

SYSTEMHOUSE

The monthly review of the financial performance of the UK software and IT services industry

DIVERSITY

For most of the forty year history of the IT industry, you only had to manage or work for any general run-of-the-mill IT company to see your earnings grow by many times the rate of GDP – year in, year out. Since 2000, it has slowly but surely dawned on people that those days are over. As Ovum Holway's latest Market Trends report issued this month shows, at best our ICT industry is in for a sustained period of modest, low single-digit growth. There are no researchers who disagree with that anymore. We are now down to arguing whether it's 3% or 5% – differences which would have been immaterial when the IT industry was growing at 20%+!

But never in the last forty years have we seen such marked **Diversity**:

- Diversity of growth by sector
- Diversity of performance by company
- Diversity of valuation

Diversity of growth by sector

Within this ICT marketplace, with modest growth only just matching GDP when inflation is included, for every sector showing growth, there is another showing decline. *Figure 1* from the latest Ovum EuroView: Market Trends research shows this only too graphically.

July has seen the Q2 earnings season in the US and the start of the interim reporting season in the UK. It has produced a withering series of profits warnings particularly from the software products suppliers. In turn this created much debate in the media about whether the "IT spending recovery was running out of steam". However, when SAP announced their Q2 results and a 9% revenue increase, the analysts breathed a sigh of relief. Both reactions completely miss the point!

Diversity of performance by company

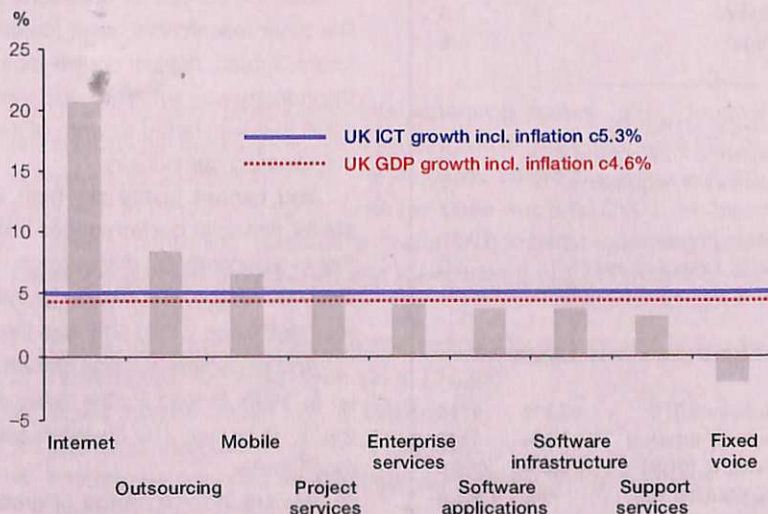
As you can see from the chart on the right, spend on software products is

currently and will remain flat. **Siebel's** Q2 results, which showed a 10% revenue decline compared Q2 2003, do not give reason for us to revise that forecast downwards anymore than their main rival in the CRM space, **SAP**, whose results showed a 9% revenue increase compared to Q2 2003, give rise to an upgrade.

What we are seeing is a widening diversity of performance by company (this is demonstrated most graphically in the *Ovum Holway: Market Trends 2004* report just published).

Hank Hermann, chief investment officer at Waddell & Reed, said "I think what's happening is big guys are taking share from the little guys". But that misses the point too. **IBM Global Services** reported a pretty mundane 2% growth in Q2. **EDS'** Q2 revenues were down c6%. Contrast that with **Accenture's** double digit Q2 revenue increase and **HP Services'** high single-digit increase. It's not size – it's just being smarter. But whether by better organic growth or acquisition activity, this trend has been ongoing for some time. The latest Q2 results just put it into sharper focus.

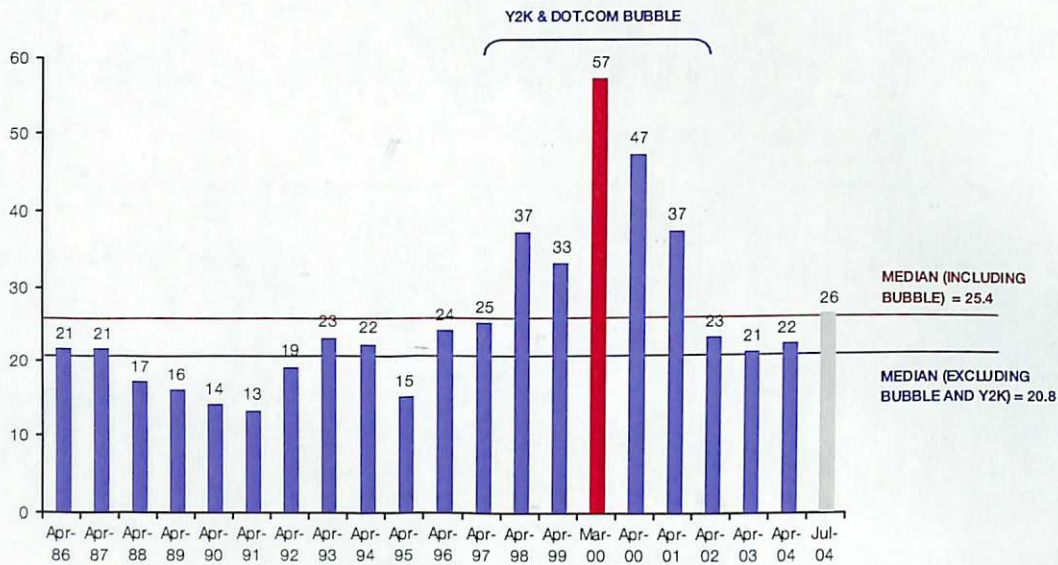
Figure 1 Diversity of growth, UK ICT market tracks GDP and inflation CAGR 2004–2006



Source: Ovum Holway

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Figure 2 P/E ratios for Ovum Holway UK S/ITS index, April 1986–July 2004



Source: Ovum Holway

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INDICES (changes in July 04)

Holway S/ITS	-7.2%	4710
Holway Internet	-4.6%	4548
FTSE IT (SCS)	-10.8%	425.8
techMARK 100	-9%	1063.6
Nasdaq Comp	-8%	1887

Diversity of valuation

In the last month since 1st July 04, NASDAQ has slumped by 8% – making our 20% decline prediction by year-end look a little more likely. Tech. indices and associated stocks throughout Europe have mirrored that decline. Here in the UK our own Ovum Holway S/ITS Index dropped 7% this month and the FTSE SCS Index is down 11%. But there are still some mightily high valuations out there. Currently, P/E's on NASDAQ still average >50. By comparison, the c25 average P/E in the UK is much more reasonable.

But beware. There has always been a US/Europe/UK value dichotomy. Equally, whatever the relative valuations, if NASDAQ falls, European and UK tech. stocks will fall too. We have been keeping our P/E charts since the mid 1980s.

Valuations are now higher than the median whether you exclude **or include** the crazy Y2K and dot.com periods. Valuations are now back to 1996/97 levels.

On first sight you may be tempted to say "So what? That makes me very comfortable...indeed even optimistic. After all look what happened then!"

But, the outlook for our sector is completely different. Back in 1996 we, like other researchers, were forecasting double-digit growth for IT into the future. Indeed, not just double-digit but more like the 20% p.a.+ growth that the industry was actually to experience in 1998. We admit that it wasn't until 1998 that we started to warn of the downturn that did indeed come and is still affecting our industry.

You cannot justify sky-high valuations without the expectation of stellar financial performance. The 'average' company just cannot achieve that in a generally flat marketplace. That's why we feel more sure that we will see a 'correction' in current index values. Indeed the 20% decline we forecast six months ago would only take the above graph back to the median line.

And remember average growth was in double digits in the years running up to 1996. Indeed it's the 'average', 'second-tier' company that now has the most to fear. The clever investor, just like the clever company, will do much better.

We are in for a period of great diversity in company performance.

That diversity could provide rich returns for some but some pretty dismal returns for many others. (Richard Holway)

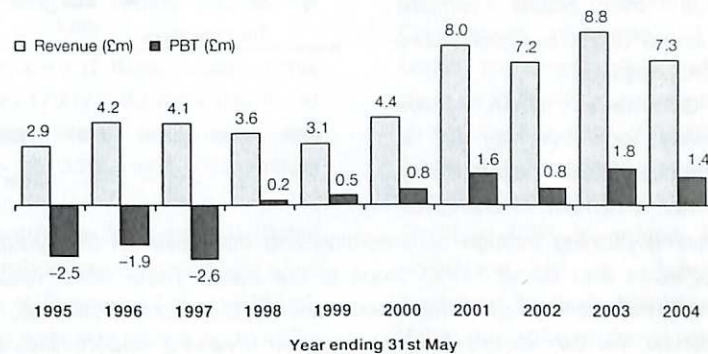


NOT THE EPIC YEAR IT HAD HOPED FOR

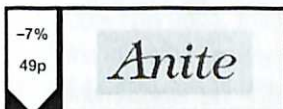
As it had previously warned, AIM-listed boutique e-learning company Epic Group had a tough year with revenues dropping 17% to £7.3m in the twelve months ended 31 May 2004. Operating profits suffered a 38% fall to £885K (including a £115K hit from an aborted acquisition attempt), bringing Epic's margins down from 16.3% to 12.1%. Pre-tax profit decline was cushioned by an increase in interest earnings, falling by 24% to £1.36m, bringing pre-tax margins down from 20.6% to 18.7%. Net cash inflow plummeted 57% to £818K but cash balances rose 6% to £12.5m. EPS declined by 41% to 3.9p, but Epic 'showed the faith' by recommending a final divvy of 1p bringing the total for the year to 1.8p, up from 1.4p the year before. Epic chairman Michael Inwards reported "encouraging levels of sales activity" although revenue visibility in the public sector "is not as clear as in established sectors". Nonetheless, the Board is "optimistic" about revenue growth and continues to look for "suitable value-adding acquisitions". Epic's share price ended the month at 89p, down 8% since the beginning of the year.

Comment: This is a bit of a shame as Epic is a nice little business which has found its only particular niche in that amorphous space called 'e-learning'. Starting life in corporate video production and training, Epic in effect combined the two business lines to concentrate on bespoke multimedia training services. It floated on AIM in May 96 at 105p and has since built up a small but enviable client list both in the private and public sectors, most recently winning business for the first time in Health and Defence. By sticking to bespoke services, Epic has mitigated the worst of

Epic Group plc
10 year Revenue and PBT Record
From 1995



the damage inflicted by the industry downturn which tended to affect skills-based services (training and recruitment) the worst. We note the company's 'optimism' about revenue growth which, by omission, perhaps indicates pessimism about profits growth. Nonetheless, Epic is still cash generative and has plenty of dosh for that elusive acquisition, so it should be able to ride the waves better than traditional 'mass market' training companies. (Anthony Miller)



ANITE MAKES PROGRESS, BUT SLOWLY

UK-based software and services firm Anite has announced its results for the year to end April 2004. The finalised numbers are broadly in line with expectations and bear out the guidance given in last month's trading update. Total revenues decreased by 9.3% to £196.2m, while revenues from continuing operations were down 5.2% to £188.7m. According to our calculations (although Anite makes it very tough to wheedle

out the operating profit/loss!), total operating losses, after goodwill amortisation but before goodwill impairment and exceptionals, were £9.7m, compared to £12.0m in 2003. Total losses before tax were £28.8m, compared to £112.5m in 2003. Loss per share was 8.6p (2003: 34.2p).

Anite's continuing businesses made a combined operating profit (excluding goodwill amortisation and exceptionals) of £21.5m in the year and a PBT of £19.9m.

Across Anite's four main reporting lines, revenues for the year were as follows:

- Public sector: revenues down 1% at £73.9m
- Travel: revenues down 12% at £28.3m
- Telecoms: revenues down 1% at £36.9m
- International (covering the European consultancy and SI business): revenues down 10% at £49.7m.

Chief Executive Steve Rowley commented: "Considerable progress has

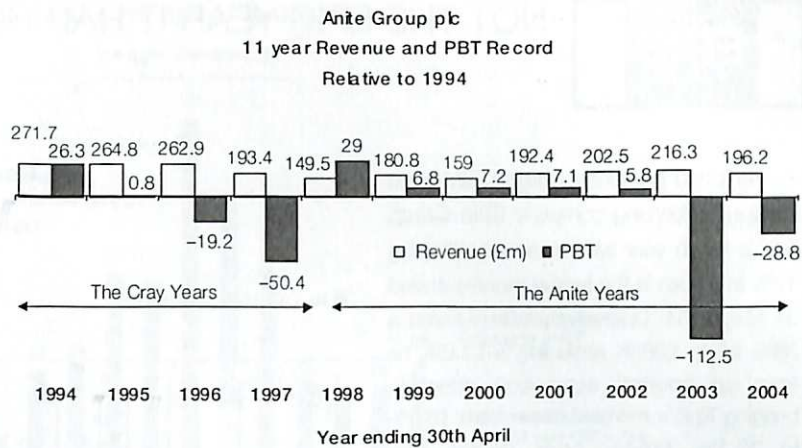
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been made during the year in resolving legacy issues and setting the Group in motion for an improvement in its performance... The current financial year has started well with trading ahead of the same period last year. As a result the Board remains cautiously optimistic about Anite's future prospects."

Comment: When Steve Rowley took over as CE in November 2003, Anite's Board set him a number of objectives, including pushing through consolidation and integration of the group's businesses and taking further steps to cut costs. These latest results confirm that some progress has been made but that much is still to do. In particular, we can expect Anite to continue reviewing opportunities for disposals, following the sell-off of Anite Benelux in December 2003. We'd broadly support such moves, especially where they involve the company's 'International' unit, whose SI and consulting focus still looks out of place in the context of Anite's software and managed services model.

It's clear too that the public sector business has not yet finished its clean-up operation. Profitability here continues to be hampered by losses on its State of Victoria contract and development of the Pericles local government product. Meanwhile, the lack of revenue growth is in stark contrast to many of Anite's public sector competitors and shows how the company is not taking full advantage of the opportunities in this market segment.

On a brighter note, the public sector group did return to operating profitability in the second half of the year. Indeed, overall, the period from November to April does appear to have seen Anite improve performance



and it's encouraging to see that trading was reportedly ahead of both the first half of the year and the comparable period of FY03.

However, in our view, Anite still has a fundamental challenge to tackle: in a market that favours true scale and true specialisation, it is a mid-sized player spread over a number of highly competitive markets and geographies. The company has undoubted strengths in its three vertically focused business but remains, for the moment, rather less than the sum of its parts.

(Phil Codling/Georgina O'Toole)



SAFE-HANDS UNISYS DROPS THE BALL IN Q2

Unisys became an unlikely member of July's Profit Warning Club when it highlighted shortfalls in Q2 earnings and revenues. When the full numbers came in, they showed a 2.6% decline in turnover to \$1.39bn in the three months to end June 2004. Operating income was just \$23m, compared to \$86m in Q2 of 2003. EPS fell from 16 cents to 6 cents.

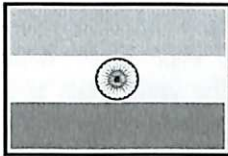
The revenue decline could have been even worse, but for a positive 4% impact from currency fluctuations. These Q2 results mean that, for the first half of 2003, total revenues were up just 1% to \$2.85bn. Operating income

halved, compared to H1 of 2003, to \$82m.

CEO and Chairman Larry Weinbach was candid in his assessment: "This was a disappointing quarter for Unisys, particularly given the track record of consistency that Unisys had shown in meeting or exceeding our earnings forecasts over the past several years". He cited an "unexpected slowdown" late in the quarter and ensuing deferrals in infrastructure services projects and enterprise server sales.

Comment: All in all, this is a quarter the Pennsylvania-based firm will want to forget. But amid the gloom there are a couple of bright spots. Europe as a whole was Unisys' best performing region and counteracted some of the 5% decline registered in the US. Meanwhile, total services orders were up at double-digit rates year-on-year and the company reports double-digit growth in the key area of BPO. But declines in infrastructure managed services and data centre outsourcing meant Unisys' services business shrank slightly in the quarter (compared to Q2 of 2003) and saw its operating margin trimmed to just 0.7%.

All of which goes to underline that, in today's market, there's no such thing as a 'dead cert'. If reliable old Unisys can miss its numbers, then it can happen to anyone. (Phil Codling)



INDIA PROVIDES EARNINGS CHEER

While some of their US-based rivals have recently struggled to match revenue and earnings expectations, India's leading offshore exponents have set about exceeding expectations and posting Q1 results that outstrip growth in the broader IT services market.

Infosys, the largest of India's publicly-quoted IT firms, posted global revenue growth of 39% to Rupees15.2bn (or £179m) in the three months to end June 2004. Operating margin before interest, depreciation and amortisation increased slightly from 32% to 33%, with PBT margin maintained at 31%.

Infosys' Bangalore rival Wipro did even better. Its 32k-employee Global IT Services and Products division (i.e. the offshore services business) grew revenues by 45% compared to Q1 last year to Rupees13.4bn (or £157m). Operating profits increased by 89%, pushing operating margin up to 27%.

One interesting theme in these offshore bellwethers' Q1 results was the big improvement in European operations. Infosys found Europe, including the UK, one of the best performing segments in the quarter. It now accounts for 22% of the company's total revenues, compared to 17% a year ago. Meanwhile, Wipro grew revenues from European clients by an impressive 20% quarter-on-quarter (i.e. compared to Jan-March 2004).

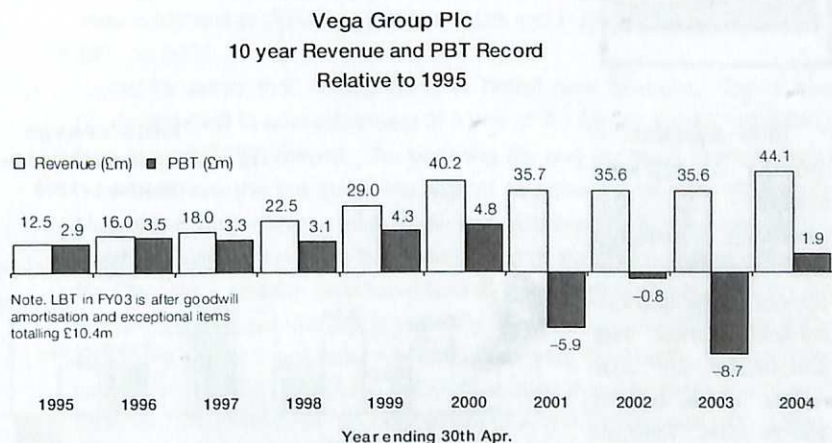
All of which provides an ideal back-drop for the upcoming IPO of India's largest offshorer, Tata Consultancy Services. TCS began its long-awaited public issue on 29th July, in a move that should raise a total of £570m-700m (before costs) and that values the company at £4.7bn. That's a PSR of around 7 – something of a discount compared to rivals Infosys and Wipro, but still well-above typical IT services valuations in London and New York these days. But of course, typical US- and UK-listed IT services operations aren't growing at 20%+ a year with 30% margins! (*Phil Codling*)



VEGA'S NICHE FOCUS PAYS OFF

Vega Group, the provider of consultancy and technology to the space, defence & government markets, has released results for the year to 30th April 2004. Total turnover for the period increased by 24% to £44.1m, while turnover from continuing operations increased by 26%. Turnover from the UK market (predominantly government & defence) increased by 36% to £24.3m, while non-UK turnover increased by 13%.

Operating profit before goodwill amortisation and exceptional items increased by 44% to £2.9m. The bulk of exceptional items in 2003 (£4.1m) were related to a big chunk of goodwill impairment. At the bottom line, a pre-tax loss of £8.7m in 2003 was converted to a profit of £1.9m (last year's pre-



tax profit was affected by the goodwill impairment as well as a £4.7m loss on the disposal of Vega Informatietechnologie bv). The diluted EPS was 5.74p (2003: loss per share of 48.51p).

Across Vega's focus verticals, the performance was as follows:

■ **Government & Defence:** Turnover from continuing operations increased by 35% to £25.6m. This was as a result of an increased level of subcontractor work (i.e. the procurement of niche subcontractors on a client's behalf for a management fee) and an increased level of hardware sales (i.e. hardware procured on behalf of clients as part of larger contracts such as training contracts).

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There was also a significant increase of more than 100% in revenues from government to £3.1m. Despite the increased level of low-margin hardware resale and 'subcontractor' work, the operating margins in this business unit increased from 9% to 11%.

■ **Space:** Turnover from continuing operations increased by 16% to £18.6m. However, despite improved daily rates and improved staff utilisation, the operating profit fell from £0.9m to £0.6m (operating margins declined from 6% to 3%). A large part of this decline was due to increased investment in the company's operations in France – "the heart of the European space market". In addition, the poor margin level reflects the impact of several legacy projects that are due to come to an end in the next 12 months.

Comment: Vega's Board indicated its own confidence in the company by reinstating the payment of a dividend. Indeed, we spoke to CE, Phil Cartmell and there's certainly a good story to tell. The company has spent the last couple of years working on pulling together years of knowledge and experience in the space & defence industries into a coherent offering for its focus markets. Competence areas fall under the headings of 'learning & knowledge', 'simulation technology', capability acquisition', 'operations & control' and 'information security'. The story has been consistent for a couple of years and Vega's positioning is now far clearer to all stakeholders. In addition, with better integration of the business units Vega is having much more success in cross-selling solutions to clients in different verticals. Indeed, this is exactly how it is building up its Government business albeit from a small base. One of its key wins over the last year has been on the NHS' NPfIT contract (as a partner to **Accenture**) providing training and programme/project management expertise.

Going forward, Vega intends to build its business both organically

and via acquisition. Daily rates continue to improve as Vega moves up the value chain and sells more consulting-led work (rather than its traditional mix of training and 'body-shopping'). It is providing exactly this type of high value-add consultancy work in the procurement phase of the MoD's DII(F) programme.

This mix should improve again next year as Vega consciously tries to keep down the level of low-margin hardware resale and 'subcontractor' work. Any acquisitions will strengthen either its horizontal or vertical capabilities. Of course, Vega had looked at acquiring the SciSys business from **CODASciSys** but this fell through after a due diligence phase at the end of March. Nonetheless, all the signs are that Vega continues to look for its next target.

(Georgina O'Toole)

-19%
59p
Total Systems plc

COST CUTTING BOOSTS TOTAL'S BOTTOM LINE

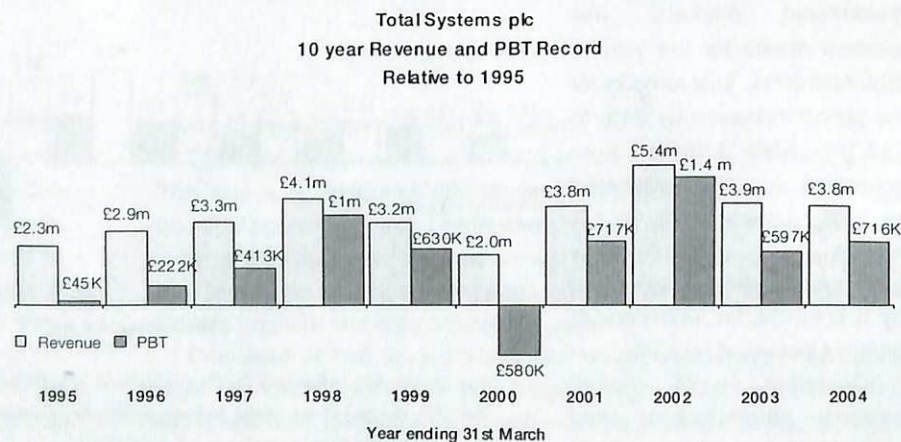
Total Systems, a provider of software systems to the insurance, warranty and pension fund sectors of the financial services market, has announced full year results to the end of March 2004. Turnover has fallen from £3.9m to £3.8m, operating profit improved from £489K to £596K and PBT increased from £597K to £716K. EPS improved from 4.12p to 4.94p.

Chairman, Terry Bourne said: "Current trading continues at an acceptable level with our existing customers. However, our visibility

of future prospects is less than we would like."

Comment: There are a number of disappointing messages in Total's results: current trading with existing customers is 'acceptable'; any improvement in the current year is 'unlikely'; 'delays' in gaining new contracts; new order intake has been 'disappointing'. Unfortunately, it's hard to see that the coming year will see any progress on this.

On the plus side, strict controls on costs have enabled Total to make



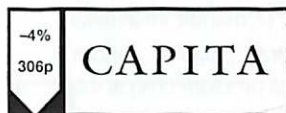
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some improvements to its profitability. However, with insurance companies focused predominantly on maintaining legacy systems, the company will face a continued uphill struggle.

Towards the close of the period, good news came in the guise of a £2.6m deal with Corinthian Insurance. But it needs plenty more deals of this size to boost the bottom line via means other than cost cutting.

And things don't look particularly bright going forward as the market for standalone software sales in insurance will struggle to find any growth at all.
(Kate Hanaghan)



CAPITA INTERIMS IMPRESS YET AGAIN

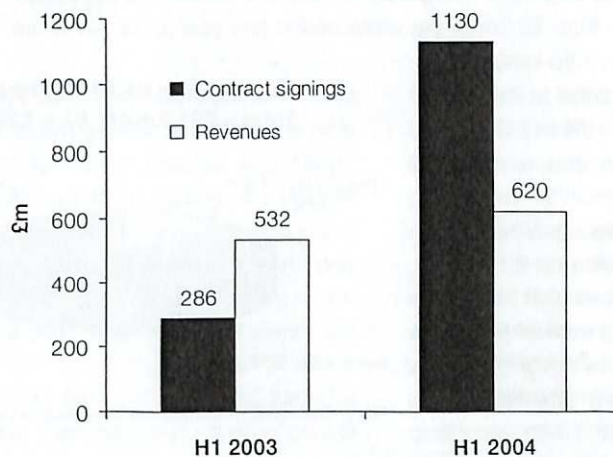
Capita unveiled another impressive set of results for the six months to 30 June 2004. Turnover increased 17% to £620m. Stripping out acquisitions, the company grew organically by 13%. Group operating profit increased 29% to £54.6m, as did PBT – to £48.1m. So margins showed steady progress, with operating margins up to 11.1%, compared to 10.6% in the same period of 2003. Diluted EPS increased by 40% to 4.37p.

The company also announced four new contracts worth a total of £293m, including a partnership with Salford City Council worth £250m over 12 years.

Comment: So Capita has posted yet another period of double-digit revenue and profit growth. Of prospects for the full-year, Chairman Rod Aldridge said he was "confident that shareholders will be pleased by Capita's results". And given the company's track record, who would argue with him?

But can Capita maintain its growth momentum? Well, contract activity so far in 2004 looks good, with a total of £1.13bn of forward value signed since January. That figure compares to 'just' £286m in the same period of 2003, and suggests that the company should be assured healthy (i.e. double-digit) revenue gains for the rest of 2004 and into 2005.

Of course revenue gains from



new contracts can always be counteracted by the loss of existing contracts. No contract is ever unbreakable, as Norfolk County Council's early termination of its deal with Capita a year ago showed. But the number of Capita contracts due to be re-tendered in the coming years is low, with none in the rest of 2004 and just two (AOS and DTI) scheduled for re-bid in 2005 to 2007.

As for areas that should bring in brand new business, Capita has positioned itself to take advantage of some of the richest seams in the BPO (and indeed S/ITS) market. The booming life and pensions administration market, where the company has signed two major contracts (Children's Mutual and Winterthur) so far in 2004, is a case in point. In the public sector, Capita should be one of the key beneficiaries of the efficiency measures that the Chancellor and the Gershon efficiency review are about to inflict on the civil service. UK government is targeting annual savings of £21bn by 2008 and we're bound to see more work for companies, like Capita, that can take cost and inefficiency out of the back-office through outsourcing and shared services. Meanwhile, the announcement of a new £250m deal with Salford City Council shows there's still plenty of scope in local government. Interestingly for Capita, which has tended to shun JVs in its deal-making, the Salford deal includes an alliance with Morrison, the blue collar services group that is part of AWG.

In none of its markets is Capita unchallenged by competitors, which range from business services specialists to IT giants like IBM, EDS and Accenture. But such is the wealth of opportunity out there in some of its key target areas and such is Capita's momentum and breadth of service coverage, that it's hard not to see the company continuing its growth trajectory and remaining UK BPO market leader for some years to come.

(Phil Codling)



LEISURE BUSINESS BOOSTS ALPHAMERIC IN H1

Alphameric, provider of IT solutions to the retail, bookmaking and hospitality sectors, has announced interim results for the six months to 31st May 2004. Turnover was up by 14% to £31.2m. This increase is partly explained by the timing of the Compass acquisition - on a true like-for-like basis, turnover was 11% higher thanks to growth from the Leisure division. After exceptionals and goodwill amortisation of £3.3m, the Group reported an operating loss of £1.9m, compared to £2.9m in H103. Pre-tax losses eased to £2.4m from £2.7m in the same period last year. Loss per share was 2.1p (H103: 2.5p loss).

By division, sales at Alphameric Leisure were up 16% to £13.7m and operating profit before goodwill increased by 75% to £1.4m. Having signed a £25m heads of terms with bookmakers William Hill in April, Alphameric Leisure can count the UK's four leading bookmakers as its customers. Alphameric's Hospitality division also grew operating profits before goodwill (to £0.4m compared

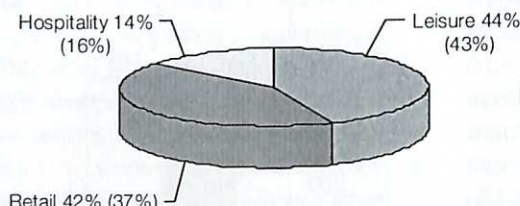
to £0.2m in H103) but sales remained flat, partly because it is signing a growing number of longer term managed services contracts - good news for recurring revenue streams. As presaged in its AGM statement, the Retail division reported an operating loss before exceptionals of £0.4m, compared to a £0.7m loss in H103, on turnover of £13.1m (H103: £10.1m).

Commenting on the outlook, Rodney Hornstein, Chairman, said: "We expect continued gains in Leisure and Hospitality, together with an improved performance in Retail. The Board is anticipating the Group will deliver a sound performance in 2004 and beyond".

Comment: The Leisure division has saved the day at Alphameric with a strong first half. But it remains to be seen whether the Leisure business can

continue to grow at such a pace as competition in the bookmaking IT market intensifies and margins come under pressure. The problem child is the loss-making retail division, which is struggling to convert its sales pipeline to orders. Alphameric claims the retail market remains tough but that it has seen a noticeable increase in orders and that the order book is significantly up on last year (at over £18m). We're pleased to see Alphameric has taken steps to strengthen the retail division's management and reduce overheads, but we'll need to see some more contract wins come through before we can be confident of a return to growth. The performance of the retail division appears to have unsettled investors, Alphameric's shares were down 15% to 73p. (Tola Sargeant)

Alphameric - H1 04 Business mix
Total = £31.2m (H1 03 = £27.3m)



Note: The Logistics business has been discontinued (4% of rev. in H1 03)



DELL - ANOTHER EXAMPLE OF PERFORMANCE DIVERSITY

Another example of the Diversity of Performance we have been reporting for some time now, was demonstrated by Dell's Q2 (that's to 31st July 2004) performance guidance issued at its AGM. Although earnings will be 2 cents above expectations, revenues at \$11.7billion will be at the lower end of the range expected. Thomas Weisel analyst Kevin Hunt attributed the

earnings increase entirely to lower component costs due to declining prices of memory chips, flat panel displays and hard disk drives.

Even so \$11.7billion is around 20% higher than Q2 2003; so is a pretty stonking performance. Strong sales of servers, sales to SMEs in the US and robust sales overseas were cited.

The problem in all this was that the media reporting of these results all seemed to suggest 'relief'. Clearly the recent round of tech. warnings could be ignored and everything in corporate PC wonderland was indeed rosy again.

But, in the same articles, research from two of the world's largest tech. research firms both suggested that Dell had done a great job in boosting its global market share to c18% - about 2.5 points ahead of HP which had also boosted its global market share.

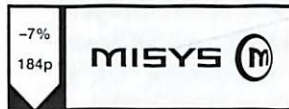
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Dell had increased the number of units shipped by 22.5% against a global market which was up just 15%. Remember these are unit shipments – not revenues. Poor old Mike Norris from Computacenter reported a few

weeks back that, although he'd managed to shift a record number of PCs, price erosion would mean that his revenue from that source would actually decline! He reported unit price declines of >15% in the last year.

The other source of revenue growth for Dell was its move into new markets in the last year. Printers and flat screen TVs to name but two. Both largely consumer – not corporate – tech. sectors

Dell is a quite superb IT success story. But proof of a recovery in corporate IT spend it is not. (Richard Holway)



UNSATISFACTORY RESULTS FROM MISYS FOR THE YEAR

For the year to 31 May 2004, Misys saw revenues decline 11% to £900m, operating profit decline 58% to £30.2m, pre-tax profits decline 62% to £23.1m and EPS decline 46% to 4.3p. Worst affected was Misys' Financial Services business which went into a £12.1m loss on the back of a revenue decline of 16% to £366m. Worst geography was UK – also losing £12m on revenues of £415m, down 18%. Across the business lines, only maintenance revenues held steady at £242m. Nonetheless, Kevin Lomax, chairman, believes that Misys is "now in a good position to take advantage of future opportunities in our markets".

Comment: After some years of decline, Misys thinks it has turned a corner. It said that Banking – one of its key markets – was showing growth for the first time in three years – with new licence orders (not yet showing in revenue) up 8% in the second half (compared to the prior year). It's also looking to increase profitability by increasing the amount of development work done offshore – from 700 staff today to 1000 within the FY.

The US-based healthcare business is more robust than its Financial Services (which are services to the finance industry, not software products) or Banking offerings. The Healthcare division should show decent growth in the future, as pressure on efficiency, lack of qualified staff and new regulations all drive IT usage. The puzzle is that Misys isn't doing better here already: on a like-for-like basis, the healthcare business was up in Misys H1, year-on-year, but H2 was flat compared to the prior year. The new licence order book was actually down. This in a market that Misys itself says is growing at 'high single digits'. More effort required there, then. Misys does have new and upgraded products to offer and is convinced it will grow next year but wouldn't be drawn on its expectations.

The other puzzle with Misys is whether it really thinks it's a software

company. It has long said it will sell its 'Sesame' service, which supports Independent Financial Advisers (IFAs) in the UK and accounts for 39% of revenues but only 11% of operating profit. It has retained it only because market conditions are poor, prices are low, and things are expected to get better when new regulations come through over the coming months. Fair enough. But also Misys offers a financial service connecting insurance companies with their brokers and says it is NOT going to sell this one. Yes it's nicely profitable and growing but it's less than 4% of the total business. Surely a growing, profitable business that's way outside the core business is one to sell to plough back into the software business which by its own admission has plenty of scope for new developments – eg as the Basel II regulation changes come in. (Philip Carnelley)



TRAIN RUNS BACKWARDS FOR QA IN H1

One of the UK's leading IT training firms, QA, has dropped back a little in the first half of the year, with revenues slipping 3% to £13.7m in the six months ended 31 May 2004. Operating losses

widened by 11% to £881K, but an exceptional £550K gain (the final payment for the disposal of PSL back in 1998) helped to almost halve pre-tax losses to £442K. Loss per share improved from (-)0.5p to (-)0.1p including the effect of the share issue from the fund raising at the beginning of the year. QA is to expand delivery capability in its flagship Holborn training centre "to take advantage of expected strong demand in quarter four" and

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also to consolidate capacity when the lease on another property expires next year. Based on recent trends, QA executive chairman Keith Burgess believes QA "will deliver improved year on year performance".

Comment: It was QA's consulting activities that seemed to let them

down this time, with a 17% revenue drop to £2.8m. Nonetheless, Burgess paradoxically reported "an improvement in our learning consulting activities". But after speaking to Burgess and QA's Group Finance Director Colin Gibson, we understand that the problem was with QA's 'legacy' technical consulting activities (the old **Pontis** business which the then **Skillsgroup** acquired back in Mar. 99). Meanwhile, revenues in QA's core training business crept up by less than 2% to £10.8m, but managed service revenues leapt ahead by 34%, which is a much better sign. Burgess also reported that QA turned a small profit in Q2, and that's encouraging news. But we wonder whether this is sufficient 'track record' to make predictions of 'strong demand' in Q4. Having got itself into much better financial shape with the fundraising and trying up of various 'loose ends', and with still intense price competition in the market, the worst thing that QA could do is to squander it all based on an expectation of 'strong demand'. But Burgess and Gibson assure us that the expansion of the Holborn facility will in fact be

QA plc Six months to 31st May	Turnover £m		
	2004	2003	Change
Training	10.84	10.67	1.6%
Consulting	2.82	3.39	-17.0%
TOTAL	13.66	14.06	-2.9%

a 'wash' by the time the lease on the other London centre expires in March so our concerns are mostly assuaged. Nonetheless, QA is one of the UK market leaders in a highly fragmented market and should be quite able to win its 'fair share' of the IT training business that's out there. Perhaps a 'sensible' acquisition of someone else's 'real' demand would be a surer step to growth. QA's shares ended the month at 4p, down -6% since the beginning of the year. (Anthony Miller)

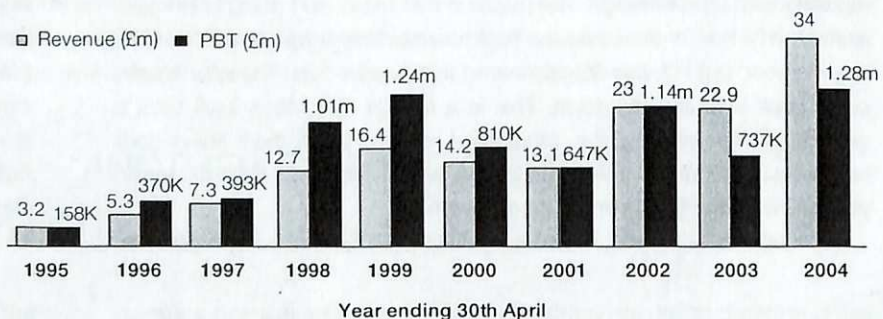


METHODS' METHODS BRING BUMPER GROWTH!

Privately-held 'virtual' consultancy (i.e. high-class body shop) **Methods Consulting** (nee **Methods Applications**) has turned in another great year. Turnover for the year ended 30 April 2004 leapt ahead by 49% to £34m (all organic), operating profit surged forwards 74% to £1.27m and pre-tax profits did just about likewise, reaching £1.28m.

Comment: It just gets better and better for Methods. Essentially a project-led ITSA, Methods has established a loyal following among its clients in the private and public sectors and just keeps doing the business. Gross margins trimmed back a little to 14.3% compared to 15.7% the previous year - we assume due to fee rate pressures

Methods Consulting (nee Methods Applications)
10 year Revenue and PBT Record
Relative to 1995



- but this is still at the top end of what most ITSAs can get even on the 'spot' recruitment market. However, a cool eye on costs lifted operating margins from 3.2% to 3.7%. Pre-tax margins also rose from 3.2% to 3.8%. Methods is starting to switch from 'time & materials' billing to fixed price SI projects (e.g. their £6m/5 year contract to develop and manage a web-based recruitment system for the NHS which they won in September 2003). Currently about 10% of turnover, Methods plans to increase fixed price work to 20%. Good show, chaps, and long may it last! (Anthony Miller)



I-DOCUMENTSYSTEMS EDGES CLOSER TO THE BLACK

Information management company, **i-documentsystems**, has seen revenues increase 72% to £3.28m for the six months to the end April 2004. Operating losses reduced from £496K to £225K, while at the pre-tax level losses improved from £459K to £192K. A diluted loss per share of 0.33p in 03 became an earning of 0.03p in 04.

Chairman John Wisbey will be stepping down from his role when a suitable successor can be identified.

Chief Executive, Andrew Fraser remains "*conservatively optimistic about future growth plans*". The company aims to move into sustained profitability by the end of October 2004.

Comment: IDOX is in a good position. It has transitioned from a pure software provider to a company whose core offerings are software maintenance, long-term managed services contracts and information subscriptions. Its focus on recurring income has pushed annualised recurring revenue from £1.5m last year to £2.4m this year. And it now has greater visibility of future revenues.

In May the company acquired TFPL, a knowledge and information management consulting company. This will boost IDOX's consulting capabilities but also serves as a further reminder that IDOX is not the company is used to be. It's also on the brink of turning its information service (which collects information on best practice and governance in the public sector) into a managed service – which would cover all information management requirements.

And the future looks pretty respectable too. It's highly unlikely than it will face any new competition seeing as entry into the public sector market can

be tough. In terms of opportunities, the Freedom of Information Act will increase the pressure on councils to deliver information efficiently. And of course, more generally, there's the on-going opportunity to help Local Authorities understand just how they can manage their information more effectively.

Yet sustained profitability still eludes IDOX (it did, however, trade profitably for three of the six months during this half year period).

This time last year we said: "*The focus for the next six months remains profitability and at current course and speed there is a good chance that the Group will achieve its stated aim of reaching profitability on a regular monthly basis by October 2003*". We hope that by October this year, it does finally achieve sustained profitability. (Kate Hanaghan)



SAP DEFIES THE DOOM AND GLOOM

While competitors flounder and analysts preach doom and gloom, **SAP** has put in a very good set of results for Q2 2004 (to 30th June). These have been largely fuelled by growth in the US, though Germany and Asia-Pacific also did well.

Total revenues were euro 1.8bn (\$1.6bn in Q2 2003), consisting of software sales of euro 497m (euro 431m), maintenance of euro 698 m (euro 633m), and professional and other services of euro 1,077 m (euro 1,064m). SAP's operating income was euro 391 m (euro 340m) and net income was euro 249 m (euro 219m).

Trumpeting its success on the other side of the pond, SAP split out its software revenues for the US, which increased from euro 86m in Q2 2003 to euro 140m in Q2 2004; this growth of 63% would have been 70% at constant currencies.

Comment: Overall this is an excellent set of results, and it puts SAP at odds with its rivals PeopleSoft and Siebel. We haven't had time to pick over them in great detail, but it's hard to see anything much to complain about.

Oh, alright then, we wouldn't be us if we didn't find a nit to pick, and the nit we have spotted is in European (excluding German) software revenues. Our worry is that SAP's romance with the US takes attention away from its largest market, which is the rest of Europe after you take its home market of Germany out. Here software revenues were down from \$164m in Q2 2004 to \$159m in Q2 2004. Software revenue is important because it is the driver of future maintenance and services revenue. That said, overall revenue in non-German Europe went up to euro 575m (2003: euro 550m), a modest but useful gain.

There is a conference call later in the day (SAP has to wait for the US to wake up) and if there are any tasty titbits from that, we'll pass them on. (David Bradshaw)



LORIEN BACK IN THE BLACK – BUT WANTS MORE SHARE

Top ten UK IT staff agency (ITSA), **Lorien** has moved back into profit for the half year to 30th May 2004 on the back of 29% organic revenue growth to £57.4m. The company transformed an operating loss of £100K into a profit of £340K and at the pre-tax level it moved from a loss of £28K to a profit of £227K. EPS was 1p from a loss of 1p during the comparable period last year.

Lorien's core Resourcing division turned over £49.7m, an increase of 34%. In stark contrast, the 'cash cow' Specialist Services division saw turnover increase by just 2% to £7.6m.

Lorien executive chairman, Bert Morris, expects that the company "will deliver growth in the current financial year", although progress in taking market share in the first half "has not been quite to the level we had anticipated".

£800K investment to significantly boost its output so that it can take on some really big jobs, one of which may come from HP! This raises all sorts of interesting future opportunities for Lorien's DCP business as of course HP is deeply into 'print managed services'. No prizes for guessing where this may all lead.

Anyway, back to the core

Lorien plc Six months to 30 May	Turnover £m			Contribution £m			Margin	
	2004	2003	Change	2004	2003	Change	2004	2003
Resourcing	49.7	37.0	34.3%	2.08	1.25	66.9%	4.2%	3.4%
Specialist Services	7.6	7.5	2.2%	1.25	1.52	-17.8%	16.3%	20.3%
TOTAL	57.4	44.5	28.9%	3.33	2.76	20.4%	5.8%	6.2%

Comment: As Bert Morris put it at the analyst briefing, "it was a lot of hard work for fairly modest return" – and that really sums up the state of the UK ITSA market at the moment. Lorien did very well on the contractor side of the market with a strong Q1 which stabilised in Q2. Margins eased a tad from 9.9% to 9.6% mainly due to more 'payrolling' (low margin service) at the Royal Bank of Scotland. The permanent business lagged the contractor business (typical for the sector) with a stable Q1 but much stronger Q2, which should hold for the rest of the year. Lorien's 'solutions' business, Resolution, was profitable for the first time but has yet to 'wash its face' – Lorien FD Chris Hinton hopes this will happen by this time next year. We've never been keen on Lorien's move into the 'real' system house business but at least it has been prudent in its approach. Still, it's taking a long time to get any real payback.

Strangely enough perhaps the most exciting opportunities for Lorien actually lie within its Specialist Services 'cash cow' division. The Market Research business seems to have carved a niche in database-driven digital colour printing (DCP) for direct mail campaigns. Lorien is about to make an

investment in a new business, where Lorien is in sturdy shape but now must find ways of growing its top line (ie win market share). To do this it has to boost its master vendor business and move it up the value chain into higher level managed services. Morris tells us that they have a few irons in the fire and recognise they have to get the first one under their belt in order to establish a foothold in this very important part of the ITSA market. Lorien's shares ended the month at 76p, down -12% since the beginning of the year.

(Anthony Miller)



HIGHAMS SHRINKS (AGAIN) THEN GROWS

IT staff agency (ITSA) **Highams Systems Services Group** has reported a downturn in business in its most recent financial year, but

simultaneously announced the acquisition of privately-held ITSA, RWP Recruitment Services and a half-million pound placing. Let's take these in turn.

Highams' revenues for the year ended 31 March 2004 dropped by 23% to £8.56m, partly due to the disposal of its factoring software business,

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Highams Business Solutions (HBS), in Nov. 2003. HBS contributed £800K revenues and £292K profit to these results. Highams' total operating losses more than doubled to £487K and pre-tax losses widened by 45% to (-)£282K. Loss per share did likewise and stood at (-)1.45p.

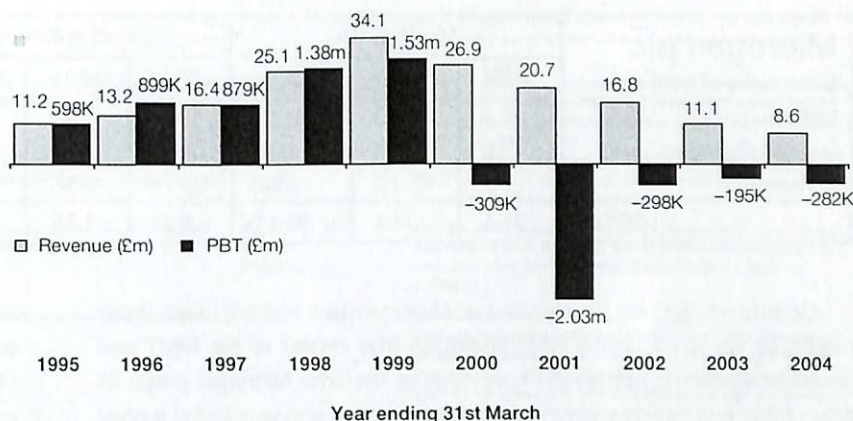
Revenues for Higham's core ITSA business fell about 19% to £7.7m but the division ran up losses of £507K compared to the previous year's profit of £523K. Gross margins are now just under 9%.

Highams chairman Graham Maw, who announced he is to stand down when a replacement is found, advised that the ITSA market is likely to remain "challenging" this year but with the acquisition of RWP, he "expect(s) to see a significant growth in our revenues this year and improvement in the bottom line". Highams continues to seek further acquisitions.

As for the acquisition and fund raising, Highams is to buy RWP for £2.05m, comprising £1.56m cash and the balance in shares (via loan note). RWP had pre-tax profits of £327K in the year to 31 December 2003. No mention of revenues for 2003, but in 2002 RWP turned over c£10m for a PBT of £162K. Highams has placed 8.3m shares at to raise £500K gross and has also arranged an invoice discounting facility to provide working capital.

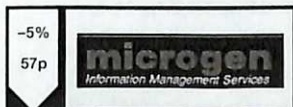
Comment: A pretty bold move by Highams but probably the right one. Loss-making for the past five years, and with cash running down in a cash-hungry business (ITSAs frequently have to pay their contractors twice before they receive one payment from their clients) extra funding was required. And in a slowly recovering ITSA market, any real growth had

Highams Systems Services Group
10 year Revenue and PBT Record
Relative to 1995



to come from acquisitions. Now that they have sold off the factoring software business, Highams can concentrate fully on being an ITSA. It'll still be tough, though, and being small it will have to find some good niches to be able to survive the onslaught of the 'majors' such as Spring and Hays, and especially to boost its margins which are a tad undernourished. Highams shares finished the month at 8p, a -38% decline since the beginning of the year.

(Anthony Miller)



MICROGEN KEEPS EYE ON DIAGONAL AS ANNOUNCES INTERIMS

Microgen, the "acquisitive IT services and solutions organisation", has not given up hope of buying SAP consultancy Diagonal even though reseller Morse launched a recommended offer worth 55p a share during July. A couple of days after the offer was made public Microgen announced its interim results which showed revenues almost

doubling to £21.1m for the six months ended 30 Jun. 04, boosted by its purchase of **MMT Computing** and **Imago QA** at the end of last year.

Microgen also made great strides forward in profitability, with operating profit before goodwill and exceptionals up from £968K to £2.5m, turning last year's total operating loss of £821K into a total operating profit of £1.19m. This result lifted operating margins from 8.8% to 11.9% (pre-goodwill etc), or 5.6% after goodwill etc.

Pre-tax profits also rose dramatically, from £1.07m to £2.64m before goodwill etc, turning last year's post-goodwill etc loss of £2.36m into a profit of £1.33m. This generated a diluted EPS of 2.1p compared to a loss of 1.8p last year.

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Each of Microgen's business lines grew well. Software product revenues gained 55% to £6.2m, Managed Services revenue rose 9.7% to £6m, and Consultancy revenues jumped from £1.6m to £8.9m.

Microgen executive chairman Martyn Ratcliffe was "satisfied" with the company's performance.

16p a share better off on his investment in the SAP consultancy.

Ratcliffe paid an average of nearly 39p a share for his 7.6%

Microgen plc Six months to 30th June	Turnover £m			Operating Profit £m			Margin	
	2004	2003	Change	2004	2003	Change	2004	2003
Software-based	6.2	4.0	55.0%	1.25	0.51	146.3%	20.2%	12.7%
Managed Services	6.0	5.5	9.7%	1.19	1.19	0.4%	19.9%	21.8%
Consultancy	8.9	1.6	>400%	1.11	0.15	>600%	12.4%	9.4%
TOTAL	21.1	11.1	91.1%	3.56	1.85	92.6%	16.8%	16.7%

Comment: And so he should be. Microgen has not unpicked these results so we don't clearly understand the true impact of the MMT and Imago acquisitions, but we do know that at the time Microgen made its offers MMT had half-year revenues of some £12.5m and was losing money (to February 2003), and Imago had full year revenues of £6.8m and was just over break-even (to September 2003). The clues are in the margins. Microgen's software business improved operating margins from 12.7% to 20%, managed services margins slipped a tad from 21.8% to 19.9%, and consultancy margins rose from 9.4% to 12.4%. You really can't complain. Not only has Microgen seemed to integrate its acquisitions quickly and effectively, but it is also being very sensible in basing the majority of its development staff (over fifty of its 64 staff) in its offshore development centre in Poland. And even if Morse eventually wins Diagonal, he is also potentially

stake in Diagonal back in June, and Morse is currently offering 55p of which just over 30p is cash. Given Ratcliffe's track record – and to be honest, the somewhat questionable value for a reseller in buying a SAP consultancy – we think Microgen might ultimately prove the better home for Diagonal. Microgen's shares ended the month at 57p, down –5% since the beginning of the year. (Anthony Miller)



REVENUES FLAT AT FLOMERICS

Flomerics Group, the supplier of analysis software to the telecommunications, semiconductor and computer industries, has announced results for the six months to 30th June 2004. Turnover declined 9% to £4.43m but was flat at constant exchange rates. Recurring revenues declined from 57% of the total to 52%. Losses improved at the operating level by £30K to £137K and at the pre-tax level from £144K to £106K. Diluted loss per share improved from 0.98p to 0.71p.

David Tatchell, CEO and company co-founder aims to leave the company before his 60th birthday in 2006. With this in mind, the company has kicked off

a programme to recruit a COO who will ultimately take over from Tatchell.

Across its regions, the result were as follows:

- US (its biggest market) down 14%, mainly due to some large multi-year licences being signed in the comparative period last year
- European revenues flat, with the UK up 6% and Germany up 9%
- Asia-Pac revenues up 39% (now 23% of turnover compared to 16% previous year)

David Mann, Chairman, said: "After a long period of contraction in the electronics industry, which has been affecting our results since 2001, we have found our market conditions this year relatively stable with some positive signs of recovery."

Comment: The opening of Flomerics' offshore facility in India should bring down costs around product development. Unfortunately, the release of a new product in March (called FLO/PCB) has turned in sales that have so far been slow. Its new FLO/EMC product is also "taking longer than expected to secure take up". However, further investments in its Micro-Stripes product appear to be paying off with sales up 40%.

If past experience is anything to go by, with revenues normally skewed towards the second half of the year, it looks as though Flomerics will be turning in a full year revenue performance not altogether different from last year. (Kate Hanaghan)

Mergers & Acquisitions

Buyer	Seller	Seller Description	Acquiring	Price	Comment
Business Systems Group	Global Network Solutions Europe	A London-based subsidiary of Japanese giant Itochu Corporation	Its managed hosting and IT maintenance assets	£115K	This is a relatively small step for £23m-revenue BSG but should fit with its stated (and justified) strategy of re-aligning its business model away from hardware sales and towards managed services.
CES Software	SkillJam	SkillJam is the person-to-person skill gaming business operated by Game Universe Inc	100%	c£4.4m	In FY04 SkillJam recorded net revenues of £2.03m. CES says the acquisition is complementary to its person-to-person exchange betting business.
Dicom Group	Valuevad	Information capture market in the Middle East	100%	\$500K	Valuevad, which had sales of \$2m and an operating profit of \$50k in 2003, brings Dicom a foothold in the Middle Eastern and Arabic language markets, as well as customers in UAE, Saudi Arabia, Iran, Iraq, Pakistan and Turkey.
FFastFill plc	Future Dynamics Ltd	Software and related services to the derivatives sector in the UK and US	100%	N/a	This looks like a good move on paper – we just hope it won't distract Fastfill from the fundamental challenge of making real progress towards profitability in the current financial year.
Harrier Group plc	Articon-Integralis	German-owned security systems integration company	100% of security business.	N/a	With this increased mass will come economies of scale, which can only be good news for Harrier. While the UK-owned company has been growing its annual turnover, it has struggled to remain profitable.
Highams Systems Services Group	RWP Recruitment Services	Permanent and contract IT personnel	100%	£2m	In a slowly recovering ITSA market, any real growth had to come from acquisitions. Highams is to buy RWP for £2.05m, comprising £1.56m cash and the balance in shares (via loan note). RWP had pre-tax profits of £327K in the year to 31 Dec. 03. Highams has placed 8.3m shares at to raise £500K gross and has also arranged an invoice discounting facility to provide working capital.
LB Icon	Object 1	Content management systems consulting, design and development.	100%	N/a	LB Icon was formed through the merger of IconMedialab and Lost Boys in 2002. The acquisition of Object 1 will see the company expand its consultancy and services offerings. Over the last two years the company has acquired Proteus, Blue Wave and Nettek Solutions. Most recently is added Aspect Group to that list (see below).
LB Icon	Aspect	Internet Consulting and web services	100%	£82m	The existing operations of the LB Icon group in the UK will be consolidated with Aspect Group. The combination will increase LB Icon's UK revenues to c£12m. In FY03, LB Icon group revenues were £53m.
Novell	Salmon	IT services and consulting	100%	N/a	Novell is to acquire Watford-based IT consultancy, Salmon to build its enterprise consulting and services capabilities in the UK. In FY03, Salmon made a PBT of £1m on revenues of £12.1m. Its customers include household names such as Tesco, Argos, Channel 4 and Thames Water. In fact, just last month the company announced it had delivered a new corporate portal for Dixons Group.
Tadpole Technology	Stream Theory	Designs and develops platforms for deploying (predominantly games) software over the web	100%	N/a	California-based Stream Theory has a \$9m distribution deal with a Japanese broadband provider and Tadpole wants to use this to gain entry to the Japanese and, ultimately, Asian markets.
XKO Software	Enterprise Software Systems Limited	ESS has sold its SMB business management software operations to XKO	N/a	£250K	This latest acquisition sees XKO continue its strategy of acquiring in order to widen its customer base and boost recurring revenues (it made two acquisitions during FY03 for a total of £3.1m).
Yoomeia	Whoosh Group	Mobile phone marketing and technology	100%	\$74.5m	The consideration for the acquisition is the issue of 1.75 million shares in YooMedia plc to the vendors. These shares will be subject to a lock-in for a period of 12 months from the date of issue. In addition, there is an earnout provision, which could entitle the vendors to £350,000 payable in cash or shares, at YooMedia's option, dependent on Whoosh achieving minimum revenues of £400,000 in the second half of the financial year and earnings before interest, taxation, depreciation and amortisation of £50,000 for the same period.

Recent IPOs

Name	Activity	S/ITS or Dotcom	Index Class	Market	Issue Price	Market Cap.	IPO Date	Price end Jul 04	Premium/Discount
NCC Group	IT assurance services	SITS	CS	AIM	170p	£23.0m	14-Jul-04	169p	-1%
Plusnet Technologies	ISP	Dotcom	CS	AIM	90p	£25.1m	14-Jul-04	105p	17%
Prologic	Fashion industry S/ITS supplier	SITS	SP	AIM	75p	£3.2m	05-Jul-04	84p	11%
XN Checkout Holdings	EPOS systems to leisure industry	SITS	SP	AIM	98p	£21.1m	29-Jun-04	106p	8%

Forthcoming IPOs

Name	Activity	S/ITS or Dotcom Index	Index Class	Market	Est Issue Price	Est Mkt Cap.	IPO Date
Phoenix IT	Managed Services	SITS	CS	N/a	N/a	N/a	TBC

Quoted Companies - Results Service

Note: Highlighted Names Indicate results announced this month.

Company	Period	Comparison	REVENUE	PBT	EPS	Company	Period	Comparison	REVENUE	PBT	EPS	Company	Period	Comparison	REVENUE	PBT	EPS						
AFA Systems plc	Final - Dec 02		£6,032,000	£1,038,000	-1.90p	Compucenter plc	Final - Dec 03		£2,482,700,000	£65,810,000	24.00p	Glotel plc	Final - Mar 04		£90,499,000	£754,000	0.20p						
Final - Dec 03	+7.6%	£5,467,000	£1,044,000	-8.30p	Final - Dec 02		£1,930,050,000	£55,081,000	21.00p	Final - Mar 03		£134,700,000	-2.30p	Final - Mar 04		£754,000	0.20p						
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss to profit	Loss to profit						
AIT Group plc	Final - Mar 03		£1,584,000	£339,349,000	-29.19p	Computer Software Group plc	Final - Mar 03		£1,800,000	£685,000	-5.00p	Gresham Computing plc	Final - Dec 02		£1,157,800	£148,000	2.45p	Final - Dec 03		£1,245,000	-11.5%		
Final - Mar 04	+11.7%	£1,648,000	£2,019,000	7.49p	Interim - Aug 02		£1,800,000	£685,000	-5.00p	Interim - Aug 03		£2,533,000	-632,000	-2.70p	Final - Dec 02		£1,157,800	£148,000	2.45p	Final - Dec 03		£1,245,000	-11.5%
Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Profit to loss	Profit to loss		
Akaei	Final - Jun 02		£445,000	£1,663,000	-217.00p	Corpora plc	Interim - Sep 02		£46,203	£67,842	-23.00p	Harrier Group plc	Final - Dec 02		£9,544,299	£9,005,410	5.10p	Final - Dec 03		£9,029,851	-5.4%		
Final - Jun 03	-78.0%	£98,000	£3,000	4.20p	Interim - Sep 03		£288,581	£43,194	-8.50p	Interim - Sep 03		£60,713	£678,091	-5.10p	Final - Dec 02		£9,544,299	£9,005,410	5.10p	Final - Dec 03		£9,029,851	-5.4%
Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss to Profit	Loss to Profit		
Alphameric plc	Interim - May 03		£26,899,000	£2,734,000	-2.50p	DCS Group plc	Final - Dec 03		£9,800,000	£4,200,000	-37.40p	Harvey Nash Group plc	Final - Jan 03		£56,692,000	£1,490,000	1.30p	Final - Jan 04		£30,910,000	+6.5%		
Final - Nov 03	+9.1%	£26,897,000	£2,350,000	-2.10p	Final - Dec 02		£9,800,000	£4,200,000	-37.40p	Final - Jan 03		£56,692,000	£1,490,000	1.30p	Final - Jan 04		£30,910,000	+6.5%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss to Profit	Loss to Profit		
Alterian plc	Final - Mar 03		£4,784,000	£5,966,000	-4.60p	Dealogic	Final - Dec 02		£30,771,000	£9,583,000	1.20p	Highams Systems Services Group plc	Interim - Sep 02		£5,618,000	£1,096,000	1.00p	Interim - Sep 03		£4,754,000	-6.4%		
Final - Mar 04	+8.5%	£5,668,000	£2,232,000	-7.10p	Final - Dec 01		£33,426,000	£9,929,000	N/A	Final - Mar 03		£5,618,000	£1,096,000	1.00p	Interim - Sep 03		£4,754,000	-6.4%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Anite Group plc	Final - Apr 03		£99,128,000	£12,480,000	-34.20p	Delcam plc	Final - Dec 03		£20,451,000	£1,348,000	20.45p	Horizon Technology Group plc	Interim - Jun 02		£19,973,584	£3,849,310	12.90p	Interim - Jun 03		£25,057,000	+4.4%		
Final - Apr 04	-5.2%	£88,763,000	£28,763,000	-8.60p	Final - Dec 02		£9,910,000	£1,071,000	8.70p	Interim - Jun 02		£20,112,294	£7,842,014	12.90p	Interim - Jun 03		£27,456,000	0.40p	Interim - Jun 03		£25,057,000	+4.4%	
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit		
Argonaut Games plc	Interim - Jan 03		£1,096,000	11p		Detica Group plc	Final - Mar 03		£39,166,000	£7,437,000	24.10p	Host Europe plc	Final - Dec 02		£17,120,000	£250,000	0.00p	Final - Dec 03		£17,120,000	-11.2%		
Final - Jul 03	+36.5%	£4,371,000	£1,882,000	-1.20p	Final - Mar 04		£39,166,000	£7,437,000	24.10p	Final - Dec 01		£15,899,000	£505,000	-0.00p	Final - Dec 02		£17,120,000	£250,000	0.00p	Final - Dec 03		£17,120,000	-11.2%
Comparison		Profit to Loss	Profit to Loss	Profit to Loss	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Atlantic Global Plc	Final Dec 02		£1,551,000	£235,000	0.56p	Diagonal plc	Interim - May 03		£30,610,000	£2,810,000	-3.42p	Hot Group plc	Final - Aug 02		£2,631,000	£4,700,000	-1.00p	Final - Aug 03		£2,626,000	-7.2%		
Final Dec 03	+26.1%	£1,956,000	£496,000	1.35p	Interim - May 04		£32,044,000	£2,810,000	-2.20p	Final - Aug 02		£2,631,000	£4,700,000	-1.00p	Final - Aug 03		£2,626,000	-1.00p	Final - Aug 03		£2,626,000	-7.2%	
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
AttentIV Systems Group	Interim - Mar 03		£10,040,000	£2,225,000	0.40p	Dicom Group plc	Interim - Jun 03		£80,338,000	£18,810,000	26.00p	Document Systems Plc	Interim - Apr 03		£1,903,078	£459,822	-0.33p	Interim - Apr 04		£3,283,879	+72.6%		
Final - Sep 03	+0.5%	£10,040,000	£1,300,000	5.90p	Interim - Dec 02		£80,338,000	£18,810,000	26.00p	Interim - Apr 03		£1,903,078	£459,822	-0.33p	Interim - Apr 04		£3,283,879	+72.6%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Autonomy Corporation plc	Final - Dec 02		£3,998,600	£3,924,000	0.03p	Dimension Data plc	Final - Sep 02		£148,600,000	£28,000,000	19.80p	ICM Computer Group plc	Final - Jun 02		£68,871,000	£4,478,000	5.00p	Final - Jun 03		£77,843,000	+0.0%		
Final - Dec 03	+8.5%	£3,568,410	£4,650,000	0.03p	Final - Sep 03		£128,800,000	£24,000,000	-19.80p	Final - Jun 02		£68,871,000	£4,478,000	5.00p	Final - Jun 03		£77,843,000	+0.0%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Aveva Group plc	Final - Mar 03		£3,008,000	£5,580,000	212.40p	DRS Data & Research Services plc	Final - Dec 02		£2,762,000	£2,814,000	4.50p	Innovation Group plc (The)	Final - Sep 02		£60,071,000	£39,114,000	-17.78p	Final - Sep 03		£56,514,000	-4.15%		
Final - Mar 04	+5.8%	£3,810,000	£6,199,000	22.42p	Final - Dec 01		£2,762,000	£2,814,000	4.50p	Final - Sep 02		£60,071,000	£39,114,000	-17.78p	Final - Sep 03		£56,514,000	-4.15%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Axon Group plc	Final - Dec 02		£43,120,000	£2,480,000	2.70p	Earthport plc	Final - Jun 03		£5,281	£2,325,259	-6.40p	InTechnology plc	Final - Mar 03		£56,899,000	£6,875,000	-5.10p	Final - Mar 04		£59,069,000	+14%		
Final - Dec 03	+8.5%	£42,020,000	£2,480,000	4.60p	Interim - Dec 02		£2,394,000	£2,325,259	-6.40p	Final - Mar 03		£56,899,000	£6,875,000	-5.10p	Final - Mar 04		£59,069,000	+14%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Brady plc	Final - Dec 01		£2,817,277	£56,931	N/A	Easyscreen plc	Final - Mar 04		£2,206,624	£3,237,842	-5.60p	Intelligent Environments Group plc	Final - Dec 02		£2,672,065	£2,873,579	2.40p	Final - Dec 03		£3,485,000	+30.4%		
Final - Dec 02	-25.5%	£2,997,964	£95,020	N/A	Final - Mar 03		£2,206,624	£3,237,842	-5.60p	Final - Dec 02		£2,672,065	£2,873,579	2.40p	Final - Dec 03		£3,485,000	+30.4%					
Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Bond International Software plc	Final - Dec 02		£6,399,629	£1,972,786	-3.70p	Eidos plc	Interim - Dec 02		£89,048,000	£17,354,000	4.60p	Interactive Digital Solutions plc	Interim - Sep 02		£46,323	£243,032	0.30p	Interim - Sep 03		£65,741	+257.8%		
Final - Dec 03	+0.0%	£7,037,000	£451,000	2.10p	Interim - Dec 03		£90,048,000	£17,354,000	4.60p	Interim - Sep 02		£46,323	£243,032	0.30p	Interim - Sep 03		£65,741	+257.8%					
Comparison		Loss to Profit	Loss to Profit	Loss to Profit	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Business Systems Group Holdings plc	Final - Mar 03		£2,475,000	£2,949,000	-3.44p	Electronic Data Processing plc	Final - Sep 02		£8,480,000	£1,394,000	0.47p	Intercede Group plc	Final - Mar 03		£18,190,000	£1,203,000	-5.60p	Final - Mar 04		£168,000	-11.8%		
Final - Mar 04	-14.5%	£2,264,000	£1,139,000	0.80p	Final - Sep 03		£8,480,000	£1,394,000	0.47p	Final - Mar 03		£18,190,000	£1,203,000	-5.60p	Final - Mar 04		£168,000	-11.8%					
Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit		
Capita Group plc	Interim - Jun 03		£51,600,000	£37,300,000	3.10p	Empire Interactive plc	Final - Dec 02		£22,575,000	£2,872,000	-2.72p	Internet Business Group plc	Final - Oct 02		£1,389,000	£537,000	-0.87p	Final - Oct 03		£2,663,774	+91.8%		
Final - Dec 03	+6.7%	£50,200,000	£39,500,000	4.37p	Final - Dec 03		£22,575,000	£2,872,000	-2.72p	Final - Oct 02		£1,389,000	£537,000	-0.87p	Final - Oct 03		£2,663,774	+91.8%					
Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit	Comparison		Loss to profit	Loss to profit		
Charteris Plc	Interim - Jan 03		£7,702,000	£2,259,000	-0.52p	Epic Group plc	Final - May 03		£9,750,000	£1,862,000	5.60p	ITrain plc	Final - Dec 01		£436,768	£5,663	n/a	Interim - Jun 03		£294,539	-32.6%		
Final - Jul 03	-23.5%	£5,893,000	£3,000	0.00p	Final - May 04		£9,750,000	£1,862,000	5.60p	Final - Dec 02		£436,768	£5,663	n/a	Interim - Jun 03		£294,539	-32.6%					
Comparison		Loss to Profit	Loss to Profit	Loss to Profit	Comparison		Loss both	Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both	Comparison		Loss both	Loss both		
Chelford Group plc	Final - Dec 02		£7,298,000	£1,025,000	-0.16p	Eurolink Managed Services plc	Final - Mar 02		£9,228,000	£65,000	0.47p	INVU	Final - Jan 03		£1,680,000	£439,000	-1.45p	Final - Jan 04		£1,377,000	-0.36p		
Final - Dec 03	+35.3%	£9,777,000	£3,739,000	0.03p	Final - Mar 03		£9,228,000	£65,000	0.47p	Final - Jan 03		£1,680,000	£439,000	-1.45p	Final - Jan 04								

Quoted Companies - Results Service

Note: Highlighted Names indicate results announced this month.

LogicaCMG plc				Pixlog plc				Tadpole Technology plc					
REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Interim - Mar 03	Final - Sep 03	Interim - Mar 04	Comparison	
PBT	£1827,400,000	£1706,600,000	-6.6%	REV	£1,550,364	£2,528,038	+63.1%	REV	£2,803,000	£5,380,000	£1,476,000	-47.3%	
EPS	-0.290p	-0.330p	Loss both	PBT	£1,928,933	£1,199,077	-37.8%	PBT	£7,500,000	£9,570,000	£1,500,000	Loss both	
EPS	-0.290p	-0.300p	Loss both	EPS	-0.700p	-0.460p	+50.0%	EPS	-3.60p	-4.30p	-0.60p	Loss both	
Lorion plc				Plant Holdings plc				Telecity plc					
REV	Interim - May 04	Final - Jun 03	Interim - May 04	Comparison	REV	Interim - Oct 02	Final - Dec 02	Comparison	REV	Final - Dec 02	Interim - Mar 03	Comparison	
PBT	£44,503,000	£94,714,000	£57,372,000	+28.9%	REV	£10,522,000	£10,045,000	-4.6%	REV	£3,954,000	£3,954,000	0.0%	
EPS	-1.00p	-1.420p	-2.20p	Loss both	PBT	£642,000	£57,000	-91.2%	PBT	£40,604,000	£40,604,000	0.0%	
EPS	-1.00p	-1.20p	-0.20p	Loss both	EPS	0.40p	-0.60p	-50.0%	EPS	-20.20p	-20.20p	0.0%	
Macro 4 plc				PSD Group plc				Tikit Group plc					
REV	Interim - Dec 02	Final - Jun 03	Interim - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 02	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	
PBT	£1,006,000	£32,394,000	£16,010,000	+15.5%	REV	£44,440,000	£37,604,000	-15.3%	REV	£8,231,000	£9,558,000	+16.1%	
EPS	-2.40p	-2.120p	-2.40p	Loss both	PBT	£1,037,000	£1,037,000	0.0%	PBT	£305,000	£71,000	-76.6%	
EPS	-2.40p	-2.120p	-2.40p	Loss both	EPS	2.50p	2.50p	0.0%	EPS	1.30p	2.90p	+123.8%	
Manpower Software plc				QA plc				Torex Retail					
REV	Interim - Nov 02	Final - May 03	Interim - Nov 03	Comparison	REV	Final - Nov 02	Final - Dec 02	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	
PBT	£866,166	£3,560,541	£2,463,669	+184.4%	REV	£32,823,000	£32,823,000	0.0%	REV	£62,600,000	£67,600,000	+8.0%	
EPS	-1.1324620	-0.802388	-0.525925	Loss to profit	PBT	£3,346,000	£3,346,000	0.0%	PBT	£5,950,000	£9,920,000	+66.7%	
EPS	-2.99p	-1.00p	0.580p	Loss to profit	EPS	-4.40p	-4.40p	0.0%	EPS	5.20p	9.40p	+80.8%	
Marlborough Stirling plc				Quantica plc				Total Systems plc					
REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Nov 03	Final - Nov 03	Comparison	REV	Final - Dec 02	Final - Mar 04	Final - Mar 04	Comparison	
PBT	£1,008,000	£1,600,000	+59.5%	REV	£24,897,000	£24,897,000	0.0%	REV	£3,927,749	£3,843,856	£3,843,856	-2.1%	
EPS	-2.00p	-2.50p	-0.60p	Loss to profit	PBT	£779,000	£779,000	0.0%	PBT	£5,964,643	£7,619,538	£7,619,538	+26.0%
EPS	-2.00p	-2.50p	-0.60p	Loss to profit	EPS	12.9p	12.9p	0.0%	EPS	4.3p	9.4p	+118.1%	
MERANT plc				Raft International plc				Touchstone Group plc					
REV	Interim - Apr 03	Interim - Apr 03	Comparison	REV	Final - Oct 03	Interim - Apr 03	Comparison	REV	Final - Mar 03	Final - Mar 04	Final - Mar 04	Comparison	
PBT	£38,710,000	£78,592,000	£36,764,000	+95.0%	REV	£8,562,000	£3,164,000	-63.1%	REV	£4,249,000	£4,249,000	0.0%	
EPS	-2.80p	-1.20p	0.70p	Loss to profit	PBT	£498,000	£969	+194.6%	PBT	£1,526,000	£1,526,000	0.0%	
EPS	-2.80p	-1.20p	0.70p	Loss to profit	EPS	-0.76p	-0.14p	+81.6%	EPS	9.20p	15.0p	+62.7%	
Microgen plc				Retail Decisions plc				Trace Group plc					
REV	Interim - Jun 03	Final - Dec 03	Interim - Jun 04	Comparison	REV	Final - Dec 03	Final - Dec 03	Comparison	REV	Final - May 02	Final - May 03	Comparison	
PBT	£1,058,000	£26,400,000	£21,900,000	+101.1%	REV	£30,426,000	£30,426,000	0.0%	REV	£20,630,800	£15,865,000	-23.1%	
EPS	-1.80p	-3.20p	2.10p	Loss both	PBT	£2,947,000	£2,947,000	0.0%	PBT	£2,045,620	£2,776,000	+35.7%	
EPS	-1.80p	-3.20p	2.10p	Loss both	EPS	-3.64p	-3.64p	0.0%	EPS	8.65p	-6.10p	-58.8%	
Minorplanet Systems Plc				RM plc				Triad Group plc					
REV	Interim - Feb 03	Final - Aug 03	Interim - Feb 04	Comparison	REV	Final - Sep 03	Interim - Mar 04	Comparison	REV	Final - Mar 03	Final - Mar 04	Comparison	
PBT	£5,000,000	£88,600,000	£9,100,000	+177.2%	REV	£85,363,000	£16,755,000	-80.3%	REV	£2,756,000	£3,534,000	+28.6%	
EPS	-8.30p	-54.57p	-11.40p	Loss both	PBT	£1,820,000	£766,000	-57.4%	PBT	£4,980,000	£7,590,000	+50.4%	
EPS	-8.30p	-54.57p	-11.40p	Loss both	EPS	-1.80p	0.00p	+100.0%	EPS	-27.20p	-22.20p	+21.9%	
Misys plc				Royalblue Group plc				Tribal Group plc					
REV	Interim - Nov 02	Final - May 03	Interim - Nov 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Mar 03	Final - Mar 04	Comparison	
PBT	£24,900,000	£59,800,000	£47,000,000	+92.4%	REV	£50,850,000	£56,000,000	+10.0%	REV	£105,659,000	£85,744,000	-18.8%	
EPS	2.60p	7.80p	4.00p	+53.8%	PBT	£10,103,700	£9,425,000	-6.7%	PBT	£7,855,000	£5,322,000	-32.2%	
EPS	2.60p	7.80p	4.00p	+53.8%	EPS	32.90p	23.40p	-28.9%	EPS	5.50p	-1.40p	-74.5%	
Mondas plc				Sage Group plc				Ultima Networks plc					
REV	Final - Apr 03	Final - Apr 04	Comparison	REV	Final - Sep 03	Final - Sep 03	Comparison	REV	Interim - Sep 02	Final - Dec 02	Interim - Sep 03	Comparison	
PBT	£3,710,353	£3,974,732	+7.0%	REV	£55,173,000	£55,173,000	0.0%	REV	£1,189,000	£2,026,000	£9,000,000	+27.6%	
EPS	-0.10p	-0.10p	0.00p	Loss both	PBT	£29,154,000	£29,154,000	0.0%	PBT	£15,000	£15,000	0.0%	
EPS	-0.10p	-0.10p	0.00p	Loss both	EPS	6.99p	6.99p	0.0%	EPS	0.00p	0.00p	0.0%	
Morse plc				SDL plc				Ultrasig Group plc					
REV	Interim - Dec 02	Final - Jun 03	Interim - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Jul 02	Final - Jul 03	Comparison	
PBT	£8,839,000	£35,134,000	£7,074,000	+78.5%	REV	£58,002,000	£64,378,000	+11.0%	REV	£563,000	£548,000	-2.7%	
EPS	-4.60p	-1.40p	-0.20p	+232.1%	PBT	£3,548,487	£804,000	-77.4%	PBT	£1,656,000	£1,286,000	-22.3%	
EPS	-5.20p	-1.30p	-0.20p	+353.8%	EPS	-7.10p	-3.30p	+53.4%	EPS	-1.00p	-0.53p	+47.0%	
MSB International plc				ServicePower Technologies plc				Universe Group plc					
REV	Final - Jan 03	Final - Jan 04	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Final - Dec 03	Comparison	
PBT	£84,062,000	£66,100,000	-21.3%	REV	£4,483,000	£2,638,000	-41.2%	REV	£34,487,000	£42,129,000	£42,129,000	+22.2%	
EPS	1.00p	0.76p	-0.24p	Loss both	PBT	£555,000	£162,000	-71.0%	PBT	£889,000	£2,730,000	£2,730,000	+207.1%
EPS	1.00p	0.76p	-0.24p	Loss both	EPS	-0.64p	-0.64p	0.0%	EPS	2.54p	7.00p	+173.3%	
Ncipher plc				Sirius Financial Systems plc				Vega Group plc					
REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Interim - Oct 02	Final - Apr 03	Interim - Oct 03	Comparison	
PBT	£1,922,000	£2,988,000	+56.2%	REV	£22,683,892	£20,523,966	-9.7%	REV	£7,390,000	£35,589,000	£2,109,000	+28.6%	
EPS	-3.77000	-7.91000	-1.14000	Loss both	PBT	£1,893,520	£581,800	-69.3%	PBT	£8,662,000	£8,739,000	£763,000	+8.7%
EPS	-3.77000	-7.91000	-1.14000	Loss both	EPS	5.90p	-3.90p	-66.1%	EPS	-47.99p	-48.50p	0.10p	-0.2%
NetBenefit plc				Sirvis (Systems Integrated Research) plc				Vianet Group plc					
REV	Interim - Dec 02	Final - Dec 03	Comparison	REV	Interim - Nov 02	Final - Nov 03	Comparison	REV	Final - Sep 02	Final - Sep 03	Final - Sep 03	Comparison	
PBT	£2,809,000	£6,245,000	£3,531,000	+25.7%	REV	£553,000	£853,000	+53.9%	REV	£1,124	£33,744	£33,744	+2959.9%
EPS	-3.03p	-0.00p	0.00p	Loss to profit	PBT	£8,000	£288,000	+3600.0%	PBT	£1,955,446	£2,056,476	£2,056,476	+4.9%
EPS	-3.03p	-0.00p	0.00p	Loss to profit	EPS	-0.03p	-2.49p	-76.2%	EPS	-6.30p	-3.10p	+50.8%	
Netcall plc				Sopheon plc				VI Group plc					
REV	Final - Jun 02	Final - Jun 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Final - Dec 03	Comparison	
PBT	£2,395,894	£2,387,203	-0.4%	REV	£16,179,000	£16,179,000	0.0%	REV	£7,542,000	£7,000,000	£1,250,000	+75.0%	
EPS	-6.35p	-6.35p	0.00p	Loss both	PBT	-11.40p	-11.40p	0.0%	PBT	-0.74p	-0.74p	-0.39p	+46.4%
EPS	-6.35p	-6.35p	0.00p	Loss both	EPS	-11.40p	-11.40p	0.0%	EPS	-0.74p	-0.74p	-0.39p	+46.4%
Netstore plc				Spring Group plc				Warthog plc					
REV	Interim - Dec 02	Final - Dec 03	Interim - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Interim - Sep 02	Final - Mar 03	Interim - Sep 03	Comparison
PBT	£1,680,000	£5,265,000	£672,000	+39.9%	REV	£293,330,000	£293,330,000	0.0%	REV	£5,402,000	£1,147,000	£4,955,746	+91.1%
EPS	-1.96p	-5.33p	-0.70p	+23.0%	PBT	£9,062,000	£9,062,000	0.0%	PBT	£14,393	£790,705	£2,624,064	+322.1%
EPS	-1.96p	-5.33p	-0.70p	+23.0%	EPS	-6.08p	-6.08p	0.0%	EPS	0.16p	-0.87p	-5.37p	-63.2%
Northgate Information Solutions plc				Staffware plc				Wealth Management Software plc					
REV	Final - Apr 03	Final - Apr 04	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Final - Dec 03	Comparison	
PBT	£83,297,000	£93,610,000	+12.4%	REV	£39,031,000	£39,031,000	0.0%	REV	£1,997,000	£7,300,000	£7,300,000	+263.6%	
EPS	0.33p	-2.86p	-3.19p	Loss both	PBT	£2,608,000	£2,608,000	0.0%	PBT	£1,061,000	£5,000	£5,000	-99.5%
EPS	0.33p	-2.86p	-3.19p	Loss both	EPS	11.0p	11.0p	0.0%	EPS	-3.32p	-0.05p	-0.05p	+98.5%
NSB Retail Systems plc				StatPro Group plc				Workplace Systems International plc					
REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Mar 03	Final - Mar 04	Final - Mar 04	Comparison	
PBT	£73,359,000	£64,348,000	-12.3%	REV	£2,229,000	£2,229,000	0.0%	REV	£1,241,000	£1,664,000	£1,664,000	+35.0%	
EPS	-48.86p	-42.75p	+16.11p	Loss both	PBT	£2,373,000	£2,373,000	0.0%	PBT	£3,555,000	£7,398,000	£7,398,000	+107.0%
EPS	-48.86p	-42.75p	+16.11p	Loss both	EPS	-7.30p	-7.30p	0.0%	EPS	-15.2p	-4.80p	-4.80p	+68.4%
OneclickHR plc				Stilo International plc				Xansa plc					
REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Dec 02	Final - Dec 03	Comparison	REV	Final - Apr 03	Final - Apr 04	Final - Apr 04	Comparison	
PBT	£4,689,000	£4,797,967	+2.3%	REV	£2,354,000	£2,354,000	0.0%	REV	£453,900,000	£49,500,000	£49,500,000	-89.1%	
PBT	£3,473,846	£1,523,443	-56.3%	PBT	£1,847,000	£1,847,000	0.0%	PBT	£157,000,000	£312,000,000	£312		

Holway/SYSTEMHOUSE S/ITS Share Prices and Capitalisation									
	SCS Cat.	Share Price 30-Jul-04	Capitalisation 30-Jul-04	Historic P/E	PSR Ratio Cap/Rev.	S/ITS Index 30-Jul-04	Share price move since 30-Jun-04	Share price % move in 2004	Capitalisation move since 30-Jun-04
AFA Systems	SP	£0.15	£7.08m	Loss	1.17	125	-6.25%	-44.44%	-£0.47m
AIT Group	CS	£0.58	£28.90m	Loss	1.73	378	-14.81%	-4.96%	-£5.00m
Alphameric	SP	£0.73	£84.80m	Loss	1.58	333	-14.71%	-16.67%	-£14.32m
Alterian	SP	£0.81	£31.60m	Loss	5.46	403	1.90%	17.52%	£0.65m
Anite Group	CS	£0.49	£173.70m	Loss	0.98	288	-7.08%	-2.48%	-£12.17m
Argonaut Games	SP	£0.06	£5.72m	Loss	1.26	63	-14.29%	-4.00%	-£0.97m
Atlantic Global	SP	£0.44	£10.00m	Loss	6.4	1491.5	-20.00%	-47.62%	-£2.51m
AttentiV Systems	SP	£0.63	£38.20m	7.9	1.50	926	-0.79%	14.55%	-£0.30m
Autonomy Corporation	SP	£1.67	£183.70m	57.1	8.22	51	-33.27%	-30.27%	-£92.28m
Aveva Group	SP	£5.30	£116.10m	118.8	3.20	2650	-4.93%	10.42%	-£6.03m
Axon Group	CS	£1.21	£62.70m	19.4	1.32	689	-5.49%	-25.62%	-£3.62m
Bond International	SP	£0.51	£12.70m	23.3	1.71	777	6.32%	6.32%	£0.70m
Brady	SP	£0.79	£20.10m	N/a	9.84	975	-2.47%	-2.47%	-£0.47m
Business Systems	CS	£0.12	£9.89m	Loss	0.44	99	0.00%	-11.32%	£0.00m
Capita Group	CS	£3.06	£2,028.00m	21.6	1.97	82718	-3.92%	25.93%	-£98.62m
Charteris	CS	£0.25	£10.50m	Loss	0.77	278	11.11%	-5.66%	£1.08m
Chelford Group	CS	£0.02	£10.90m	Loss	1.17	304	0.00%	133.33%	-£0.70m
Civica	CS	£1.98	£84.90m	17.5	0.97	1128	2.60%	12.86%	-£2.26m
Clarity Commerce	SP	£0.70	£11.10m	28.1	1.67	556	4.51%	-1.42%	£0.50m
Clinical Computing	SP	£0.29	£8.99m	Loss	4.24	230	14.00%	-25.97%	£1.11m
CMS Webview	CS	£0.05	£4.00m	Loss	2.93	357	-16.67%	-59.35%	-£0.77m
OODASciSys	CS	£3.15	£80.00m	14.8	1.22	2442	-3.82%	6.78%	-£3.20m
Comino	SP	£1.77	£24.60m	18.2	1.07	1362	-6.35%	-12.16%	-£1.67m
Compel Group	R	£0.81	£26.90m	65.1	0.54	648	-5.81%	4.52%	-£1.70m
Computacenter	R	£3.15	£594.20m	13.3	0.37	469	-16.36%	-33.09%	-£116.02m
Computer Software Group	SP	£0.55	£17.10m	Loss	4.78	468	0.00%	29.41%	-£0.04m
Corpora	SP	£0.30	£4.13m	Loss	16.74	776	-14.49%	-1.67%	-£0.70m
DCS Group	CS	£0.12	£3.07m	Loss	0.08	204	-23.44%	-9.26%	-£0.93m
Dealogic	SP	£1.73	£121.00m	N/a	4.55	752	-13.50%	-18.01%	-£18.93m
Delcam	SP	£2.27	£13.80m	8.4	0.72	871	-6.98%	36.45%	-£1.03m
Delica	CS	£5.73	£128.00m	13.9	2.41	1431	-0.87%	-6.91%	-£1.10m
Diagonal	CS	£0.53	£47.90m	Loss	0.75	763	12.90%	29.63%	£5.40m
Dicom Group	R	£7.70	£161.40m	16.8	1.05	2361	-1.28%	11.84%	-£2.08m
Dimension Data	R	£0.28	£375.90m	Loss	0.33	50	-11.11%	-25.33%	-£46.99m
DRS Data & Research	SP	£0.51	£16.20m	11.2	1.51	459	-16.53%	-19.84%	-£4.17m
Earthport	SP	£0.02	£8.39m	Loss	25.2	10.9	-37.50%	-48.28%	-£4.51m
Easyscreen	SP	£0.20	£14.60m	Loss	9.67	118	-33.33%	-4.76%	-£6.72m
Eidos	SP	£0.97	£137.10m	6.0	0.90	4823	-10.02%	-31.07%	-£15.28m
Electronic Data Processing	SP	£0.58	£14.20m	11.5	1.66	1761	-1.71%	-6.50%	-£0.23m
Empire Interactive	SP	£0.09	£6.11m	4.9	0.23	150	-10.00%	-25.00%	£0.32m
Epic Group	CS	£0.89	£23.20m	22.8	3.32	843	-4.32%	-7.81%	-£1.05m
Eurolink Managed Services	CS	£0.35	£3.59m	28.7	0.39	345	1.47%	23.21%	£0.05m
Flasfill	SP	£0.08	£14.50m	Loss	5.0	62.5	-9.09%	33.93%	£1.26m
Financial Objects	SP	£0.41	£11.30m	Loss	1.10	176	-2.41%	67.01%	-£0.20m
Flightstore Group	SP	£0.05	£5.27m	Loss	20.15	477	-4.55%	-52.27%	-£0.25m
Flometrics Group	SP	£0.60	£8.79m	18.2	0.87	2308	-0.83%	-0.83%	-£0.07m
Focus Solutions Group	SP	£0.48	£13.60m	Loss	2.45	244	3.26%	35.71%	£0.40m
GB Group	SP	£0.17	£13.50m	Loss	1.13	110	0.00%	-44.26%	-£0.01m
Gladstone	SP	£0.17	£7.37m	9.0	0.91	419	-6.94%	34.00%	-£0.48m
Glotel	A	£1.18	£44.70m	98.3	0.54	613	-8.53%	19.19%	-£4.23m
Gresham Computing	CS	£2.73	£134.90m	Loss	16.76	2935	-21.10%	-18.14%	-£36.08m
Hamier Group	CS	£0.17	£4.91m	23.6	0.64	130	-15.19%	-22.09%	-£0.88m
Harvey Nash Group	A	£0.68	£41.00m	Loss	0.34	386	-9.40%	-10.60%	-£3.80m
Highams Systems Services	A	£0.08	£1.57m	Loss	0.23	222	-38.46%	-34.69%	-£0.97m
Horizon Technology	CS	£0.62	£44.50m	Loss	0.24	228	-9.49%	-5.34%	-£4.70m
Hot Group	CS	£0.18	£39.50m	Loss	15.58	208	-4.11%	-4.11%	-£1.40m
IS Solutions	CS	£0.14	£3.35m	Loss	0.57	503	-2.17%	55.17%	-£0.06m
ICM Computer Group	CS	£2.95	£61.30m	23.9	0.77	1639	1.72%	24.21%	£1.00m
I-Document Systems	SP	£0.11	£20.00m	Loss	4.07	14	10.00%	2.33%	£1.81m
In Technology	CS	£0.71	£98.50m	Loss	0.75	2840	-16.47%	17.36%	-£19.19m
Innovation Group	SP	£0.24	£105.50m	Loss	2.43	106	-25.95%	-11.82%	-£36.87m
Intelligent Environments	SP	£0.06	£7.84m	Loss	4.04	59	-26.67%	-37.14%	-£2.96m
Interactive Digital Solutions	SP	£0.02	£3.75m	Loss	17.5	760.0	-9.52%	-32.14%	-£0.50m
Intercede Group	SP	£0.20	£6.71m	Loss	4.4	330.0	-15.74%	13.14%	-£1.27m
Internet Business Group	SP	£0.03	£1.91m	Loss	1.3	75.0	3.45%	36.36%	£0.05m
Invu	SP	£0.11	£7.16m	Loss	3.09	1184	14.33%	-16.67%	£0.98m
iQ-Ludorum	SP	£0.02	£1.80m	Loss	0.70	31	4.55%	27.78%	£0.04m
iSOFT Group	SP	£3.65	£833.10m	55.5	6.62	3318	-15.70%	-1.55%	-£155.23m
ITNET	CS	£1.89	£138.40m	10.5	0.75	539	-2.08%	-37.38%	-£2.93m
iTrain	SP	£0.11	£6.82m	Loss	7.8	126.5	2.38%	-87.35%	£0.18m

Note: Main SYSTEMHOUSE S/ITS Index set at 1000 on 15th April 1989. Any new entrants to the Stock Exchange are allocated an index of 1000 based on the issue price. The SCS index is not weighted; a change in the share price of the largest company has the same effect as a similar change for the smallest company. Category Codes: CS = Computer Services SP = Software Product R = Reseller A = IT Agency O = Other

Holway/SYSTEMHOUSE S/ITS Share Prices and Capitalisation										
	SCS Cat.	Share Price 30-Jul-04	Capitalisation 30-Jul-04	Historic P/E	PSR Ratio Cap/Rev.	S/ITS Index 30-Jul-04	Share price move since 30-Jun-04	Share price % move in 2004	Capitalisation move since 30-Jun-04	
K3 Business Technology	SP	£0.90	£45.60m	Loss	6.84	684	-4.79%	49.17%	-£2.25m	
Kewill	SP	£0.56	£43.80m	20.7	2.34	1103	-15.45%	-4.62%	-£8.00m	
Knowledge Technology Solutions	SP	£0.06	£8.51m	Loss	70.6	1150.0	-24.34%	-42.50%	-£2.79m	
LogicaCMG	CS	£1.64	£1,234.00m	Loss	0.80	2249	-10.25%	-35.90%	-£137.86m	
Lorien	A	£0.76	£14.10m	Loss	0.17	755	-12.72%	-12.21%	-£2.00m	
Macro 4	SP	£1.77	£36.80m	Loss	1.12	712	1.44%	11.36%	£0.50m	
Manpower SoftWare	SP	£0.33	£14.40m	Loss	4.07	335	-0.76%	38.30%	-£0.10m	
Marlborough Stirling	SP	£0.48	£108.80m	18.8	1.25	343	-24.41%	9.09%	-£34.78m	
Microgen	CS	£0.57	£50.00m	Loss	1.99	245	-5.37%	5.05%	-£2.60m	
Minorplanet Systems	SP	£0.15	£22.70m	Loss	0.29	312	-11.56%	-54.33%	-£3.00m	
Misys	SP	£1.84	£975.10m	23.5	1.04	2283	-7.32%	-13.34%	-£78.52m	
Mondas	SP	£0.21	£5.49m	Loss	1.54	280	-10.64%	-44.74%	-£0.63m	
Morse	R	£1.15	£149.90m	Loss	0.50	458	-14.23%	-19.65%	-£24.94m	
MSB International	A	£0.69	£14.10m	73.4	0.21	363	0.00%	-22.91%	£0.00m	
Ncipher	SP	£1.65	£43.20m	Loss	3.22	660	3.45%	8.55%	£1.44m	
NetBenefit	CS	£0.62	£11.90m	16.4	2.32	310	-17.88%	61.04%	-£2.62m	
Netcall	SP	£0.19	£12.60m	Loss	6.0	388.9	-12.50%	-25.96%	-£1.80m	
Netstore	CS	£0.35	£32.50m	Loss	2.60	230	-11.54%	-10.97%	-£4.46m	
Northgate Information Solutions	CS	£0.56	£277.20m	Loss	2.36	215	-13.85%	-3.03%	-£44.50m	
NSB Retail Systems	SP	£0.25	£88.50m	Loss	1.38	2196	-0.98%	48.53%	-£0.11m	
OneclickHR	SP	£0.06	£8.37m	Loss	1.78	144	0.00%	-30.30%	-£0.18m	
Parity	A	£0.10	£29.60m	9.8	0.19	1708	-10.87%	-4.65%	-£3.59m	
Patsystems	SP	£0.16	£22.90m	Loss	2.84	145	-24.39%	-11.43%	-£7.39m	
PC Medics Group	CS	£0.01	£2.39m	Loss	2.9	363.6	33.33%	150.00%	£0.73m	
Pilat Media Global	SP	£0.36	£18.20m	14.8	2.38	1800	-19.10%	9.09%	-£4.24m	
Pixology	SP	£1.20	£24.00m	Loss	10.95	860	-13.36%	-17.24%	-£3.70m	
Planit Holdings	SP	£0.24	£22.00m	Loss	1.28	1000	-15.79%	-15.79%	-£4.13m	
PSD Group	A	£2.60	£65.30m	Loss	1.84	1182	-5.63%	-11.86%	-£3.78m	
QA	CS	£0.04	£9.67m	Loss	0.37	16	-6.67%	-17.65%	-£1.03m	
Quantica	A	£0.57	£22.90m	Loss	0.87	456	0.89%	16.49%	£0.20m	
Raft International	SP	£0.09	£6.12m	Loss	0.96	147	-26.00%	-38.33%	-£2.12m	
Retail Decisions	SP	£0.18	£51.60m	17.8	1.65	240	2.90%	39.22%	£1.48m	
RM	SP	£1.21	£108.10m	11.4	0.53	3443	-4.74%	-9.06%	-£5.40m	
Royalblue Group	SP	£4.43	£145.00m	18.9	2.97	2606	-13.98%	-12.80%	-£22.65m	
Sage Group	SP	£1.73	£2,212.00m	19.5	4.26	66442	-7.37%	-1.71%	-£176.01m	
SDL	CS	£1.12	£61.70m	Loss	1.04	747	-8.57%	32.54%	-£4.98m	
ServicePower	SP	£0.34	£24.90m	Loss	5.98	340	-6.85%	-13.92%	-£1.90m	
Sirius Financial	SP	£0.82	£13.90m	Loss	0.65	543	4.49%	9.40%	£0.60m	
SIRVIS IT plc	SP	£0.07	£7.99m	Loss	9.7	60.9	-4.11%	-6.67%	-£0.28m	
Sopheon	SP	£0.21	£23.80m	Loss	4.04	302	-19.23%	31.25%	-£3.40m	
Spring Group	A	£1.07	£166.80m	Loss	0.52	1183	-8.19%	-7.79%	-£14.90m	
StatPro Group	SP	£0.39	£12.70m	24.2	1.41	481	6.94%	24.19%	£0.80m	
Stilo International	SP	£0.04	£3.38m	Loss	1.5	75.0	-6.25%	-38.52%	-£0.12m	
Superscape VR	SP	£0.35	£42.60m	Loss	38.8	174.2	0.00%	23.21%	-£0.04m	
SurfControl (was JSB)	SP	£5.47	£169.00m	28.6	4.08	2733	-10.41%	-27.18%	-£19.76m	
Synstar	CS	£0.79	£128.60m	21.0	0.54	479	6.76%	20.61%	£8.20m	
Systems Union	SP	£0.87	£91.80m	9.1	1.68	665	-23.79%	-15.20%	-£24.76m	
Tadpole Technology	SP	£0.11	£32.60m	Loss	8.64	266	-29.03%	-12.00%	-£13.39m	
Telecity	CS	£0.11	£30.60m	Loss	2.07	15	0.00%	-21.05%	-£18.02m	
Tikit Group	CS	£1.33	£16.40m	18.9	1.74	1152	-1.85%	17.26%	-£0.27m	
Torex Retail	SP	£0.55	£83.70m	6.8	9.08	1365	-6.67%	36.50%	-£6.16m	
Total Systems	SP	£0.59	£6.17m	11.9	2.0	1113.2	-18.62%	2.61%	-£1.41m	
Touchstone Group	SP	£0.99	£10.20m	66.0	0.7	942.9	2.59%	-1.98%	£0.20m	
Trace Group	SP	£0.78	£11.80m	Loss	0.8	620.0	-3.13%	20.16%	-£0.40m	
Triad Group	CS	£0.68	£10.30m	Loss	0.3	503.7	-2.16%	15.25%	-£0.20m	
Tribal Group	CS	£1.89	£130.60m	Loss	0.8	1142.4	-9.59%	-43.05%	-£13.88m	
Ultima Networks	R	£0.02	£3.28m	16.0	1.6	39.0	0.00%	-20.00%	£0.00m	
Ultrasys Group	SP	£0.00	£3.03m	Loss	3.6	8.2	0.00%	-20.00%	-£0.14m	
Universe Group	SP	£0.25	£15.00m	Loss	0.4	1088.9	-3.92%	-3.92%	£0.01m	
Vega Group	CS	£1.61	£29.80m	Loss	0.7	1319.7	-1.53%	-8.00%	£3.72m	
Vi group	SP	£0.12	£4.29m	Loss	0.6	230.0	-13.21%	-13.21%	-£0.65m	
Vianet	CS	£0.08	£9.49m	Loss	332.0	62.9	-11.76%	0.00%	-£1.43m	
Warthog	SP	£0.02	£5.58m	Loss	0.5	40.7	0.00%	-77.42%	-£0.25m	
Wealth Management Software	SP	£0.18	£8.49m	Loss	1.2	136.5	-1.39%	-1.39%	-£0.12m	
Workplace Systems	SP	£0.14	£24.80m	Loss	2.2	0.0	5.77%	17.02%	£1.60m	
Xansa	CS	£0.66	£224.30m	Loss	0.7	1692.3	-19.02%	-22.35%	-£52.70m	
XKO Group	SP	£0.75	£20.70m	Loss	0.5	500.0	-11.76%	-11.24%	-£2.83m	
XN Checkout Holdings	SP	£1.06	£22.70m	Loss	1.5	1081.6	8.16%	8.16%	£1.61m	
Xpertise Group	CS	£0.01	£3.13m	Loss	0.7	30.0	0.00%	-40.00%	£0.00m	

Note: Main SYSTEMHOUSE S/ITS Index set at 1000 on 15th April 1989. Any new entrants to the Stock Exchange are allocated an index of 1000 based on the issue price. The SCS Index is not weighted; a change in the share price of the largest company has the same effect as a similar change for the smallest company. Category Codes: CS = Computer Services SP = Software Product R = Reseller A = IT Agency O = Other

A MONTH OF DOWNS

Following last month's flat-to-slightly positive performance, July has brought with it notable declines across all the indices we follow (see table opposite). Our very own index, covering c140 S/ITS companies, tumbled more than 7% during the month. As we have been saying for some time now, growth expectations of the IT industry generally have been considerably overstated. And it now looks as though investors are finally catching up with what we have been saying for some time. (For more on why growth in the IT sector is becoming increasingly diverse, see our front cover story this month.)

Looking more closely at the sectors we cover, there were poor performances across the board. Software companies, down almost 8%, resellers down 8%, Services companies down 5% and agencies down almost 11%. Which brings us on nicely to our biggest loser of the month, **Highams Systems**, which had dropped off 39% to 8p by the end of July. During the month, the IT staff agency announced its full year results revealing a drop in revenues of 23% to £8.56m. Operating losses more than doubled to £487K and pre-tax losses widened by 45% to £282K. It also announced its acquisition of privately held ITSA, **RWP Recruitment Service** (see our Mergers & Acquisitions table on page 15 for more).

Acquisitions also had negative effects elsewhere in the Holway index. Web-enabling company, **Tadpole Technology**, which acquired California-based **Stream Theory** saw its share price fall 29% to 11p. UK-owned and AIM listed provider of security and storage solutions, **Harrier Group**, lost 15% after announcing it is to acquire the security systems integration business of German-owned **Articon-Integrals**.

Very few companies managed to grow more than 5%. Of those that did, **Synstar** was the largest capped company and gained 7% to rest at 79p. (Kate Hanaghan)

30-Jul-04	S/ITS Index	4710.46
	FTSE IT (SCS) Index	425.80
	techMARK 100	1063.60
	FTSE 100	4413.10
	FTSE AM	865.50
	FTSE SmallCap	2479.97

Changes in Indices	S/ITS Index	FTSE 100	techMARK 100	FTSE IT SCS Index	FTSE AIM Index	FTSE Small Cap
Month (01/07/04 to 30/07/04)	-7.21%	-1.14%	-9.13%	-10.80%	-2.56%	-3.98%
From 15th Apr 89	+371.05%	+114.90%				
From 1st Jan 90	+411.95%	+86.84%				
From 1st Jan 91	+565.44%	+104.27%				
From 1st Jan 92	+350.82%	+77.01%				
From 1st Jan 93	+195.59%	+55.04%				+78.76%
From 1st Jan 94	+182.13%	+29.10%				+32.71%
From 1st Jan 95	+214.20%	+43.96%				+42.00%
From 1st Jan 96	+108.57%	+19.62%	+34.76%		-9.22%	+27.73%
From 1st Jan 97	+75.93%	+7.15%	+16.28%		-11.33%	+13.60%
From 1st Jan 98	+55.20%	-14.07%	+11.49%	-57.42%	-12.75%	+7.21%
From 1st Jan 99	+19.51%	-24.98%	-26.95%	-70.55%	+7.97%	+19.75%
From 1st Jan 00	-58.94%	-36.32%	-71.86%	-88.55%	-55.22%	-19.94%
From 1st Jan 01	-43.74%	-29.08%	-58.54%	-78.15%	-39.80%	-22.09%
From 1st Jan 02	-1.83%	-15.42%	-27.78%	-49.57%	-3.60%	-3.85%
From 1st Jan 03	+73.64%	+12.00%	+63.94%	+25.15%	+43.56%	+36.22%
From 1st Jan 04	+0.73%	-1.43%	+4.79%	-15.45%	+3.60%	+0.20%

End July 04	Move since 1/1/99	Move since 1/1/00	Move since 1/1/01	Move since 1/1/02	Move since 1/1/03	Move Since 1/1/04	Move in Jun 04
System Houses	9.4%	-57.4%	-42.7%	3.3%	105.8%	7.3%	-5.0%
IT Staff Agencies	-62.2%	-67.1%	-47.7%	-5.6%	42.1%	-6.8%	-10.3%
Resellers	77.2%	-14.6%	12.9%	25.7%	70.0%	-11.3%	-8.1%
Software Products	73.3%	-58.3%	-69.8%	-2.5%	61.5%	-0.5%	-7.9%
Holway Internet Index	354.8%	-44.7%	-18.7%	47.1%	124.6%	9.1%	-4.6%
Holway S/ITS Index	19.5%	-58.9%	-43.7%	-1.8%	73.7%	0.7%	-7.2%

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