Press Release 19 February 2010

NorthgateArinso & Neller join forces to become HR & payroll solutions leader in Australasia

International expansion builds on success in UK, Europe and the US

NorthgateArinso, the UK-headquartered global Human Resources (HR) software & services provider, has announced the acquisition of Australian HR and payroll solution provider, Neller Pty Ltd. The acquisition builds on NorthgateArinso's UK success and supports its global growth strategy as it seeks to expand in Australia, New Zealand and Asia Pacific.

Neller, headquartered in Adelaide, Australia, develops and markets software and services to support HR professionals. Neller's subsidiary, Neller Employer Services (NES), provides comprehensive outsourced payroll services

With Neller's highly experienced management team and track record of delivering high-quality HR & payroll services, the combined organisation will have an unrivalled capability of delivering HR solutions to the ANZA market. The transaction equips NorthgateArinso with further skills and capacity to spearhead its growth into the dynamic Asia-Pacific market.

Malcolm Aldis, managing director of NorthgateArinso in the UK, commented: "Following the successful strategy to acquire companies that enable us to best serve our customers' needs here in the UK and around Europe, it is exciting to see this development in Australasia. The global recession has been tough for many organisations and this makes it more important than ever for suppliers to be ready to meet the needs of HR directors and provide a cost-effective, efficient service, delivered in the best way for that organisation. It's a mantra that is serving us well in the UK, and will now be available to customers on the other side of the world."

NorthgateArinso recognises the strength and flexibility of the Neller business and its solutions offerings. The existing Neller management team will be integral in the acquisition process - David Page, managing director of Neller, will assume overall responsibility for NorthgateArinso's Australia/New Zealand business and will report directly to Darcy Lalonde, president, Asia Pacific (APAC).

David Page commented: "This transaction will offer our customers even greater access to a wide range of benefits that come with our enhanced suite of offerings, collective skills, experience and international reach. This is an exciting time for both businesses and this transaction presents a wide variety of opportunities."

"Neller has a long history in Australia and an enviable client list of more than 1,000 medium to large sized companies. With its strength in servicing larger enterprises and public sector organisations, NorthgateArinso's market proposition is complementary to Neller's."

"The opportunity to acquire Neller is one NorthgateArinso simply could not pass up," said Darcy Lalonde, president, Asia Pacific. "The company's credentials in Australia are second to none, and they are very well recognised and respected."





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The acquisition increases the company's footprint in Australia and New Zealand, with offices in Auckland and Wellington (New Zealand), Adelaide, Brisbane, Melbourne and Sydney.

About Neller

Since 1976, Neller has been a market leader in Australia/NZ developing systems and solutions to manage people. Neller and subsidiary, Neller Employer Services (NES), service over 1,100 medium to large organisations across various industries throughout Australia and New Zealand with their market leading Preceda OnDemand SaaS solution. The company employs almost 100 staff and has offices in Brisbane, Sydney, Melbourne, Adelaide and Perth.

About NorthgateArinso

www.northgatearinso.co.uk

NorthgateArinso is a leading global Human Resources software & services provider offering innovative HR business solutions to employers of all sizes, including Global Fortune 500 companies and many Public Sector organisations. We help HR executives optimize their HR service delivery through smarter process and more efficient technology, supporting key HR areas like workforce administration, payroll, benefits, recruitment, learning, and talent management.

Our 4,500 employees are dedicated to HR excellence through strategic business consulting, outsourcing services, systems integration and best-of-breed software solutions. We are one of the 5 largest HR service providers world wide and have offices in 31 countries on 5 continents.

The Northgate Group is owned by private equity company Kohlberg Kravis Roberts (KKR) and currently employs over 6,500 staff and operates in 46 countries across 5 continents.

