and as the third fastest growing.

In 2010, the Group will look to grow revenues by leveraging its high quality, scalable service platform to grow both organically and through acquisitions. The Group will focus on providing its clients with consistent high quality service, strengthen its sales and marketing efforts, increase employee skills and career initiatives, and serve its shareholders by continuing to expand shareholder base to improve liquidity in its stock.

Results and Dividends

The results of the Company for the year ended 31 December 2009 are set out of page 10. The profit for the year after taxation is \$4,553,897 (2008: \$10,002,454).

After considering the financial results of the Company for 2009, the Board has proposed a final dividend of 1.35 pence per share and beneficiary certificate payable on 27 May 2010, with an ex-dividend date of 5 May 2010 and a record date of 7 May 2010.

On 8 October 2009, an interim dividend of 0.65 pence per share and beneficiary certificate was paid. A final dividend of 1.1 pence per share was paid in May 2009 based on the 2008 financial results of the company. The total amount paid during 2009 was \$2,884,909.

In 2008, an interim dividend of 1.0 pence per share and beneficiary certificate was paid in May 2008 after considering the financial results of the Company for 2007. In addition, a 2008 interim

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dividend was paid in October 2008 of 0.65 pence per share and beneficiary certificate. The total amount paid during 2008 was \$3,217,028.

Going Concern

The Board, after making reasonable enquiries, is satisfied that the Company has adequate resources to continue in operation for the foreseeable future. The Company's financial statements, therefore, have been prepared on a going concern basis.

Directors and Their Interests and Remuneration

The names, dates of appointment and biographical information of the Directors currently serving are provided in the Board of Directors section of the consolidated financial statements as at 31 December 2009 which are available on the Company's website.

Directors

The Directors at the date of this report and who served throughout the year were as follows:

Executive:

Hans Hufschmid

Martin Veilleux

Vernon Barback (Appointed 1 December 2009)

Non-Executive:

Rory Brooks (Resigned 1 December 2009)

Jonathan Meeks

Edward Annunziato

Ed Nicoll

Clay Brendish (Resigned 27 April 2009)

David Gelber

Arun Seth

Share Capital

Details of changes in share capital and the share repurchase plan are set out in note 5 of these financial statements.

As at 17 March 2010, the Company had in issue 91,334,410 ordinary shares of \$0.12 nominal value, representing 100% of the share capital of the Company, each with voting rights, so that the total number of voting rights was (other than shares held in treasury) 91,111,017.

As at 17 March 2010, 223,393 shares were held in treasury by the Company. For as long as such shares are held in treasury, the voting and economic rights attaching thereto are suspended.

The Company has a total authorized share capital of \$24 million represented by 200 million shares. The Board has been authorized to issue shares up to the total amount of authorized share capital without further approval of the Shareholders. Shares may be issued within the authorized share capital of the Company with or without reserving any pre-emptive subscription rights existing under Luxembourg company law to existing Shareholders at the discretion of the Board.

Notwithstanding the amount of the authorized share capital and the authorization to the Board to suppress, limit or waive any pre-emptive subscription rights provided for by Luxembourg company law referred to above, the Articles of Incorporation of the Company currently set out certain limitations on the Board's ability to issue shares within the authorized share capital of the

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Company. The current Articles of Incorporation of the Company are available on the Company's website and at the Registered Office.

The Company has issued 12,202,825 non-voting B Beneficiary Certificates (the "Beneficiary Certificates") with a nominal value of \$0.12 each. The Beneficiary Certificates are not part of the issued share capital of the Company but have equal rights (save as to voting and the exchange obligation into shares of the Company) to the ordinary shares (in particular as to dividend, liquidation and other distribution rights).

In April 2009, the GlobeOp Long-Term Incentive Plan was approved by Shareholders. During 2009, 3,201,250 options were issued under that plan.

During 2009, a total of 443,750 restricted stock units vested under the 2006 Equity Incentive Plan. The Company met its obligation by assigning 443,750 ordinary shares out of treasury. This resulted in a decrease in the own shares reserve of \$1,389,852 and a charge to the profit and loss account of \$1,389,852.

During 2009, a total of 250,000 options were exercised resulting in a total subscription price of \$415,000. The Company met its obligation by assigning 250,000 ordinary shares out of treasury. This resulted in a decrease in the own shares reserve of \$253,518, with the remainder of the cash \$161,482 crediting the profit and loss account.

As a consequence of the options exercised and the restricted stock units vested, there is a net charge for the year within the profit and loss account of \$1,228,370.

In 2008, 950,000 restricted stock units vested under the 2006 Equity Incentive Plan. The Company met its obligation by assigning 615,642 ordinary shares out of treasury and by issuing 334,358 new ordinary shares.

In 2008, a total of 80,932 options were exercised resulting in a total subscription price of \$227,987:

- Between February and July 2008, 50,813 shares have been issued resulting in an increase of capital by \$6,097 and share premium of \$144,104.
- Between August and September 2008, 30,119 shares held in treasury have been assigned to employees and ex-employees resulting in a decrease of own shares by \$113,478 against cash received of \$77,785. The difference of \$35,693 being the cost supported by the Company.

Authority to Purchase Own Shares

At the Annual General Meeting on 25 April 2008, the Shareholders granted authority to the Directors to purchase through the market up to 10% of the issued share capital of the Company, over the following 12 months. In order to meet the needs of its equity incentive and option plan schemes the Company operated a share repurchase program during 2009 and purchased a total of 607,500 shares for a total consideration of \$612,091 and during 2008 the Company purchased a total of 995,092 shares for a total consideration of \$3,818,173. This utilized less than 17.5% of the available authority (this represents approximately 0.7% of the shares in issue of the Company). For further details refer to note 5 of these financial statements.

Employees

The experience and expertise of employees are vital to the Group's business. The Group strives to attract and retain highly qualified personnel, especially experienced managers and accountants, with a deep understanding of the hedge fund industry. The Group is committed to

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providing equal opportunity to all employees and potential employees in hiring, development and promotions. The Group offers structured staff training, continuing development and internal leadership programs to increase the expertise of employees and enhance staff retention.

Employment Agreements

The Group has entered into employment agreements with the Executive Directors and other senior managers which may be terminated by either party upon six months' notice. At the Group's discretion, on termination, the employee can be paid six months' base salary in lieu of notice. If the contract is terminated for gross misconduct or certain other specified reasons then notice need not be given nor any payment in lieu of notice made. The employment agreements entered into with Mr. Veilleux and certain other senior managers additionally provide for parachute payments and accelerated vesting of share options in the event certain circumstances occur following a change in control of the Company before the four-year anniversary of the employees' respective start dates.

Material Contract

The Company has a facility agreement with Bank of Scotland (BOS), as lender, pursuant to which BOS made available to the Company a \$30,000,000 revolving credit facility (the "Facility"). Under the terms of the Facility, in the event a change in control of the Company were to occur, BOS may consider an event of default as having occurred and cancel the facility and/or demand repayment of any outstanding amounts. There are no amounts currently outstanding under the Facility, which expires on 7 March 2011.

The provisions of the revolving credit facility require the Company to meet certain financial and other covenants on a monthly basis. The financial covenants relate to interest coverage, debt ratios, and cash flows available for debt service, based on rolling 12 months of financial data. Due to the consolidated operating loss in the first half of 2009, the Company has not met these covenants and cannot borrow under the Facility. Although there is no assurance, the Company believes it will be in compliance with these covenants again during the second half of 2010 as the loss from the first half of 2009 rolls out of covenants that are based on rolling 12 month financial results. In the meantime, the Company is unable to utilize these facilities.

Research and Development Activities

The hedge fund industry in which the Company operates is characterized by increasing complexity in trading strategies, instruments and fund structures. As a result, the Group continues to develop new products and services to enhance its existing portfolio to manage the increasing complexities of its business and to improve internal processes and services to clients. Software development continues to be a central focus of the Group's operating activities. The discipline and investment involved in regularly upgrading its hardware and software systems is central to its strategy as an industry technology leader. This investment commitment has created a technology platform that now represents more than 1,000 collective man-years of development. Refer to note 6 of the consolidated financial statements as at 31 December 2009, for further details on the costs incurred during 2009.

Policy on Payment of Suppliers

Given the international nature of the Group's operations, there is no standard code for the Group in respect of payments to suppliers. Operating subsidiaries are responsible for agreeing terms and conditions for their business transactions when orders for goods and services are placed, ensuring that suppliers are aware of the terms of payment and including the relevant terms in contracts where appropriate. These arrangements are adhered to provided that suppliers meet their contractual commitments. At 31 December 2009 the number of days of annual purchases

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represented by the average month-end trade payables for the Group amounted to 20 days (2008: 22).

Branches

The Company did not own any branches during the years ended 31 December 2009 and 2008.

Post Balance Sheet Events

Details of post balance sheet events are set out in note 13 of these financial statements.

Annual General Meeting

The Company's Annual General Meeting will be held at 2:00 pm CET on 26 April 2010 at 5 Place Winston Churchill, L-2014 Luxembourg. The notice convening the Annual General Meeting (AGM) together with proxy forms are available at the registered office of the Company and on the Company's website.

Rules Governing Appointment and Replacement of Directors and Amendment of the Articles of Association

The Directors are appointed at the General Meeting of Shareholders by a simple majority of the votes cast. Directors serve for a period not exceeding three years. Directors may be removed with or without cause at the General Meeting of Shareholders by a simple majority of the votes cast. The Directors are eligible for re-election. In the event of a vacancy in the office of a Director because of death, retirement, resignation, dismissal, removal or otherwise, the remaining Directors may fill such vacancy and appoint a successor to act until the next General Meeting of Shareholders.

The Articles provide for a Board consisting of at least three members. Currently, the Board is composed of eight members. Their details can be found in the Board of Directors section of the consolidated financial statements as at 31 December 2009.

The amendments of the Articles of Association are governed by Luxembourg law and the Articles of Association.

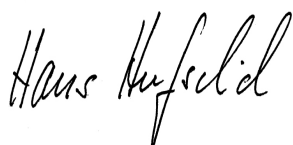
Company Information

Further information on GlobeOp is available on the Company's website at www.globeop.com.

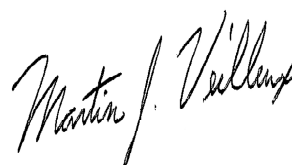
Auditors

Resolutions will be proposed at the Annual General Meeting to re-appoint PricewaterhouseCoopers S.à r.l. as the Company's independent auditors.

Approved by the Board of Directors and signed on its behalf by:



H. Hufschmid
Chief Executive
17 March 2010



M. Veilleux
Finance Director
17 March 2010

Independent Auditor's Report

To the Shareholders of
GlobeOp Financial Services S.A.

Report on the annual accounts

We have audited the accompanying annual accounts of GlobeOp Financial Services S.A., which comprise the balance sheet as at December 31, 2009, the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted by the Luxembourg "Institut des Réviseurs d'Entreprises". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

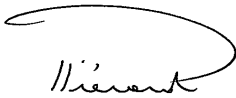
In our opinion, these annual accounts give a true and fair view of the financial position of GlobeOp Financial Services S.A. as of December 31, 2009, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The annual report, which is the responsibility of the Board of Directors, is in accordance with the financial statements.

PricewaterhouseCoopers S.à. r.l.
Réviseur d'entreprises
Represented by

Luxembourg, 17 March 2010



Philippe Piérard

GlobeOp Financial Services S.A

Balance Sheet Year Ended 31 December 2009 (in U.S. Dollars)

		31 December 2009	31 December 2008
	<i>Notes</i>	(USD)	(USD)
Assets			
Fixed assets			
Financial assets			
Shares in affiliated undertakings	3	22,753,804	21,450,872
Current assets			
Own shares	10	284,407	221,905
Debtors - becoming due and payable within one year		1,577	7,923
Cash and cash equivalents		913,036	1,504,851
Total Assets		23,952,824	23,185,551
Liabilities			
Capital and reserves			
Share capital	4 & 5	10,960,129	10,960,129
Legal reserve	4	391,274	34,828
Other reserves (non-distributable)	4	1,748,746	2,648,902
Interim dividend	4	(1,063,116)	(3,217,028)
Profit/(loss) brought forward	4	2,633,817	(2,873,526)
Profit for the financial year	4	4,553,897	10,002,454
		19,224,747	17,555,759
Creditors (Amounts becoming due and payable within one year)			
Trade creditors		197,799	131,799
Amounts owed to affiliated undertakings	7	125,087	5,806
Creditors (Amounts becoming due and payable after one year)			
Amounts owed to affiliated undertakings	7	4,405,191	5,492,187
Total Liabilities		23,952,824	23,185,551

The accompanying notes are an integral part of these financial statements

GlobeOp Financial Services S.A

Profit and Loss Account Year Ended 31 December 2009 (in U.S. Dollars)

		Year ended 31 December 2009	Year ended 31 December 2008
	<i>Notes</i>	(USD)	(USD)
Charges			
Other external charges		238,036	274,503
Interest payable and similar charges			
Concerning affiliated undertakings	7	119,281	290,869
Other interest payable and charges	6	156,164	156,205
Cost of share based compensation	5	1,228,370	2,464,826
Value adjustment in respect of own shares	10	-	1,093,781
Other taxes	9	3,434	-
Profit for the financial year		4,553,897	10,002,454
Total Charges		6,299,182	14,282,638
Income			
Income from participating interests derived from affiliated undertakings	11	5,097,929	14,237,696
Value adjustment in respect of own shares	10	1,093,781	-
Other interest and similar income		1,703	11,090
Realized gain on foreign exchange		105,769	33,852
Total Income		6,299,182	14,282,638

The accompanying notes are an integral part of these financial statements

GlobeOp Financial Services S.A

Notes to the Financial Statements for the Year Ended 31 December 2009 (in U.S. Dollars)

1. Organization

GlobeOp Financial Services S.A. (the "Company") is a Luxembourg holding company incorporated on 22 January 2000 as a "Société Anonyme" and subject to the laws of the Grand Duchy of Luxembourg.

The Company and its subsidiaries are together referred to hereafter as the "Group".

The address of the Company's registered office is 5, rue Guillaume Kroll, L-1882 Luxembourg.

The activity of the Company is the holding of the participations in companies and in other forms of investment.

The Company prepares consolidated financial statements, which are available at its registered office and on the Company's website, www.globeop.com.

2. Accounting Policies

The Company's financial statements have been prepared under the historical cost convention in accordance with Luxembourg legal and regulatory requirements. The principal accounting policies are set out below.

Financial Assets

Financial assets are stated at cost including the expenses incidental thereto. Should a permanent diminution in value occur in the value of the asset, the carrying value of the asset will be reduced to recognize this decline. The reduction in the carrying value will be reversed should the reason for the reduction no longer exist.

Own Shares

Own shares are valued at the lower of purchase price including the expenses incidental thereto or the market value. The market value corresponds to the last available quote on the valuation day for securities listed on the London stock exchange.

Foreign Currency Translations

The books of the accounts are maintained in United States Dollars (USD). Transactions in foreign currencies are recorded at exchange rates ruling at the date of the transaction. Financial Assets expressed in currencies other than USD are translated into USD at the exchange rate prevailing at the date of the transaction. Current assets and creditors expressed in currencies other than USD are translated into USD at year-end exchange rates unless the transaction would result in an unrealized gain. All unrealized and realized exchange losses and realized exchange gains resulting from foreign currency translations are accounted for in the profit and loss account for the year.

Interest and Dividend Income

Interest income is recognized on an accrual basis, taking account of the principal outstanding and the nominal rate over the period to maturity, when it is determined that such income will accrue to the Company. Dividends are recognized when the right to receive payment is established.

GlobeOp Financial Services S.A.

Notes to the Financial Statements for the Year Ended 31 December 2009 (in U.S. Dollars)

Dividend Policy

Dividend distribution to the Company's Shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's Shareholders.

Share Options

Share options are granted to selected board of directors, management, and key employees. When options are exercised and the relevant number of shares issued, the proceeds received net of any transaction costs will be credited to the share capital (nominal value) and share premium. The Company does not make a charge to staff costs in connection with share options.

3. Shares in Affiliated Undertakings

Financial assets are considered to be long term and consist of the following:

Name of company	Registered in	Percentage held	2009 (USD)	2008 (USD)
GlobeOp Financial Services Limited	United Kingdom	100%	5,153,166	5,153,166
GlobeOp Risk Services Limited	United Kingdom	100%	4,768,841	4,768,841
GlobeOp Financial Services (India) Private Limited	India	99%	196,425	196,425
GlobeOp Financial Services LLC	Delaware, U.S.A.	100%	8,400,000	8,400,000
GlobeOp Markets Limited	United Kingdom	100%	897,675	897,675
GlobeOp Financial Services (Ireland) Limited	Republic of Ireland	100%	3,337,697	2,034,765
Total			22,753,804	21,450,872

On 27 April 2009, the Company increased its investment in GlobeOp Financial Services (Ireland) Limited with \$1,302,932, being 1,000,000 ordinary shares at €1.

GlobeOp Financial Services LLC owns 100% of South Road Holdings LLC, a Delaware limited liability company, and 100% of GlobeOp Financial Services (Cayman) Limited incorporated in the Cayman Islands.

In accordance with Article 67 (3), the disclosure of the amount of capital and reserves and profits and losses of the subsidiaries for the last financial year for which the accounts have been drawn up has been omitted since the subsidiaries concerned are included in the consolidated financial statements drawn up by the Company.

GlobeOp Financial Services S.A

Notes to the Financial Statements for the Year Ended 31 December 2009 (in U.S. Dollars)

4. Capital and Reserves

	<u>Other reserves (non-distributable)</u>				Legal Reserve (USD)	Profit/(loss) Brought Forward (USD)	Interim Dividend (USD)	Profit for the Financial Year (USD)	Total (USD)
	Share Capital (Ordinary Shares) (USD)	B Beneficiary Certificates (USD)	Reserve for Own Shares (USD)						
At 1 January 2009	10,960,129	1,464,339	1,184,563	34,828	(2,873,526)	(3,217,028)	10,002,454	17,555,759	
Year end regularisation	-	-	131,123	-	(131,123)	-	-	-	
Allocation to the legal reserve	-	-	-	356,446	(356,446)	-	-	-	
Exercise of share options	-	-	(253,518)	-	253,518	-	-	-	
Issue of Restricted Stock Units (RSU's)	-	-	(1,389,852)	-	1,389,852	-	-	-	
Share buyback	-	-	612,091	-	(612,091)	-	-	-	
Allocation of the dividend for the prior year	-	-	-	-	(3,217,028)	3,217,028	-	-	
Allocation of the loss for the prior year	-	-	-	-	10,002,454	-	(10,002,454)	-	
Dividend paid	-	-	-	-	(1,821,793)	(1,063,116)	-	(2,884,909)	
Profit for the year	-	-	-	-	-	-	4,553,897	4,553,897	
At 31 December 2009	10,960,129	1,464,339	284,407	391,274	2,633,817	(1,063,116)	4,553,897	19,224,747	

Under Luxembourg law, the Company is required, in the following year subject to the approval of the Shareholders, to transfer to a legal reserve a minimum of 5% of its net profits, as defined, each year. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. This legal reserve is not available for distribution to the Shareholders.

In 2009 \$356,446 was allocated to the legal reserve. No such allocation was made in 2008, as the Company did not report net profits in 2007.

GlobeOp Financial Services S.A

Notes to the Financial Statements for the Year Ended 31 December 2009 (in U.S. Dollars)

5. Share Capital and Treasury Shares

Share Capital

	2009 (USD)	2008 (USD)
Authorized:		
200,000,000 Ordinary shares - par value of \$0.12 each	24,000,000	24,000,000
Total	24,000,000	24,000,000
Allotted, issued and fully paid:		
91,334,410 Ordinary shares - par value of \$0.12 each	10,960,129	10,960,129
Total share capital	10,960,129	10,960,129

All shares rank equally for voting rights in general meeting and dividend rights.

On 6 June 2007, the Company's Shareholders approved, an exchange for, and issue to certain institutional Shareholders, of 21,250,000 non-voting beneficiary certificates (parts bénéficiaires) of two different classes, namely A Beneficiary Certificates and B Beneficiary Certificates, with a par value of \$0.12 each, against 21,250,000 ordinary shares. 12,202,825 B Beneficiary Certificates have been issued against the transfer of 12,202,825 shares. 12,202,825 shares were thereafter cancelled and the issued share capital was reduced with the allocation of such amount to a special non-distributable reserve that may only be used to issue shares to satisfy the exchange obligation of the Company (described below) by way of incorporation into the issued capital of the Company. Further, 9,047,175 A Beneficiary Certificates had been issued against the delivery of 9,047,175 shares, such shares were held in treasury by the Company. On 3 July 2008, the Company delivered 9,047,175 ordinary shares in exchange for 9,047,175 A Beneficiary Certificates from the institutional Shareholders. These A Beneficiary Certificates were thereafter cancelled.

The B Beneficiary Certificates are not part of the issued capital of the Company but have equal rights, save as to the voting and exchange rights, to the shares and in particular identical rights to dividends and any other distributions. On the earlier of (i) upon the request of the holders thereof or (ii) the date of transfer of the B Beneficiary Certificates to a party not affiliated with the holders, the Company is under the obligation to exchange the Beneficiary Certificates (which will then be cancelled) against a like number of shares of the Company (either out of treasury shares, or by way of issue of new shares by way of incorporation of the reserve for the B Beneficiary Certificates referred to above, or otherwise).

As at 31 December 2009, the Company had not received any request for conversion of the B Beneficiary Certificates. The B Beneficiary Certificates remain outstanding without any modification from the terms of the issue.

Authority was provided by Shareholders at the Annual General Meeting on 25 April 2008 to repurchase up to 10% of the issued share capital. This authority was valid for a period of 12 months expiring at the conclusion of the Annual General Meeting held on 27 April 2009.

GlobeOp Financial Services S.A.

Notes to the Financial Statements for the Year Ended 31 December 2009 (in U.S. Dollars)

On 30 June 2008, the Board of Directors approved a share repurchase plan. This plan authorized the Company to make market purchases of up to 1,000,000 of its ordinary shares, up to a maximum cash expenditure of £2,000,000, during the period commencing on 1 July 2008 and ending on 31 December 2008. During this period the Company purchased a total of 995,092 shares in accordance with the repurchase plan for a total of \$3,818,173 (£1,999,979). The purchases were made in the normal course of business in the open market and the ordinary shares were not cancelled but held in treasury for delivery in connection with the Company's equity incentive and option plan schemes.

On 9 December 2008, the Board of Directors approved a share repurchase plan to repurchase up to 10% of the issued share capital. This plan authorized the Company to make market purchases of up to 2,000,000 of its ordinary shares, during the period commencing on 1 January 2009 and ending on 3 March 2009. The purchases were made in the normal course of business in the open market and the ordinary shares were not cancelled but held in treasury for delivery in connection with the Company's equity incentive and option plan schemes. During 2009 the Company repurchased 607,500 ordinary shares under this plan for a total of \$612,091 (£423,273).

As noted below, 693,750 of these repurchased shares were utilized during 2009 (2008: 645,761) in connection with the Company's equity incentive and option plan schemes. As at 31 December 2009, the Company held 263,081 (2008: 349,331) shares in treasury.

During 2009, a total of 443,750 restricted stock units vested under the 2006 Equity Incentive Plan. The Company met their obligation by assigning 443,750 ordinary shares out of treasury. This resulted in a decrease in the own shares reserve of \$1,389,852 and a charge to the profit and loss account of \$1,389,852.

During 2009, a total of 250,000 options were exercised, the total subscription price was \$415,000. The Company met their obligation by assigning 250,000 ordinary shares out of treasury. This resulted in a decrease in the own shares reserve of \$253,518, with the remainder of the cash \$161,482 crediting the profit and loss account.

As a consequence of the options exercised and the restricted stock units vested, there is a net charge for the year within the profit and loss account of \$1,228,370 (2008: \$2,464,826).

6. Amounts Owed to Credit Institutions

The Company has a \$30,000,000 revolving credit facility. The term of the revolving credit facility expires on 7 March 2011.

The provisions of the revolving credit facility require the Company to meet certain financial and other covenants on a monthly basis. The financial covenants relate to interest coverage, debt ratios and cash flows available for debt service, based on rolling 12 months of financial data. Due to the Group's consolidated operating loss reported in the first half of 2009, the Company has not met these covenants. Although there is no assurance, the Company expects to be able to meet these covenants again during the second half of 2010. During this time, the Company is unable to utilize these facilities.

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The Company, and several of its subsidiaries, jointly and severally guarantee this revolving credit facility. Each guarantor acknowledges and agrees that its obligations under the guarantee shall be continuing obligations and shall extend to cover the ultimate balance due to the Bank of Scotland.

The Company also entered into a security agreement with the Bank of Scotland as part of the revolving credit facility. If the Company shall fail to pay any amount under this security agreement when it is due then such amount shall bear interest until the date such amount is paid in full to the Bank of Scotland. The security agreement is collateralized by the present and future assets owned by the Company and its subsidiaries.

In the event of liquidation, the Bank of Scotland will be entitled to claim for the full amount of the collateralized liabilities and to retain the whole of any dividends to the exclusion of any rights of any Guarantor in competition with the Bank of Scotland until a claim by the Bank of Scotland has been satisfied in full.

The annual rate of interest is 1.5% above USD LIBOR for the drawdown period, payable at the end of each drawdown period. A non-utilization fee of 0.5% is due quarterly by the Company. The non-utilization fee for the year amounted to \$150,000 and is recorded in the income statement within interest payable and similar charges, other interest payable and charges (2008: \$150,411).

As at 31 December 2009 and 2008, the Company had no amounts outstanding with the Bank of Scotland and no borrowing costs have been capitalized during the years ended 31 December 2009 and 2008.

7. Amounts Owed to Affiliated Undertakings

The amount owed to an affiliated undertaking falling due in more than one year relates to a loan from GlobeOp Financial Services LLC, a wholly owned subsidiary of the Company, for \$4,405,191 (2008: \$5,492,187). There is a total drawdown facility under the loan of \$15,000,000. The loan is repayable as soon as practicable and within 5 years and bears interest at an annual rate of interest of 1% above USD six month LIBOR, payable annually. The maximum outstanding on the loan during the year was \$6,026,683 (2008: \$5,977,760) in respect of this facility.

As at 31 December 2009, interest accrued amounted to \$125,087 (2008: \$5,806), this was repaid in full on 6 January 2010.

8. Share Options

The Company grants nonqualified share options on ordinary shares to eligible employees and selected members of the Board of Directors. The exercise price is generally equal to the fair value of the shares at the time the options are issued. Share options are generally granted depending on level of service, but may be based on length of service. Outstanding share options have vesting periods of three to five years. Share options are exercisable to the extent vested and are generally not exercisable later than ten years after the grant date. The Company has no obligation or intention to repurchase or settle the options in cash.

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Movement in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2009		2008	
	Weighted		Weighted	
	Average	2009	Average	2008
	Exercise Price	Options	Exercise Price	Options
	Per Share	Outstanding	Per Share	Outstanding
	(USD)	Number	(USD)	Number
At 1 January	2.66	17,549,475	2.87	14,581,214
Granted	1.76	4,936,825	2.01	3,505,250
Forfeited	2.15	(151,060)	3.57	(206,610)
Exercised	1.66	(250,000)	2.82	(80,932)
Expired	3.42	(1,969,952)	3.42	(249,447)
At 31 December	2.38	20,115,288	2.66	17,549,475

At 31 December 2009, 12,657,002 (2008: 10,627,312) options were exercisable. In 2009, 250,000 (2008: 80,932) options were exercised. The related weighted average fair value share price at the time of exercise was \$3.16 (2008: \$3.88) per share. The related transaction costs were nil.

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Share options outstanding at the end of each year have the following expiry date and exercise prices:

Expiry Date during:	Share Class:	Exercise price (USD)	2009 Number	2008 Number
2014	Ordinary	1.01	888,275	888,275
2014	Ordinary	1.66	3,236,050	3,667,300
2014	Ordinary	2.00	500,000	500,000
2014	Ordinary	2.40	328,075	328,075
2015	Ordinary	2.40	300,000	300,000
2015	Ordinary	2.80	213,750	215,625
2015	Ordinary	3.60	1,558,125	1,596,875
2016	Ordinary	3.60	3,357,500	3,368,750
2017	Ordinary	1.06	1,733,075	-
2017	Ordinary	3.60	1,250,000	3,008,075
2017	Ordinary	4.21 - 4.38	108,125	115,000
2017	Ordinary	5.11	87,500	87,500
2018	Ordinary	0.65 - 0.88	1,829,625	1,899,000
2018	Ordinary	2.26	250,000	250,000
2018	Ordinary	3.48 - 3.80	533,438	575,000
2018	Ordinary	4.05	750,000	750,000
2019	Ordinary	1.13 - 1.55	61,250	-
2019	Ordinary	2.07	2,956,000	-
2019	Ordinary	3.38	174,500	-
Total			20,115,288	17,549,475

The weighted average fair value of options granted during the years ended 31 December, determined using the Black-Scholes valuation model, was \$0.80 per option (2008: \$0.81). The significant inputs into the model were a weighted average share price of \$1.76 (2008: \$2.01) at the grant date, the exercise prices shown above, weighted average volatility of 48% (2008: 40%), dividend yield of 1.2% (2008: 0.5%), an expected option term of six years, and an average annual risk-free interest rate of 3.0% (2008: 2.6%). The expected volatility is based on the weighted average of the Company's historic volatility and its peer group historic volatility adjusted for any expected changes to future volatility. The peer group includes companies that are in the same or similar industries.

On 7 January 2002, the Company entered into a performance-based share option arrangement with a key employee which allowed the employee to earn the right to be granted share option awards, depending upon the individual's performance against specified revenue performance targets, at a fixed exercise price, subject to a maximum of 2,228,275 share options. All share options available under the arrangement have been earned and granted.

On 16 February 2007 ("modification date"), the Company entered into a modification agreement with the employee to modify the exercise price of 1,733,075 share options that had fully vested. As part of the modification, the Company agreed to pay a cash bonus per share option equal to no

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more than the difference between the original exercise price and the modified exercise price, subject to a minimum total bonus amount. Bonus payments were due six months after the employee exercises each option at the modified exercise price or a reduced bonus amount would be paid upon termination subject to the terms of the modified agreement.

On 10 March 2009, the Company entered into an agreement with the employee whereby the modification agreement was terminated and a new stock option grant was issued at fair market value. All options were fully vested at the time of the grant.

On 30 November 2006, one of the Company's subsidiaries adopted the 2006 Equity Incentive Plan ("Equity Plan"), which provides for the grant of awards in the form of the Company's Restricted Stock, Restricted Stock Units and Dividend Equivalent Rights ("Awards") to officers and executives. A committee was appointed by the Board of Directors to administer the Equity Plan. The maximum number of shares of the Company that may be issued pursuant to the Awards under the Equity Plan is 2,250,000.

During 2009, a total of 443,750 (2008: 950,000) restricted stock units vested under the 2006 Equity Incentive Plan. The Company met its obligation by assigning 443,750 ordinary shares out of treasury.

During 2009 and 2008, the Company did not grant awards in the form of Restricted Stock Units ('RSUs'). As at 31 December 2009, 443,750 RSUs (2008: 925,000) were outstanding and awards will no longer be issued under this plan.

The fair value of these awards at the time of issuance was \$3.60 per RSU. The fair value of the awards issued since the inception of the Equity Plan, was determined by an independent third-party valuation firm.

9. Taxation

The Company is subject to the general tax regulations applicable to all companies.

10. Value Adjustments in Respect of Own Shares

As at 31 December 2009, the cost of 263,081 own shares came to \$284,407. The quoted price on the London Stock Exchange as at 31 December 2009 was \$3.25 which values the 263,081 Company's own shares at \$855,013.

The prior year impairment charge has been reversed and credited through the profit and loss account.

11. Income from Participating Interest Derived from Affiliated Undertakings

During 2009, the Company has received dividends amounting to \$5,097,929 from GlobeOp Risk Services Ltd (\$1,921,649) and GlobeOp Financial Services Ltd (\$3,176,280).

12. Contingent Liabilities

The Company and its subsidiaries face substantial litigation risk from and through its clients and otherwise in the ordinary course of its business. As a service provider the Group is subject to potential claims from its clients, some of which pursue relatively high-risk investment strategies, and all of which are subject to substantial market risk. The losses of some of its clients due to

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insolvency or fraud on the part of the funds could expose the Group to the risk of litigation. For example, fund investors might attempt to seek compensation from the Group and or its clients. The Group may also be subject to claims for losses or other damages from its clients' investors, as well as claims such as those from regulators, revenue authorities or other governmental authorities. Even if the Group is not ultimately found to be liable, defending such claims or lawsuits could be expensive and time-consuming, divert management resources and harm the Group's reputation.

The Group takes steps to minimize the risks from litigation in managing its business but there can be no assurance that these steps will be adequate or that liability will not result notwithstanding those actions.

The Group has not recorded a provision in relation to any outstanding litigation or potential claims and there can be no assurance that any such provisions will not be recorded in the future nor that any such provisions will be adequate to satisfy any liability which the Group may ultimately incur.

Should developments in any such matters cause a change in the Group's assessment of the matter and result in the need to recognize a provision, or should any such matters result in a final judgment or be settled, they could have an adverse effect on the results of operations, cash flows and financial position in the period or periods in which such change in assessment, judgment or settlement occurs. If the Group does incur liability in relation to any claims or lawsuits, such liability may not be covered by insurance or could exceed the Group's insurance coverage. In addition, the Group's service agreements with its clients generally provide for resolving disputes through mediation and arbitration. Such alternative dispute resolution procedures may result in less predictable and or less favorable outcomes than court litigation.

On 2 October 2003, the Company entered into a Shareholders' agreement with, among others, the TA Associated Funds and the Mezzanine Management Funds (collectively the "Investors") pursuant to which the Company unconditionally and irrevocably agreed to indemnify and keep indemnified the Investors against all claims, damages, expenses and liabilities relating to or arising out of such Investor's status as a security holder, creditor, agent, representative or controlling person of the Company, through the earlier of a) the fourth anniversary of the closing of an initial public offering, or b) such time as no Investor holds any shares in the Company. The Company is not aware of any threatened or existing claims, damages, expenses or liabilities relating to this indemnity.

13. Post Balance Sheet Events

On 1 March 2010 the Board of Directors proposed a final dividend for 2009 of 1.35 pence per share, approximately \$2,250,000, payable on 27 May 2010 to Shareholders and Certificate holders on the register on 7 May 2010. The dividend is subject to approval by the Shareholders at the Annual General Meeting to be held on 26 April 2010 and has not been included as a liability in these financial statements.