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# SYSTEMHOUSE

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

## IT INVESTMENT - WHERE'S THE EXIT?

In 2000 many companies and investors got their fingers burned in the M&A market. All share deals at highly inflated prices meant that by the end of the year, as realism returned, paper fortunes became just that.

At the same time, trade purchasers saw their profits plummet as they amortised the goodwill in their accounts. Look no further than **Sema/ LHS** for the downside of ill-conceived acquisitions at inflated prices – a PE of 99 and PSR of 16! It hailed the end of Sema's independence. Sense was returning by the end of 2000, so it's interesting to see how things have panned out in the first half of 2001.

The statistics by our friends at **Regent Associates** show that the market has indeed slowed. The number of deals in the UK SCS sector fell by 20% in H1 2001 to 172. At first glance the value of these deals is much the same, at c£6.4bn. But in fact one deal alone - the fall of Sema to **Schlumberger** - accounted for almost 60% of this total. Leaving out this one deal means that the total value of acquisitions in the sector fell by 60% in H1 2001 compared with the same period in 2000.

*Schlumberger-Sema accounted for 58% of the value of all UK SCS acquisitions in H1 2001*

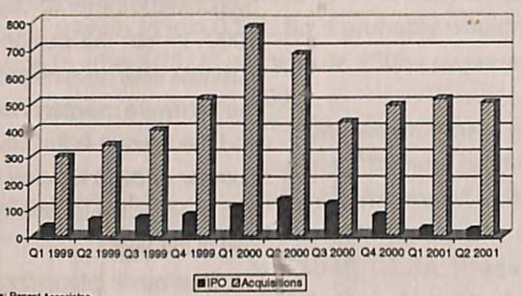
It's clear from these numbers why we have been hearing of layoffs at the M&A advisors – analysts, brokers, and so on - who make their money from a cut of the deal. For all but the lucky few the tap has been turned off.

The IPO market is no better. The unpredictability of stock markets since mid-2000 has meant that IPOs have been postponed indefinitely. Regent's data for the European technology sector as a whole shows that there were only 24 technology IPOs in the whole of Europe in the first half of this year. In fact the ratio of trade sales to IPOs has fallen from less than four to one in Q3 2000, to more than 20 to one in Q2 2001.

This is all putting a damper on investment in the UK SCS sector. With transactions down 20%, the median value down from £9.2m to £5.6m and the IPO market unlikely to recover before 2002, the return on any investment looks both less lucrative and more difficult to realise. Fifteen months ago the exit strategy was often the first consideration for many investors, now they have to take a longer term view.

On the other hand, more realistic valuations can only be a good thing, after last year's lunacy. PE and PS ratios are returning to their more 'normal' pre 2000 levels, as the chart below shows.

**Quarterly Exit Trends**
**Technology Companies in Europe**




Source: Regent Associates

The median PE for a SCS acquisition was down 36% to 19 in H1 2001, compared with 30 for the whole of 2000, with PS ratios down by a similar proportion, from 2.29 to 1.47.

Of course there are differences In demand and valuation by sector. Overall, acquisitions of companies in the depressed project services sector are down by 45% - pretty similar levels for consultancies, professional services companies, SIs and systems houses. But consulting companies actually saw valuations rise – PE and PS ratios up c20% – a measure of the expectations of the contribution these companies can make, compared with, for instance, SIs, where PEs fell almost 60% from their inflated height a year ago.

Not surprisingly, training and recruitment companies were also much less in demand. These are the companies that suffer first and hardest in a downturn, so the slow market over the last year has hit them badly.

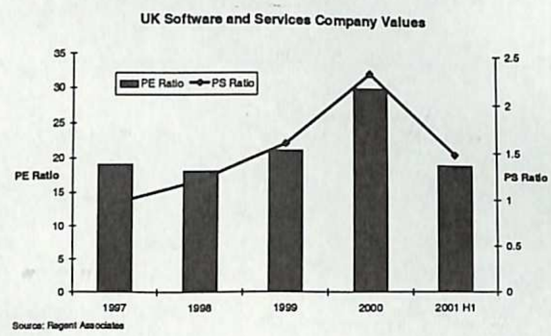
Interestingly, though, there was an increase in acquisitions of software companies of all sorts, although application and consumer software developers saw the biggest growth. Acquisitions of companies in the sector doubled, but even that demand was not enough to sustain the unrealistic PE ratio of 65 for packaged software companies in 2000 – it fell to just 22, on a par with the 1998 and 1999 valuations.

Also in demand were maintenance, support, desktop services, etc companies. Consolidation has been underway in the sector for some time, but these are unglamorous outfits overlooked in the exotic days of early 2000. In fact the demands of e-business itself have helped sustain the hardware maintenance market and the interest in its players. The number of deals jumped from just two in H1 2000 to nine in the first half of this year.

One other interesting point is that whilst 80% of acquisitions last year were of private companies (with a large smattering of Internet start-ups) this year this sector represented just 63% of deals. By contrast the acquisitions of divisions and subsidiaries doubled to almost a third of the total.

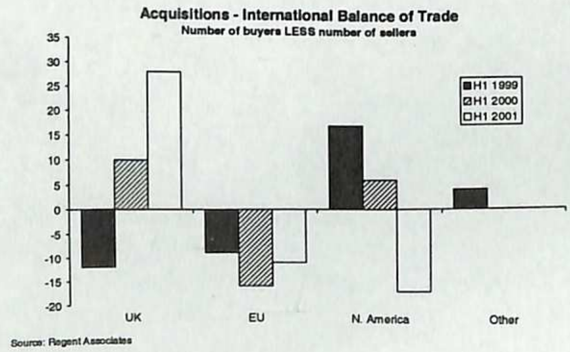
This suggests both an increased wariness of acquiring untested, private operations (i.e. start-ups) but also the extent to which corporations are looking to unlock internal value and raise much needed cash to reduce debt at a time when the market is depressed.

But there is some good news. UK companies continue to be more 'acquirer' than 'acquired'.




The chart shows the 'balance of trade' with other regions. Over the last two years the UK has moved swiftly out of deficit into credit, primarily at the expense of the US market. For the first time the US was a greater 'loser' in M&A transactions with the UK than even Europe.

We have banged on long and hard about the value of ownership and the benefits to the UK economy, so the confirmation of the trend of UK companies as buyer rather than seller is good news indeed. With Sema no longer representing the UK we now have no UK representation in the top 10 suppliers to the UK SCS market – compared with nine out of ten in the mid-80s. Anything that helps reverse the trend is surely good news.




# INDEX

IN THIS ISSUE



EVERY MONTH



INDICES (changes in Jul. 01)

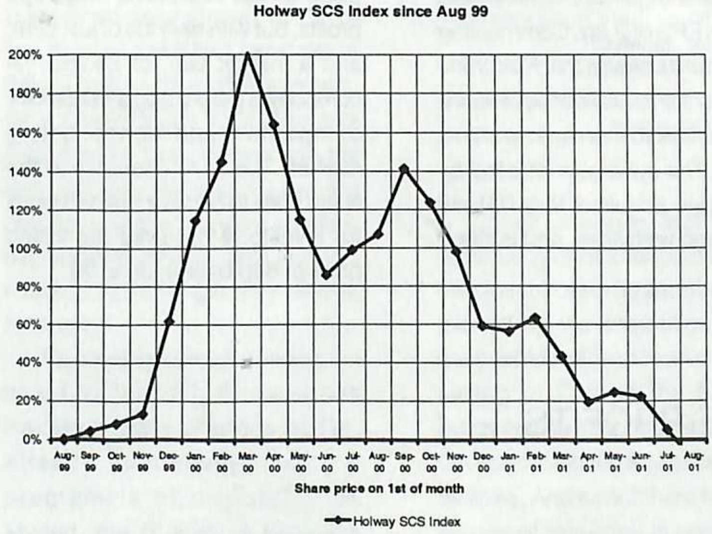
| | | |
|---|---|---|
| **Holway SCS** | 4764.2 | -15.2% |
| **Holway Internet** | 2964.6 | -11.3% |
| **FTSE IT (SCS)** | 915.07 | -21.0% |
| **techMARK 100** | 1573.7 | -12.0% |
| **FTSE 100** | 5529.1 | -2.01% |
| **Nasdaq** | 2027.13 | -6.13% |

# HOLWAY COMMENT

***Life is bare***
***Gloom and misery everywhere***
***Stormy weather***

At this year's CSSA Presentation on 12th July we used Billie Holiday's Stormy Weather as the theme music.

The message was that, even though we had suffered the most damaging period for our industry ever, anyone who thought it would get better soon was living in denial. What you see now is what you're going to get…at least until well into 2002. Best to accept this and cut your suit to fit your cloth. And do it NOW.




*How bad?* Well last month we showed that the only reason for any growth in the UK SCS sector at all was the continued shift to outsourcing. Outsourcing is not new IT spend – merely shifting the chairs on the deck of the Titanic as expenditure is moved from internal to external spend. Great if you are an outsourcer (see **IBM's** Q2 results on p11 which showed a 13% growth at IBM Global Services but negative growth in most other sectors. Indeed revenues from services overtook hardware for the first time ever).

But if you strip out outsourcing growth, the rest of the UK SCS sector is probably in recession already. The "problem" is that any reductions in revenue growth magnify any profits slump.

Just to make it even more worrying, we haven't actually had a recession in our industry before. Even in 1991/92 growth "just" reduced to zero. That makes it just a bit easier to understand why (as we predicted and was widely reported in the press this month) **SCS UK plc** might be heading for its first ever loss in 2001. After all, total PBT (that's including exceptionals etc.) dived by 89% last year (2000) to a wafer thin profit margin of just 0.5%. So it probably wouldn't even need a recession to drive SCS UK plc, with its £30b+ revenues, into losses in 2001.

If you weren't there on the 12th July, you might by now be thinking *"Holway being gloomy again"*. Indeed the reaction at the end of every one of the previous ten such CSSA Presentations was exactly that. *Not this time.* Both at the session and in your comments/e-mails since, you have indicated that you think that Holway might even be being too optimistic this time – particularly when in comes to the outlook for share prices.

Back at the start of 2001 we predicted NASDAQ bumping around at plus or minus 10% of 2000 until end of Q3 2001 when it would put on an end of year spurt to end around 2500. That was based on our belief that a recovery – albeit it modest – would commence in mid 2002.

The reason for your pessimism was contained in our own figures. We showed that our SCS Index, which closed July on 4764, might well be 70% off its end Feb 00 peak of 16,000, but was still "only" back to where it stood in Aug. 99.

But, as many of you pointed out, in Aug. 99 the markets were looking forward to strong growth in technology markets in 2000 and beyond. Only the mad would put forward a similar projection now. Strong growth in technology just ain't on the agenda for at least 2-3 years. The only debate is whether there will be ANY growth at all in that period. If you accept that (and clearly most of you do!) then the corollary is that sector share prices are still overvalued and that further erosion will take place.

The tidal wave of profits warnings this month from the strongest and best run companies in the sector – and let's put both the UK's **Misys** and US **Microsoft** in that bag – make even Holway, the arch

[continued on page four]

[continued from page three]

**pessimist, feel worried that there is indeed worse to come.**

**If these dire warnings are proved correct the situation will most certainly get worse. Share price slumps are one thing. Bankruptcies are another. And we are not just talking about the increasing number of company failures.**

**Our guests on 12th July believed that there is a time bomb ticking of "Lloyds proportions". Investors, institutional funds AND many individuals were facing major problems when they finally admitted the real value of their technology investments. But this was as nothing compared to the ruin facing executives who had exercised their options (thus triggering a tax liability) but had not sold the shares (which were now worthless/unsaleable or only worth 10% of the exercise price). This could well push many executives into potential personal bankruptcy. The time bomb is ticking - the tax collecting season is only six months away.**

***Gloomy?* Remember this is from the Holway you all accused of being too optimistic on the 12th July.**

***Can't go on***
***Everything I have is gone***
***Stormy weather***

-11%
59P

## REXONLINE TURNS A CORNER

Online recruitment company **RexOnline** announced results for the year to 30th Apr. 01. Turnover was up 205% to £2m; last year's LBT of £326K is now a PBT of £216K, and Loss Per Share of 4.5p now an EPS of 2.8p. Commenting on the results, Dorian Marks, Chairman, said: "*The Board believes that RexOnline will continue its successful development in the current financial period. We will be able to take full advantage of all market opportunities to increase revenues and profits for the recruitment services division....The synergies created by joining the two companies together* {www.strategies acquired May 01} *will enable us to launch additional software products and web sites, and achieve enhanced returns*".

**Comment:** Well it's certainly good to see RexOnline move into profits, but with revenue of just £2m, and a market cap. of £6.9m, the company is a small player in a fiercely competitive and consolidating market. The 11% decrease in the share price to 59p is more bad news for investors that paid the listing price of 84p back in June 99.

-3%
33P

## WART-HOGGING THE PROFITS

Games developer **Warthog** has announced its maiden results for the year ended 31st Mar. 01. Turnover grew by 57% to £3.78m (£2.4m in 2000). PBT increased by 47% to £314K (£214K) and EPS improved to 0.65p (0.50p). Commenting on the results, Ashley Hall, CEO, said, "*We are extremely pleased with our progress over the past year. We have been busy, developing games for renowned publishers, for a wide demographic spread, for PCs, consoles and now mobile phones*".

Founded in 1997, Warthog listed on AIM in Feb. 01 with a placing of 11.6m shares at 43p each, raising £5m. In its short lifetime, it has recorded consistent growth and profits and claims to be "*the third largest listed games developer in Europe*". Warthog doesn't state on what basis it can make that claim – as **Eidos**, **Argonaut** and **Rage** have all recorded higher revenues (and it must be added, higher losses!).

Delivering successive profits in this market is no mean feat but Warthog will have its work cut out managing development costs in pursuit of the next big title. The company is focusing its resources on several initiatives. In line with other major games developers it is working on titles for the eagerly awaited **Microsoft** Xbox console. In addition, Warthog is pursuing new delivery channels, focusing on the emerging mobile telephone and TV game playing markets. Both of which are in the embryonic stage and therefore unlikely to be significant revenue generators in the short-term.

The Games development market is an inherently risky one due to the operational gearing of the industry, the cyclical nature of sales, and the relatively short life span of the products. A company's fortunes can turn in a very short space of time. So far so good for Warthog.

-33%
62P

# TWO CHEERS FOR QA

**QA** announced interim results for the six months to 31st May 01. Revenue, at £30.2m, is down 61% from £78m in the same period last year,. However continuing ops actually grew by 9.4% to £28m. The company has restated the 2000 figures so, whereas costs used to be smoothed out over the year, they are now accounted for when incurred. In addition, an investment gain has been reclassified as an exceptional profit. The consequence of these changes is last year's H1 LBT of £0.5m is now shown as a LBT of £1.8m – making H1 2001's PBT of £0.4m look even better! Similarly, LPS of 2.2p (previously shown as 1.1p) has improved to a loss per share of 0.5p. Commenting on the results, QA's Chairman Dr Keith Burgess said: "*Trading performance in the half year was satisfactory but the outcome for the year as a whole is dependent on our last quarter which is, at this stage, very difficult to predict*".

**Comment**: Since coming on board in Nov. 00, Burgess has overseen many changes at QA. Already underway was a programme of disposals: QA Myriad, the IT staffing business (Jun. 00) and the loss-making VAR and software division Acuma (Dec. 00). Getting shot of Acuma has helped QA return to profitability, as Acuma contributed £53.6m of revenue in FY 00, but made an operating loss of £7.5m.

So what's left? A far more focused organisation, specialising in IT training and consulting. The consulting activity encompasses technical consulting (what used to be called Pontis), human capital development and training consultancy (training needs analysis etc) and a very small amount of Learning Management Systems (LMS) product sales. Interestingly, QA's core training operation grew revenue by a commendable 14.4% to £20.6m in H1 (and that's organic growth), whilst consulting declined by 2.6% to £7.4m. We understand that technical consulting held steady at £6.1m, which means that QA's training consulting activities are having a hard time getting established – and it is this higher ground that QA, and other established training companies, talk about occupying!

| **QA plc** | **Turnover £m** | | | **Operating Profit £m** | | | **Margin** | |
|---|---|---|---|---|---|---|---|---|
| **Six months to 31st May** | **2001** | **2000** | **Change** | **2001** | **2000** | **Change** | **2001** | **2000** |
| Continuing Operations | 28.0 | 25.6 | 9.4% | 0.3 | 0.6 | -50.0% | 1.1% | 2.3% |
| ***Training*** | 20.6 | 18.0 | 14.4% | n/a | n/a | n/a | n/a | n/a |
| *Consulting* | 7.4 | 7.6 | -2.6% | n/a | n/a | n/a | n/a | n/a |
| Discontinued Operations | 2.2 | 52.4 | -95.8% | 0.0 | -2.4 | -100.0% | 0.0% | -4.6% |
| **TOTAL** | **30.2** | **78.0** | **-61.3%** | **0.3** | **-1.8** | **Loss to Profit** | **1.0%** | **Loss** |

Other changes include the centralising of internal functions, and the closure of some satellite offices (picked up via acquisitions in the past), which will lead to an estimated saving of £1m in the full year. Burgess was keen to point out that QA has *not* closed any of its training facilities. And whilst there has been an overall reduction in headcount, Burgess has made some "*strategic*" hires.

But there is still much to do. Burgess admitted that he found more problems at QA than he had expected, but true to his management consultancy roots, he saw these as opportunities for improvement! Going forward, he aims to increase utilisation rates, and push for greater penetration of existing accounts, making the point that QA's biggest customer currently spends only a quarter of its total training budget with them.

In the past, QA (Skillsgroup as it was known) allowed itself to be distracted by some ill-thought through, and therefore costly, investments and acquisitions. Burgess is quite right to focus on the business basics and look to do more with the established customer base and assets. Whilst the UK IT training market is very fragmented, and QA is one of the largest players, now is not the time to be distracted by acquisitions.

So far it has been a mixed year for QA: the year started strongly, April and May were "*difficult*", June was comparable to last year, but July may fall short of last year. The outlook now is "*uncertain*", and Burgess' comment that it is only possible to look ahead 6-8 weeks, means that QA's management must continue to run a tight ship. Overall, the outcome for the year is dependent upon Q4, which historically has delivered about a third of revenue – customers do not attend training courses over the two week Christmas/New Year period, and this, along with most of the other Bank Holidays, fall in QA's H1. So a lot is resting on performance between Sep. and Nov.

The shares have been marked down 33% to 62p this month, but at least investors can take comfort from the fact that QA now has a much clearer focus and a more appropriate organisational structure to face the challenges that lie ahead.

-3%
37p

**Glotel.**

# SALES REMAIN SLOW AT GLOTEL

**Glotel**, a telecoms, networking and IT recruitment company, announced results for the year to 31st Mar. 01. Revenue was up 25% to £165m (all organic growth), but PBT was down from £6.2m to £757K (due to a combination of non-recurring bad debt provisions across US, UK and European operations of £2.5m, and restructuring costs of £400K). EPS fell from 10.3p to 0.9p. Commenting on the results, Chairman Les Clark said: "*Trading conditions continue to be difficult and we are responding by continuing to reduce costs....in spite of our efforts sales remain slow in all of our trading units, with our clients reducing their costs base and major projects being delayed. We do, however, remain confident that there is a latent demand for our services, which will be released when our market improves*".

| Glotel plc FYE: 31st March | Turnover £m | | | Operating Profit £m | | | Margin | |
|---|---|---|---|---|---|---|---|---|
| | 2001 | 2000 | Change | 2001 | 2000 | Change | 2001 | 2000 |
| UK | 57.2 | 53.2 | 7.6% | 2.1 | 3.9 | 3.9% | 3.7% | 7.4% |
| Managed Services | 17.1 | 3.5 | 389.5% | - 0.1 | - 0.1 | 2.0% | -0.6% | -2.8% |
| International | 8.7 | 11.7 | -25.3% | 0.1 | 1.2 | -91.0% | 1.3% | 10.6% |
| Other businesses | 9.7 | 9.2 | 6.3% | 0.8 | 0.9 | -11.3% | 7.8% | 9.4% |
| *Total UK* | *92.8* | *77.5* | *19.7%* | *2.9* | *5.9* | *-51.5%* | *3.1%* | *7.7%* |
| North America | 51.8 | 41.2 | 25.9% | 1.7 | 3.0 | -43.7% | 3.3% | 7.3% |
| The Netherlands & Belgium | 16.2 | 9.2 | 76.1% | 0.0 | 0.4 | -90.6% | 0.3% | 4.7% |
| Australia | 4.6 | 4.5 | 1.8% | 0.2 | 0.3 | -39.8% | 3.7% | 6.3% |
| *Total international* | *72.6* | *54.9* | *32.3%* | *1.9* | *3.7* | *-48.9%* | *2.6%* | *6.8%* |
| Central activities | | | | -3.7 | -3.3 | 14.4% | | |
| **TOTAL** | **165.4** | **132.4** | **24.9%** | **1.0** | **6.4** | **-83.7%** | **0.6%** | **4.8%** |

**Comment**: Glotel's results held no great surprises as it had presaged them with a profits warning back in Feb. and then again in May. However it is a salutary reminder of just how quickly the recruitment marketplace can change, and how players such as Glotel must move equally quickly to realign resources and overheads in order to limit the damage.

Glotel enjoyed eight months of strong growth but since Dec. 00 the market for telecoms and networking staff has got tough. With about a third of its business conducted in the US, Glotel has also been hit earlier than some of its more UK-centric rivals. But it's not all gloom and doom. All geographic regions reported growth. Total UK revenue grew 31.2% to £74.3m (an achievement not many staff agencies will match). The core UK recruitment division grew 7.6% to £57.2m, and the Managed Service division reported a stunning 389% growth to £17.1m. Meanwhile US operations grew by 25.9% to £51.8m. Comparing this to US sales in Dec. 00, which were ahead by 40%, it is possible to see how the slowdown in the US market is affecting Glotel. International operations (the Netherlands, Belgium and Australia) grew 16.3% to £29.5m.

The company has moved swiftly to reduce its cost base. Glotel's monthly cost run rate has been trimmed from £2.85m to £2.2m, and Chief Exec Andy Baker reports that they are "*running a tight ship*". It has closed two offices in the UK and two in the US, and has made c75 redundancies. About half the redundancies were in the UK and Europe and the remainder in the US. To ensure continued profitabililty, another phase of cost cutting will be implemented if necessary.

There have been a number of positive developments at Glotel over the past year. BT remains its largest client, but it has continued to diversify from its original focus on placing telecoms and networking staff and now counts **EDS**, **Accenture** and **JP Morgan** amongst its top 10 client list. Glotel has also established a permanent recruitment function, and bought in an external candidate to head it up. This generated c2% of total revenues in FY01. With c25 staff, it's a minnow compared to the **Harvey Nash**s and **PSD**s of the world – but Glotel could use the higher margins associated with permanant activity. Poorer visibility of earnings compared to the supply of contractors leads Glotel to be modest about its ambitions in this area, preferring to see permanent recruitment as "*the icing on the cake*" rather than its "*bread and butter*".

The next few months will be crucial. A re-organisation in the US operations sees Baker temporarily relocating to the US, to re-focus sales effort and position Glotel for when the market picks up. With gross margins higher than in the UK, that's a sensible move. And Glotel is convinced that its US operation will provide the fastest return when conditions do improve.

We understand that the company made a trading profit in Apr. and May, but with the UK, Europe and US units all continuing to decline, its going to be tough. Now, more than ever, the quality of management at the helm is key if Glotel is to return to its positive track record of revenue *and* profits growth.

-13%
135P

## A WELCOME RETURN TO PROFITABILITY

**Microgen** has announced interim results for the six months ended 30th Jun. 01. Turnover from continuing operations increased by just 0.2% to £11m (£10.9m for the comparable period in 2000). Total revenue including discontinued operations was £11.0m compared to £13.8m in 2000 - a decrease of 19.9%. An LBT of £2.8m in 2000 is now a PBT of £59K, and EPS has improved to 0.1p from a Loss Per Share of 4.7p. In an effort to reduce costs, Microgen has consolidated its billing services, payment solutions and hosted database services into a single division, renamed Microgen-Telesmart. This division generated £6.3m revenue, a reduction on the £7.2m in 2000, due to restructuring and account rationalisation in legacy print and mail services. However, there was an underlying organic growth of 11% from the retained account base and new customer acquisition. E-services revenue grew by 25%. The Group's business intelligence consultancy division, Microgen-Kaisha, generated revenue of £4.7m, a growth of 25%. Martyn Ratcliffe, Chairman, commented, *"Throughout the recent turmoil in the IT sector, the Board has maintained disciplined financial management enabling both operating divisions to deliver a solid performance during the first half of the year. In the current market environment, the balance between profitability, investment and revenue growth in our strategic sectors is very satisfactory"*.

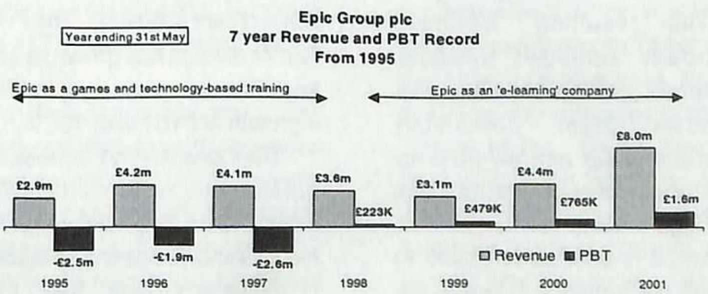
**Comment** - This is a welcome return to profitability for Microgen after the restructuring last year and bucks the trend of many of its peers. Billing and payment software and services, the main focus of the new Telesmart division (formerly the Document Processing Services Division and the Managed Information Services Division, which includes the Axess on-line archiving system), remains buoyant because it can produce real cost savings to users. But Microgen-Kaisha, formed after the acquisition of Kaisha Technology in 1999, is the real star, with 43% of revenue but nearer 70% of profits (before group overheads and amortisation of goodwill). It shows the on-going interest in business intelligence, possibly even more in demand in a tight market.

The strategy of moving to IT consultancy certainly seems to have paid off, thanks to Microgen's niche sector focus – billing/payments and business intelligence. Indeed, Ratcliffe also added that *"in terms of corporate development, the board continues to explore M&A opportunities, but maintains a prudent approach when evaluating such activities"*.

+6%
244P

## PUBLIC SECTOR FOCUS BOOSTS RESULTS

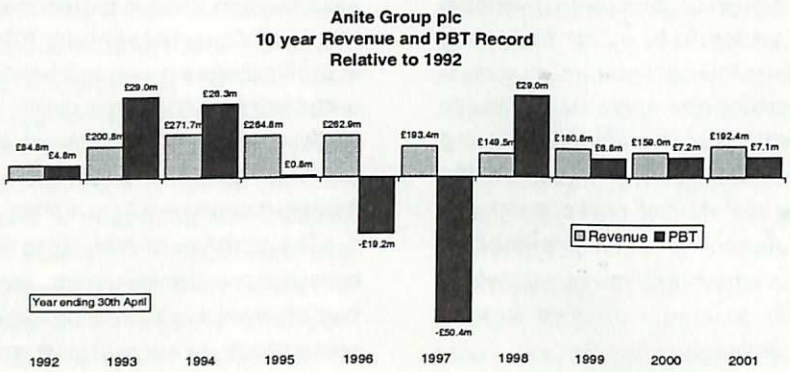
**Epic, a developer of bespoke e-learning content, has announced its preliminary results for the year ended 31st May 01. Turnover grew by 83% to £8m (£4.4m in 2000). PBT increased by 105% to £1.6m (£765K) and EPS improved to 6.05p from 3.12p. Epic attributed its increase in revenue to the widening of its sector coverage and its provision of more e-learning services. Its revenue split by market sector is; Financial Services 27%, (an increase of 75%), Public Sector 21% (an increase of 83%), Consultancies and Training 21% (an increase of 86%), others 21%, and Services 10%, (an increase of 300%). Epic's focus on the public and financial sectors has provided the company a degree of security from the vagaries of the TMT sector. Indeed, its focus on the public sector could not have been better timed, given the government's commitment to on-line initiatives within the public sector.**



+4%
133P

# Anite FOCUSING ON PROFITS GROWTH

Highly acquisitive **Anite** made a further nine acquisitions in FY01 and has made two more since the end of the year. All acquisitions have supported the company's strategy to focus on the telecoms, finance, public sector and travel markets. Also helping to streamline the company was the disposal of 80.1% of Anite Personnel – its last non-core business – for £80.3m. Anite is a completely different beast from just three years ago – with only 10% of the business from then (travel and telecoms) still remaining today.




The resulting 'slimmer' company achieved turnover growth of 21% to £192.4m, and turnover from continuing operations up almost 50% to £162.7m. Despite the headline PBT figure being virtually static at £7.1m, it is a far better guide to Anite's performance to look at the PBT pre goodwill amortisation and exceptional items. This increased by 51% from £13.7m to £20.7m, and diluted EPS increased from 3.9p to 5.3p.

The Public Sector business, which offers services including social services, revenue, benefits and housing applications, has gone a long way to integrating and restructuring into one homogenous business. The integration is intended to allow the division to offer a *"complete managed services division and one-stop shop for major applications*. In Mar. 01, the Group acquired ICL's local government applications business – a business that had a healthy maintenance revenue stream. Combining this with the solutions already offered by Anite, will allow the Group to take advantage of directives from Whitehall which are pushing for a more *"joined up Government scenario"*. The Public Sector division has grown its sales from £7m two years ago, to £38m – growth in FY01 was 105%.

The Consultancy business also performed well. Its 1000 consultants provide specialist industry knowledge and specialised IT skills in Oracle, SAP, ERP, security, data warehousing and supply chain management. The business covers the European markets of France, Germany, Benelux and the UK and coverage was extended in Jul. 00 with the acquisition of Datavance – a Paris-based e-consultancy. Datavance contributed £16m to the £73.2m of revenue, and £2.2m of profit. The Consulting business has grown from nothing in just 3.5 years.

In the Telecoms and Travel businesses, the main aim is to offer *"global repeatable software solutions"* to support the strong recurring revenue model in the two divisions. Telecoms sales increased from £16m to £29.5m – an increase of 84%, with margins of 26.1% (these figures included contribution from newly acquires Calculus). Turnover from Travel increased from £16m to £19.5m – an increase of 22%. The Travel business made two further acquisitions after the year-end.

Anite is proud to have a *"strong decentralised management team"* to operate the businesses in its four core markets. This has resulted in a company in which both the market and the employees have confidence – the attrition rate stands at 8%. The confidence will increase following this excellent set of results, with organic growth in sales of the core businesses up by 23% and profits up over 33%, and figures bolstered by some well-thought out, targeted acquisitions. It is good to see a company that specifically focuses its strategy on profits growth as opposed to revenue growth – something we didn't see enough of during the dot.com hype. The share price is up 3.5% at 133p.

*A company in which both the market and the employees have confidence*

+17%
25P
GRESHAM

# FURTHER DISAPPOINTMENTS FROM GRESHAM

Troubled **Gresham Computing**, "*provider of enterprise solutions and software*" has announced interim results for the six months to 30th Apr. 01. Turnover was £12.9m (£8.2m from continuing operations). This compared to a turnover of £11.2m in the six months to 30th Apr. 00 which included £9.4m from continuing operations. So revenue from continuing operations fell by 13%. LBT was £721K (including £351K from continuing operations) - an improvement on a LBT of £2.7m in 2000. Diluted loss per share was 1.71p (6.06p in 2000). Andrew Walton-Green commented, "*Our focused strategy, coupled with our strengthened financial status, positions the Group well to take advantage of the upturn in demand for our products and services*". Following yet another review of its business, the Group now focuses on the four areas in the table below.

To realise capital profit and repay all the group's bank borrowings, Gresham disposed of 50% plus one share of its SIM Testing business for up to £6m in Jun. 01. The SIM Testing business had experienced the highest growth of all the businesses with a turnover of £4.7m - up from £1.8m, and an operating profit of £410K (-£301K in 2000). The Group's results will continue to include 50% of SIM's profits until the disposal of the second tranche of shares which is contracted to complete by 30th Jun. 02. The reasons given for the disappointing revenues were sound, if not, unoriginal. Revenue in enterprise solutions declined during the refocusing exercise and enterprise software suffered from the slowdown in the US economy. In spite of the slow or negative growth of the majority of its business divisions, Gresham is presenting yet another optimistic outlook, believing that "*the refocused Enterprise Solutions business and the strategic alliances entered into by the Enterprise Software business provide the group with considerable ongoing potential*". We would not be quite so optimistic.

| Gresham Computing | Turnover £'000 | | |
|---|---|---|---|
| Six months ended 30th April 01 | 2001 | 2000 | Change |
| Enterprise Solutions | 2,238 | 3,907 | -42.7% |
| Contract Staff & Recruitment | 1,738 | 1,697 | 2.4% |
| Gresham Enterprise Software | 4,208 | 3,772 | 11.6% |
| SIM Testing | 4,680 | 1,830 | 155.7% |
| TOTAL | 12,864 | 11,206 | 14.8% |

-29%
293P
Autonomy

# "*REASONABLY OPTIMISTIC*" BUT LACKS VISIBILITY

**Autonomy**'s results for the six months to 30th Jun. 01 showed increases in all the right places – turnover up 9.6% to $28.85m ($26m), PBT virtually double at $11m ($5.5m), and EPS up 67% at $0.05. The PBT figure was boosted by a $5.2m gain on foreign exchange, which is a result of Autonomy keeping its cash balances in dollars and converting them to sterling for accounting. Autonomy has now converted 85% of its cash balances of $137m to sterling which should help reduce the FX affect on the P&L account.

Dr Mike Lynch, Group CEO, commented, "*In the face of challenging market conditions, we are pleased to report second quarter results in line with consensus market expectations. Revenues during the quarter were driven by new wins in Europe and the United States and an expanding stream of OEM royalty revenues....While visibility remains limited, we are seeing some improvement*".

Throughout the presentation there were cautionary soundings. Looking at the Q2 results it is easy to understand why. Turnover was down 3% to $14.2m ($14.6m), and PBT was down by 56% to $2.2m ($5.1m, although, $2m of this was attributable to foreign exchange).

Geographically, Autonomy derives 47% of its revenues from the US, 50% from the UK and Europe and 3% from the rest of the world. Mike Lynch stated that the US is "*steady*", the UK is "*worsening*" but Europe is "*strengthening*". Licence sales accounted for $9m (30% of which was repeat business), OEM contributed $1.9m (representing 14% of revenues), and support and maintenance $3.3m.

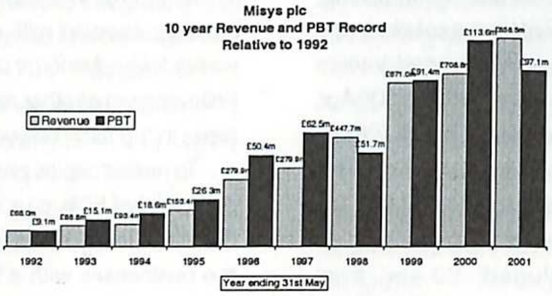
On the plus side with cash balances of $137m, Autonomy is not in any serious trouble, in spite of the "*fragile*" state of the market. It has not experienced any downward pricing pressure despite market views that it has a high ticket price. Indeed, its average selling price has increased 12% to $430K. On the downside this highlights the fact that budgets are being frozen; reducing the cost of its solution by a few percent isn't likely to yield any additional sales. In addition the decline in the UK market is a serious issue for Autonomy given that it accounts for over 40% of total revenue, whereas Europe only accounts for approximately 13%. Autonomy is "*reasonably optimistic*" on the outcome of Q3 and Q4, but its admitted lack of visibility makes it hard to share its confidence.

-30%
347P

# MISYS PROVES ITS RESILIENCE

Last year (FY00), **Misys'** performance was significantly affected by Y2K with H1 benefiting whilst H2 suffered. In this reporting period (FY01), the company has returned to its long-term growth trend i.e. following a seasonal pattern where a greater proportion of revenue is attributable to H2. As a result, the company has, as expected, shown higher than normal growth rates in H2 01 compared to the 'depressed period' in H2 00. Turnover for the year increased by 21% to £858.5m with revenue from continuing operations increasing by 22%. PBT fell 14.5% to £97.1m (£113.6m), EPS also decreased to 13p (14.2p). Analysts expectations had been for PBT between £97m and £130m so this was at the lower end. However, PBT before exceptional items and goodwill amortisation increased by £6m to £118m.

The banking division, which contributes 40% of revenues, performed well with an 8% increase in turnover from £322.6m to £348.5m, and operating profit (post goodwill amortisation) increasing from £78.2m to £80.0m. With a 50/50 split in H1/H2 revenue in 2000, and a 47/53 split in 2001, the resultant growth for H2 01 was higher than H1 01 at almost 14%. This was despite evidence that customers in the banking and securities market were delaying final decisions on larger contracts – many of which were finalised in the first six weeks of the current financial year, rather than in the last few weeks of FY01. As a result, the outlook, although far from pessimistic, is certainly cautious. This is based on the fear that deals that would have normally been signed in Nov. 01 i.e. just inside H1 02, may slip into Dec. 01 or even




Jan. 02. The company also said that as a result, H1 02 revenues would be *"somewhat below"* the previous year.

The results from the healthcare division, Medic, in the US, go to show that it may not only be in the UK where healthcare is a safe haven in times of economic downturn. The division reported revenue from continuing operations (i.e. not including ACT Medisys) up 9% to £186m – this followed a decline in revenue for 1999/2000. Operating profit also increased – up 17% - to £36.4m. Performance has been boosted by *"an upsurge in demand"* for the company's EMR (electronic medical records) application, Autochart, and for its home health management product. The order book is strong and the outlook for 2002 is bright.

The performance of the Financial Services division, previously called Insurance, was boosted by acquisitions – growth in revenue was 53% (£314m) and growth in operating profit was 42% (£27m). The organic growth in revenue and operating profit was 11% and 19% respectively.

When we attended the full year results briefing for FY00, the Board were very proud to show a slide revealing that, whilst 'new order' i.e. initial licence fees had been hit by the Y2K lockdown, the old recurring revenue streams including professional services, transaction processing and maintenance, had grown to 77% of total revenues (up from 66% the previous year). This was not a focus this time around as recurring revenues in FY01 were 76% of total revenues – slightly down from the previous year. However, this is still a high percentage and good to see. Professional services revenue was boosted by good growth in Banking and Securities whilst there was a reduction in professional services revenue at Medic due to lower system sales in Vision. Transaction processing revenues grew mainly as a result of acquisitions in the Financial Services division.

The most 'cautious' outlook for the company is in the Banking division (unfortunately the division which brings in the highest proportion of revenue), where headcount will be reduced by c5% in the coming year (worldwide support will be handled from Manila). However, the results have once again revealed one of Misys' strengths i.e. that it derives revenue from three quite different markets operating in a wide range of geographies, therefore spreading risk. As a result of this and the high proportion of recurring revenues, even when performance suffers in one area, the overall financial performance of the company is resilient. This should be a great comfort to Misys in the current economic climate.

There were two further announcements from Misys at the end of July: Firstly, it announced that its tender offer for Sunquest Information Systems had been declared unconditional. On the same day, it also announced the disposal of its general insurance internet brand, Screentrade, to Lloyds TSB.

## A SUSTAINED RECOVERY AT MICROSOFT

**Microsoft** has announced Q4 revenues of $6.58bn, an increase of 13% over Q400. Operating income was up 8% to $2.8bn, but losses related to cable and telecoms investments wiped $2.6bn off the PBT.

For the fiscal year to 30th Jun. 01 revenue came in at $25.3bn, in line with predictions made at the end of Q3 and a respectable (given the climate) 10% growth over last year. Operating revenue was up 6% to $11.7bn, but PBT was down 20% to $11.5bn because of bad investments. Diluted EPS for the year was $1.32, compared with $1.70.

EMEA revenue actually declined by 3% on the year and accounted for only 19% of overall revenue in 2001 compared with 22% in 2000. The results were impacted by weakening local currencies - at constant currency EMEA sales would have been up 5% in the last quarter, compared with an actual 1% decline. All the growth was in the Americas and from OEM sales, up 19% and 16% respectively.

By product line, desktop software was up 8% in revenue terms, with enterprise software and services up 18%. Indeed, as PC sales suffer, therefore impacting refresh and upgrade revenues, so Microsoft has been able to butress group turnover through billing its higher ticket enterprise solutions to smaller customers. Revenue growth is currently being driven by licensing of Office, Windows 2000 Professional, SQL Server, Exchange 2000 Server and other .NET Enterprise Servers.

John Connores, CFO, said *"Even in this challenging economic environment we saw solid customer enthusiasm for our broad array of products and services, which drove positive growth across our businesses".*

**Comment**: We said at the end of Q3 that anything over 10% growth in Q4 would be an achievement, and so it is. Microsoft has gradually rebuilt its growth from Q4 2000 when it saw the low-20% growth rates it was used to simply disappear. This year has seen year-on-year growth by quarter of 8%, 8%, 14% and 13%, so it looks like a sustained recovery, even though others are still on the way down. The company also raised its revenue projections for the full fiscal 2002 to $28.8bn-$29.5bn, so Microsoft is clearly expecting further market recovery to deliver c15% growth.

## THE GLOBAL SERVICES STAR CONTINUES TO SHINE

**IBM** has announced its Q2 results for the period to 30th Jun. 01. Total revenue fell 0.4% to $21.5bn ($21.6bn for Q2 00). PBT was $2.9bn, up from $2.8bn for the same period last year. Revenues from EMEA were down 1% to $5.8bn, but up 7% at constant currency.

The company presented a mixed bag of results by line of business, with declining revenues from: hardware $8.6bn (down 5.5%), Software $3bn (down 4.6%) and Enterprise Investments $293m (down 7%). However, the Global Services star continues to shine. Revenue, including maintenance, grew by 7% to $8.7bn (excluding maintenance it increased 9%), making Global Services the biggest business unit within IBM. Revenue from e-business services increased nearly 30%. IBM signed $16bn in services contracts and ended the quarter with a services contract backlog of $95bn. The decline in software revenues was attributed predominately to a decline in the Tivoli suite, whose revenues have fallen as a result of "*continuing transitions in the unit's product line*". Lou Gerstner, IBM Chairman, commented, "*In light of the extremely difficult industry conditions, as well as dismal results posted by many companies, we're very pleased with our second-quarter results. While others stumbled, we grew revenue, recorded record operational profits and, most importantly, increased our market share in almost every one of our strategic business categories*".

**Comment**: Well IBM has managed to hang in there, with revenue on a par with last year and profit in line with expectations. What's really interesting, though, is that Global Services has at last come of age. In May CEO Lou Gerstner reiterated the company's long-term strategy of using the Global Services business as the basis of growth and these figures reveal that than strategy is little more than Hobson's choice, no other part of the company can deliver. But for the first time ever Global Services has taken more revenue in the quarter than hardware (although a slightly higher margin on hardware means it made more profit). Global Services really has been a stunning success for a company that was so recently a hardware monolith.

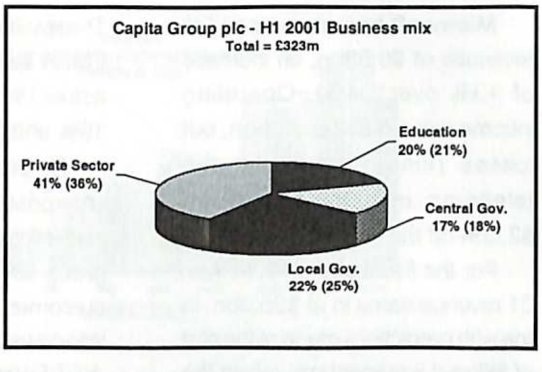
+3%
478p

CAPITA

## CAPITA SET TO RETAIN BORING AWARD

Well...what can we say...apart from once again, a truly excellent performance from **Capita**. The 55% growth in turnover, 52% growth in PBT, and 47% growth in EPS, for the half year to 30th Jun. 01, would have been impressive at any time but in the current economic climate, we really take our hat off to them.

Capita called its business model, *"simple, clear and sustainable"* and commented that *"some have even called it boring"* - yes that was us! But of course, it is certainly not a derogatory comment on our part - all it means is that once again, Capita is on its way to retaining our prestigious *Boring Award*. Recent wins (Connexions and London Borough of Croydon) mean that the company's prediction for turnover growth has been upped to 52% (£690m) from 40% for FY2001.




In Executive Chairman, Rod Aldridge's words, *"Demand for services has never been stronger"*. Capita's experience is vital to the company's success. Its understanding of customers' needs, and its experience in negotiating contracts, pricing deals, managing projects and dealing with staff transfers means that the company is not short of opportunities. In fact, Capita's current win rate is 1:2, and in the last 18 months it has won contracts worth £1.4bn.

With its focus on outsourcing, it is well positioned in both its traditional focus area of public sector (as the Government increases the involvement of the private sector in reforming public services) and in the private sector (as the economic slowdown and the pressure to reduce costs pushes companies into considering outsourcing as an option).

The Group recently restructured into three business areas - Business Services (HR and customer services), Professional Services (s/w, IT services, consultancy) and Commercial Services (financial and insurance). Commercial Services, despite being the smallest in terms of turnover (£71.3m), experienced exceptional growth of 599% as a result of two acquisitions (which contributed £6.4m) and the landmark £323m/10 year Abbey National deal. The division also had the highest operating margin at 12.4%.

If we had to find something critical to say about this set of results, it would be that the overall profit margin was 6.5% - no change from the 6.5% in H1 00 but down on the profit margin of 8.8% for FY00. The timing of the acquisition of McClarens Toplis and the charges in relation to the initial phases of a number of large contracts have affected the margin in the H1 01 reporting period.

But if that's the only negative thing we can find to say, we probably won't upset Mr Aldridge too much! We'd also be willing to bet our bottom dollar Capita will retain its *Boring Award* when it announces FY01 results later this year.

-18%
166p

DIAGONAL

## MOVING UP THE FOOD CHAIN

**Diagonal** plc, the ITSA that has transformed into an IT consultancy and SAP implementer, has announced results for the six months to 1st Jun. 01 showing turnover up an impressive 20% on the same period last year to £45m and PBT up a hefty 67% to £2.9m. Diluted EPS is up 30% to 1.71p.

The company also announced the acquisition of **Claritas Information Security Ltd**, a provider of information security consultancy services, for £1.2m. This is another acquisition in line with the company's move to higher value business started last year. It also resulted in the MAPP resourcing business being sold to the management team at book value in April.

The chairman's statement went on to say *"We note the general market sentiment towards the IT sector and, while Diagonal would not be immune to a widespread slowdown in IT services spending, the second half has commenced satisfactorily... sales for the month of June have been strong and we do not currently see signs of a downturn in activity"*

**Comment:** Well Diagonal's move up the food chain seems to be paying off - even on continuing operations alone revenue is up 13%. Compare that to the ITSA sector where the players are having a tough year. There but for....

## TRULY REMARKABLE RESULTS AT SPECIALIST

**Specialist Computer Holdings**' results for the year to 31st Mar. 01 would be impressive in any economic environment. Set against the current climate they are truly remarkable.

On the day of the announcement we had a one-to-one with Chairman & CEO Peter Rigby who told us that revenues for the year were £1.4 billion up from £582m in FYE 31st Mar 00. Of course, some of this increase was due to the acquisition in Feb. 00 of **Info Products** from Buhrmann but that would be to hide a superb 45% ORGANIC growth in the UK business which now has revenues of £845m. In the FYE 31st Mar. 00 all but £40m of SCH's revenue was from the UK, but in the latest year 41% or £588m comes from SCH International. PBT (before exceptional and discontinued operations) increased by 150% to £30.7m.

No one can doubt Rigby's claim that Specialist is *"Europe's Largest privately owned IT Group"*

All this also really goes to show that there really are only two names in the corporate PC reseller world – **Computacenter** and Specialist. The contrast between their respective results could not be more stark. Indeed, there seems little doubt that much of SCH's success has been by boosting market share and winning clients from the likes of Computacenter.

The **Compelsource** acquisition was not effective until mid-Mar 01 and therefore had no effect on the year's performance. Indeed SCH's £390m/5 year deal with Computer Sciences will really only kick in this year too. Recently Specialist has been selected as a supplier in three out of the seven GCAT categories – so billings from the public sector also look set to rise in the period to come. So Specialist really is within sight of taking over the No. One slot from Computacenter.

It's always difficult to estimate how much of Specialist's revenue comes from SCS. We would estimate it to be just over £100m in the FYE 31st Mar 01 – up from our previous estimate of £75m last year. We suspect that SCH's activities outside the UK are even less SCS oriented.

We asked Rigby – as we always do – when Specialist will float or if there is any chance of a trade sale. Rigby says he is very pleased that he isn't the Chairman of a publicly quoted company at the present time and doesn't like to see some of the soundest companies being decimated along with the rest. We tend to agree! Specialist might have been bigger still if they had been quoted as they could have used paper (rather than cash) for acquisitions. Clearly Rigby will need an exit at some point and at the moment we would go for the trade sale route. Rigby sensibly isn't commenting!

So how does he do it? Rigby puts it down to *"a positive attitude"*. We have had an annual meeting with Rigby for many, many years now. We have had open disagreements (his retail expedition via Byte was one where our views differed). But Rigby is fiercely proud of Specialist, very competitive (particularly relating to Computacenter!) and has always displayed that "positive attitude". With results like these, Rigby and his team have just cause to crow.

## COMDISCO FILES FOR BANKRUPTCY

The once mighty US-based leasing and disaster recovery giant **Comdisco** has filed for bankruptcy under US Chapter 11 and is selling most of its technology services businesses to **Hewlett-Packard.** The bankruptcy proceedings only apply to Comdisco's US parent and 50 subsidiaries - its operations outside of the US are not affected and *"are continuing normal business operations"*. Comdisco will sell substantially all of its Availability Solutions (Technology Services) business (revenue $400m in 2000) for $610 million to HP under the deal. The sale includes the purchase of assets of Comdisco's U.S. operations and the stock of its subsidiaries in the UK, France and Canada, but excludes the purchase of the stock of subsidiaries in Germany and Spain, as well as other bits, including Network Services and IT CAP Solutions. HP will integrate the Comdisco businesses within its HP Operations organisation, which is part of HP Services.

**Comment:** And another one bites the dust. Comdisco was one of the big names in disaster recovery (OK, business continuity) - they turned in £33m revenue in the UK for these activities in 1999 (out of total revenue of £103m inc. core financing activities). The DR/BC business was profitable in the UK (c20% margin). The price looks cheap (PSR = 1.5) given that **Guardian iT** is currently trading at a PSR of c4. This is a much better move for HP than its misguided attempt to buy **PwC**. HP already has a modest DR/BC business and this will kick it into the big league against the likes of **IBM**. Of course, they have to make it all work together first ...

0% 69p **Spring**™

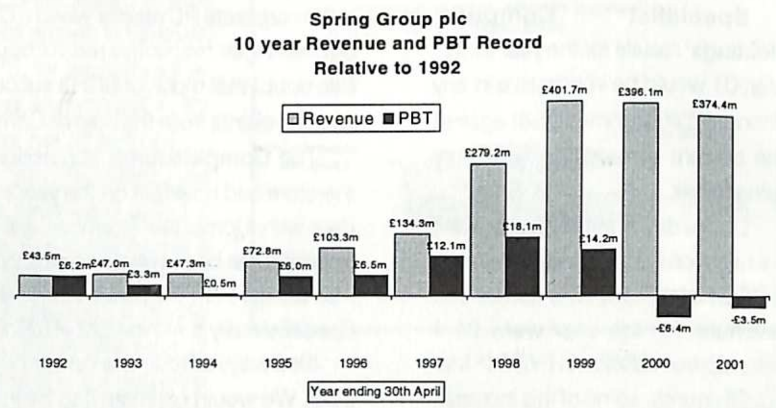
# REDISCOVERING THE FOUNDATIONS

**Spring**'s results for the year to 30th Apr. 01 show revenue down 5.5% to £374.4m, with continuing ops up a tad at £328.1m. LBT has 'improved' from £6.4m to £3.5m, and Loss Per Share similarly has 'improved' from 5.09p to 2.39p.

**Comment**: Jon Chait, concluding his first full year as Chairman and CEO, was the first to admit that Spring's results *"were not satisfactory"*. Since coming on board in May 00 when Spring acquired his Internet software and tools business **Magenta**, Chait has overseen a number of operational and management changes intended to *"lay the foundations for future success"*. Perhaps more accurately, he has rediscovered the foundations that Spring lost sight of in 1999 and early 2000.

2000 saw the company plunge into losses of £6.4m - from profits of £14m in 99 - as it pursued a very costly internet strategy to convert Spring's IT staffing business from a traditional model to a web-based model. In all fairness to today's management team, none were involved in this adventure.

Since his appointment, Chait has reviewed the operation and concluded, rightly in our opinion, that the strategy entailed *"too much financial and operational risk"* and jeopardised profitability. So, its about-turn, as Spring goes back to a traditional business model with a network of branches where sales staff and resourcers work side by side, and the internet is just a channel to reach customers and applicants. Gone is the Watford Resource Management Centre, at a cost of £3.4m, as resourcing Chait knows, is better done *"closer to the sales people and the customers"*. In future all service lines (contract preferred supplier arrangements,




permanent recruitment, contractor payrolling) and all geographies must be profitable in their own right.

With c70% of total revenue coming from the IT staff agency (ITSA) operation, it was crucial that profitability was restored. Indeed, the ITSA business has turned in operating profits for each of the first six months of calendar 2001. Going forward, the aim is to turnaround the declining margin on the contractor business and to bolster that with more permanent recruitment, and ad hoc (higher margin) contractor placements.

Chait has also overseen a programme of disposals leaving Spring with three other activities, IT Training, IT Solutions and general staffing. Now if you thought Spring's problems had been confined to its ITSA business, you'd be wrong! The IT training operation has received a dose of new management in the form of Ron Orme (MD), ex-MD of **Parity Training**, and Gary Homes (Sales Director), ex-MD of rival training company **Global Knowledge**. Revenue from IT training was up 17% to £20.6m, but operating losses deepened from £1.9m to £4m. Explaining the numbers, Spring's FD, Richard Barfield, said that in writing down certain assets and exiting three properties, they had *"closed the books"* on FY01. However, Spring remains *"most nervous of this business"*. By the way, we will profile this aspect of Spring's business in our forthcoming report **E-Learning and the UK IT Training Market**, available in September.

Meanwhile Spring IT Solutions has set about renegotiating terms with its customers in order to improve its utilisation of consultants. Barfield says *"the jury is out on this business"*, and they will decide its future over the next few months. At least consulting is profitable!

The general staffing operation, once earmarked for disposal but having attracted no acceptable offers, is to be retained.

Looking forward, Spring's management have got their work cut out in the months ahead if they are to ensure sustainable profitability in each of the existing businesses. New businesses such as pilot projects utilising Magenta's web-based technology, are being run as small units with costs strictly contained. And with c£62m cash, Spring is considering acquisitions in new geographies and other professional staffing markets beyond IT where margins are higher.

So, having gone full circle, Spring has recognised that the winners in the IT staffing market will be those that *"harness the power of the internet"* in combination with the traditional methods. Shareholders will be hoping that Spring has come to this conclusion in time.

## Mergers & Acquisitions

| Buyer | Seller | Seller Description | Acquiring | Price | Comment |
|---|---|---|---|---|---|
| Affinity Internet Holdings | Blast Internet Services | ISP | 100% | £103K | Affinity acquired the Australain ISP for a combination of cash and shares. |
| AMP | Interactive Investor International | Online investment information | 100% | £52.1m-£55m | Australian insurer AMP is paying up to £55m for iii depending on cash reserves at the time of completion. |
| Anite Group | Didgicom Ltd | Software for the travel industry | 100% | £1.8m | Anite paid £650K upfront (£50K in cash, £600K in shares) plus max. earnout of £1.15m based upon profitability to Apr. 03. |
| Baron Corporation | Euro Systems Projects | Software for the leisure and hospitality industry. | 100% | n/a | ESP competes with AIM-listed Baron in the leisure industry. In the year to 31/12/00 ESP turned over £1.2m and made a LBT of £10K. The deal was satisified with 1.7m consideration shares and warrants to subscribe for a max. of 1.3m ordinary shares. |
| Diagonal | Claritas Information Security Ltd | IT security consultancy | 100% | £1.2m | Initial consideration was £748K (£255K in cash and the balance in shares). An addiitional consideration up to £276K will be paid based on NAV of Claritas, and a deferred consideration max. £138K based on profitability to 30/11/01. |
| Digica (MBO) | UK and US operations of Digica from DCS Group | Midrange and desktop outsourcing supplier | 100% | £23.3m | The MBO was led by Richard Last, CEO of the new company. Funding was provided by Bridgepoint Capital. In the year to 31/12/00 Digica turned over c£26.3m and made OP of c400K. |
| DMR Consulting | Centrica's share of AG Solutions, a JV with DMR | Application Outsourcing | remaining equity | n/a | AG Solutions was formed in 1995 to provide outsourcing services to Centrica. It has 250 staff. DMR is owned by Fujitsu and employes c8,000 staff in 65 countries. |
| ECsoft | S17 from Framfab | Swedish IT services operation | 100% | £100K | ECsoft has picked up 63 development and integration staff with the deal, bringing headcount in Sweden to c200. Framfab had itself acquired S17 last year. |
| Horizon Technology Group | Parts of eNet Systems (UK) | Reseller of Sun, Oracle, Cisco and Alteon Websystems technology | n/a | £815 | Horizon purchased "certain parts" of the eNet Systems UK operation from the receiver. Turnover was c£7.7m in the year to 31/3/01. eNet will be integrated with Horizon's UK Internet Infrastructure division. |
| Health Media Group | Internet Direct | Cash shell | 100% | £11.3m | Health Media, provider of information, education and technology to the health sector, completed a reverse takeover by of AIM-listed Internet Direct. |
| Lastminute.com | Urbanite.com | | 100% | £140K | Lastminute paid with 442K shares. |
| Mettoni | Symetris | Systems integration | 100% | £4.4m | AIM-listed Mettoni acquired the privately-owned company with cash, shares and loan notes. |
| OneClickHR | Parker Technologies | Workplace time recording solutions | 100% | £470K | AIM-listed OneClickHR paid initial cash consideration of £170K plus a further £150K cash in both 2003 and 2004 for the privately-owned company. Parker had turnover of £656K and PBT of £63K in the year to 30th Sep. 00. |
| OPM (MBO) | Direct Computer Training and DCT Resources from Xpertise Group | IT training of unemployed and recruitment services | 100% | £600K | OPM paid £600K cash up front and a deferred consideration of up to £400K based upon PBT through to 31/7/03. |
| Royal Philips Electronics | Marconi's Medical Systems Business | Medical imaging systems and related services | 100% | £780K | Philips paid £780K in cash. As part of the deal Marconi will supply Philips with communication solutions worth c$150m over the next five years. |
| The Innovation Group | MTW Corporation | Insurance software | 100% | £59.5m | TIG paid £21.5m in cash, issued £8m in loan notes and 10.1m shares for Australian MTW. For the year to 31/12/99 MTW had turnover of c£22.5m and PBT of c£3m. |
| TMP Worldwide | The Definitive Group | IT recruitment, resource management, HR consulting | 100% | n/a | NASDAQ-listed TMP picked up privately owned Definitive Group, parent company of Apex Recruitment (a Top 20 UK ITSA) for an undisclosed amount. |
| Toga BV and Gameplay Technologies Ltd (MBO) | Gameplay's Israeli technology subsidiary | Technology for delivery and playing games | 90% | $1 | Gameplay retains a 10% stake in the Israeli company |
| Ultrasis | Remaining shares in Ultrasis North America Ltd (UNA) | Online healthcare applications | 47% | £4m | Ultrasis bought the remaining 47% on the basis of 140 new shares for each UNA share. The balance was held by former shareholders of Ultramind Group, itself acquired by Ultrasis in 1999. |
| Updata | Indexia Research Ltd | Investment analysis software | 100% | n/a | Privately-owned Indexia was founded in 1983. Terms were not disclosed. |

### Forthcoming IPOs

| Name | Activity | SCS or Dotcom Index | Index Class | Market | Issue Price | Est Mkt Cap. | IPO Date |
|---|---|---|---|---|---|---|---|
| Altodigital | Internet Services | SCS/Dotcom | S&S | MAIN | tbc | £400.0m | early 2001 |
| Argrogroup | Software developer | SCS | SP | TBA | tbc | £100.0m | 2001 |
| Cityreach | Internet Services | Dotcom | SS | MAIN | tbc | tbc | Q2 2001 |
| Digital Brain | Online Education Service | SCS | CS | TBA | tbc | £50.0m | early 2001 |
| Embedded Solutions | Software | SCS | SP | TBA | tbc | tbc | H1 2001 |
| Fixedodds.com | Online Gambling | Dotcom | B2C | AIM | tbc | £22.5m | Sep-01 |
| Kinetic Information Systems | Financial Software | SCS | SP | MAIN | tbc | tbc | H2 2001 |
| theoilsite.com | B2B exchange | Dotcom | B2B | AIM | tbc | £5.0m | 2001 |
| Zeus Technology | Internet software developer | SCS/Dotcom | CS | TBA | tbc | £150.0m | 2001 |

### Recent IPOs

| Name | Activity | SCS or Dotcom Index | Index Class | Market | Issue Price | Market Cap. | IPO Date | Price end Jul. 01 | Premium/ Discount |
|---|---|---|---|---|---|---|---|---|---|
| iRevolution | IT Services | SCS | CS | MAIN | 43p | Unknown | 20-Jul-01 | 41p | -4% |
| Akaei | Games Developer | SCS | SP | AIM | 10p | £7.1m | 25-Jul-01 | 10p | -3% |

# Quoted Companies - Results Service

**Note: Highlighted Names indicate results announced this month.**

### Actinic plc

| | Final - Sep99 | Int 9 mos Jun00 | Final - Sep00 | Comparison |
|---|---|---|---|---|
| REV | £571,000 | £1,437,000 | £2,048,000 | +258.7% |
| PBT | -£775,000 | -£2,159,000 | -£3,508,000 | Loss both |
| EPS | -0.86p | -2.25p | -3.41p | Loss both |

### AFA Systems plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £1,779,000 | £4,291,000 | +141.2% |
| PBT | -£581,000 | -£2,609,000 | Loss both |
| EPS | -3.40p | -11.90p | Loss both |

### Affinity Internet Holdings Plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £3,424,000 | £11,312,000 | +230.4% |
| PBT | -£9,172,000 | -£26,050,000 | Loss both |
| EPS | -66.32p | -125.80p | Loss both |

### AIT Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £21,693,000 | £33,882,000 | +56.2% |
| PBT | £3,651,000 | £5,109,000 | +39.9% |
| EPS | 11.81p | 16.22p | +37.3% |

### Alphameric plc

| | Interim - May00 | Final - Nov00 | Interim - May01 | Comparison |
|---|---|---|---|---|
| REV | £22,007,000 | £54,408,000 | £24,743,000 | +12.4% |
| PBT | £616,000 | £3,891,000 | -£2,245,000 | Profit to loss |
| EPS | 0.10p | 1.96p | -2.20p | Profit to loss |

### Alterian plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £1,011,140 | £2,078,000 | +105.5% |
| PBT | £3,905 | -£3,592,000 | Profit to loss |
| EPS | 0.38p | -10.71p | Profit to loss |

### Anite Group plc

| | Final - Apr00 | Final - Apr01 | Comparison |
|---|---|---|---|
| REV | £158,976,000 | £192,418,000 | +21.0% |
| PBT | £7,171,000 | £7,096,000 | -1.0% |
| EPS | 1.30p | 0.40p | -69.2% |

### Argonaut Games

| | Interim - Jan00 | Final - Jul00 | Interim - Jan01 | Comparison |
|---|---|---|---|---|
| REV | £2,451,000 | £4,359,000 | £1,451,000 | -40.8% |
| PBT | -£178,000 | -£636,000 | -£1,634,000 | Loss both |
| EPS | -0.26p | -0.83p | -1.75p | Loss both |

### Autonomy Corporation plc

| | Interim - Jun00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £17,373,000 | £45,118,620 | £19,041,000 | +9.6% |
| PBT | £3,657,000 | £14,270,344 | £7,278,000 | +99.0% |
| EPS | 1.98p | 8.00p | 3.30p | +66.7% |

### Aveva Group Plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £23,889,000 | £28,100,000 | +17.6% |
| PBT | £4,338,000 | £5,225,000 | +20.4% |
| EPS | 17.40p | 20.39p | +17.2% |

### Axon Group plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £25,378,000 | £42,737,000 | +68.4% |
| PBT | £4,560,000 | £7,174,000 | +57.3% |
| EPS | 5.70p | 8.60p | +50.9% |

### Azlan Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £410,604,000 | £591,608,000 | +44.1% |
| PBT | £9,258,000 | £16,132,000 | +74.2% |
| EPS | 5.90p | 10.20p | +72.9% |

### Baltimore Technologies plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £23,272,000 | £74,224,000 | +218.9% |
| PBT | -£31,351,000 | -£94,185,000 | Loss both |
| EPS | -10.27p | -23.10p | Loss both |

### Baron Corporation plc

| | Interim - Feb00 | 9/4/99 - Aug00 | Interim - Feb01 | Comparison |
|---|---|---|---|---|
| REV | £1,392,585 | £3,294,936 | £722,493 | -48.1% |
| PBT | -£127,831 | -£489,490 | -£1,159,826 | Loss both |
| EPS | -3.70p | -16.00p | -25.30p | Loss both |

### Bond International Software plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £8,457,169 | £9,376,878 | +10.9% |
| PBT | -£789,085 | £1,031,979 | Loss to profit |
| EPS | -4.81p | 5.02p | Loss to profit |

### Business Systems Group Holdings plc

| | 9mnths to Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £25,000,000 | £37,707,000 | +50.8% |
| PBT | £979,000 | -£148,000 | Profit to loss |
| EPS | 2.40p | -0.37p | Profit to loss |

### Capita Group plc

| | Interim - Jun00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £207,803,000 | £453,348,000 | £323,015,000 | +55.4% |
| PBT | £13,745,000 | £39,974,000 | £20,954,000 | +52.4% |
| EPS | 1.29p | 3.75p | 1.90p | +47.3% |

### Cedar Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £27,054,000 | £73,260,000 | +170.8% |
| PBT | -£3,481,000 | -£24,443,000 | Loss both |
| EPS | -8.50p | -33.80p | Loss both |

### Charteris Plc

| | Interim - Jan00 | Final - Jul00 | Interim - Jan01 | Comparison |
|---|---|---|---|---|
| REV | £3,408,000 | £6,716,000 | £4,829,000 | +41.7% |
| PBT | £346,000 | £371,000 | £61,000 | -82.4% |
| EPS | 0.80p | 25.70p | 0.14p | -82.5% |

### Clarity Commerce

| | Interim - Sep00 | Comparison |
|---|---|---|
| REV | £1,448,000 | n/a |
| PBT | -£502,000 | n/a |
| EPS | -8.50p | n/a |

### Clinical Computing plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £3,112,623 | £2,259,201 | -27.4% |
| PBT | £382,336 | -£328,673 | Profit to loss |
| EPS | 1.50p | -1.30p | Profit to loss |

### CMG plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £608,588,000 | £810,400,000 | +33.2% |
| PBT | £83,629,000 | £83,100,000 | -.6% |
| EPS | 10.70p | 7.80p | -27.1% |

### Comino Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £20,452,000 | £21,436,000 | +4.8% |
| PBT | £6,020,000 | £3,233,000 | -46.3% |
| EPS | 29.90p | 16.30p | -45.5% |

### Compass Software Group plc

| | Final - Nov99 | Final - Nov00 | Comparison |
|---|---|---|---|
| REV | £1,470,087 | £2,383,095 | +62.1% |
| PBT | £201,776 | £442,911 | +119.5% |
| EPS | 1.89p | 3.71p | +96.3% |

### Compel Group plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £135,698,000 | £288,015,000 | £162,688,000 | +19.9% |
| PBT | £3,012,000 | £2,080,000 | -£1,476,000 | Profit to loss |
| EPS | 9.70p | 8.50p | 4.70p | Profit to loss |

### Computacenter plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £1,760,628,000 | £1,990,620,000 | +13.1% |
| PBT | £75,136,000 | £55,571,000 | -26.0% |
| EPS | 28.10p | 20.80p | -26.0% |

### DCS Group plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £164,910,000 | £140,010,000 | -15.1% |
| PBT | £8,129,000 | -£14,451,000 | Profit to loss |
| EPS | 18.98p | -55.46p | Profit to loss |

### DRS Data & Research Services plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £8,176,000 | £11,653,000 | +42.5% |
| PBT | £236,000 | £563,000 | +138.6% |
| EPS | 0.52p | 1.12p | +115.4% |

### Delcam plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £15,774,254 | £17,011,059 | +7.8% |
| PBT | £1,042,075 | £1,642,845 | +57.7% |
| EPS | 13.20p | 19.60p | +48.5% |

### Diagonal plc

| | Interim - May00 | Final - Nov00 | Interim - May01 | Comparison |
|---|---|---|---|---|
| REV | £37,555,000 | £82,735,000 | £44,955,000 | +19.7% |
| PBT | £1,745,000 | £4,840,000 | £2,920,000 | +67.3% |
| EPS | 1.32p | 3.30p | 1.71p | +29.5% |

### Dicom Group Plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £46,925,000 | £99,229,000 | £67,530,000 | +43.9% |
| PBT | £1,554,000 | £3,860,000 | £3,735,000 | +140.3% |
| EPS | 9.30p | 18.80p | 11.10p | +19.4% |

### Earthport Plc

| | Final - Jun99 | Final - Jun00 | Comparison |
|---|---|---|---|
| REV | £1,075,072 | £1,471,989 | +36.9% |
| PBT | -£1,253,785 | -£10,879,543 | Loss both |
| EPS | n/a | n/a | n/a |

### Easynet Plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £27,741,000 | £41,742,000 | +50.5% |
| PBT | -£929,000 | -£12,113,000 | Loss both |
| EPS | -5.64p | -44.98p | Loss both |

### Easyscreen plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £1,056,519 | £1,926,881 | +82.4% |
| PBT | -£3,425,999 | -£7,582,291 | Loss both |
| EPS | -9.96p | -16.49p | Loss both |

### ECsoft Group plc

| | Interim - Jun00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £34,705,000 | £73,204,000 | £34,119,000 | -1.7% |
| PBT | £447,000 | £1,370,000 | £2,763,000 | +518.1% |
| EPS | -4.20p | -4.80p | 8.40p | Loss to Profit |

### Eidos plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £203,265,000 | £169,767,000 | -16.5% |
| PBT | £49,275,000 | -£96,358,000 | Profit to loss |
| EPS | 22.80p | -93.90p | Profit to loss |

### Electronic Data Processing plc

| | Interim - Mar00 | Final - Sep00 | Interim - Mar01 | Comparison |
|---|---|---|---|---|
| REV | £4,529,000 | £8,353,000 | £5,107,000 | +12.8% |
| PBT | £1,004,000 | £1,115,000 | -£360,000 | Profit to loss |
| EPS | 2.56p | 2.73p | -1.38p | Profit to loss |

### Epic Group plc

| | Final - May00 | Final - May01 | Comparison |
|---|---|---|---|
| REV | £4,398,000 | £8,041,000 | +82.8% |
| PBT | £765,000 | £1,569,000 | +105.1% |
| EPS | 3.12p | 6.05p | +93.9% |

### Eurolink Managed Services plc

| | Interim - Sep99 | Final - Mar00 | Interim - Sep00 | Comparison |
|---|---|---|---|---|
| REV | £4,069,000 | £7,596,000 | £4,027,000 | -1.0% |
| PBT | £189,000 | £340,000 | £173,000 | -8.5% |
| EPS | 1.28p | 2.19p | 1.16p | -9.4% |

### Ffastfill Plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £3,250 | £438,429 | +13390.1% |
| PBT | -£968,986 | -£5,105,274 | Loss both |
| EPS | -3.77p | -12.69p | Loss both |

### Financial Objects plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £22,301,000 | £18,369,000 | -17.6% |
| PBT | £4,656,000 | -£887,000 | Profit to loss |
| EPS | 8.87p | -2.61p | Profit to loss |

### Flomerics Group plc

| | Interim - Jun00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £4,890,000 | £11,763,000 | £6,455,000 | +32.0% |
| PBT | £41,000 | £1,182,000 | £110,000 | +168.3% |
| EPS | 0.20p | 30.00p | 0.60p | +200.0% |

### Focus Solutions Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £721,000 | £2,273,000 | +215.3% |
| PBT | -£1,039,000 | -£2,437,000 | Loss both |
| EPS | -5.60p | -9.70p | Loss both |

### Gresham Computing plc

| | Interim - Apr00 | Final - Oct00 | Interim - Apr01 | Comparison |
|---|---|---|---|---|
| REV | £23,325,000 | £23,325,000 | £12,864,000 | -44.8% |
| PBT | -£2,540,000 | -£4,273,000 | -£721,000 | Loss both |
| EPS | -6.06p | -9.38p | -1.71p | Loss both |

### Guardian IT plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £49,245,000 | £86,397,000 | +75.4% |
| PBT | £7,048,000 | £3,857,000 | -45.3% |
| EPS | 10.30p | 13.70p | +33.0% |

### Harvey Nash Group plc

| | Final - Jan00 | Final - Jan01 | Comparison |
|---|---|---|---|
| REV | £150,998,000 | £226,249,000 | +49.8% |
| PBT | £11,974,000 | £12,971,000 | +8.3% |
| EPS | 27.64p | 24.63p | -10.9% |

### Highams Systems Services Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £26,863,817 | £20,662,000 | -23.1% |
| PBT | -£308,504 | -£2,032,000 | Loss both |
| EPS | -1.58p | -10.43p | Loss both |

### IBNet Plc

| | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|
| REV | £14,000 | £108,000 | n/a |
| PBT | -£595,000 | -£860,000 | n/a |
| EPS | -1.50p | -1.60p | n/a |

### I-Document Management Systems Plc

| | Interim - Sep99 | Final - Mar00 | Interim - Sep00 | Comparison |
|---|---|---|---|---|
| REV | £482,690 | £795,000 | £459,739 | -4.8% |
| PBT | -£91,973 | -£103,000 | -£474,551 | Loss both |
| EPS | -0.19p | -24.60p | -0.41p | Loss both |

### ICM Computer Group plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £22,328,000 | £49,535,000 | £31,520,000 | +41.2% |
| PBT | £1,773,000 | £4,513,000 | £2,035,000 | +14.8% |
| EPS | 7.00p | 15.40p | 6.00p | -14.3% |

### IDS Group plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £13,614,000 | £12,509,000 | -8.1% |
| PBT | £1,125,000 | -£28,596,000 | Profit to loss |
| EPS | 6.15p | -108.74p | Profit to loss |

### Intelligent Environments Group plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £7,218,738 | £8,810,556 | +22.1% |
| PBT | -£3,020,988 | -£2,523,413 | Loss both |
| EPS | -8.16p | -5.97p | Loss both |

### Innovation Group plc (The)

| | Interim - Mar00 | Final - Sep00 | Interim - Mar01 | Comparison |
|---|---|---|---|---|
| REV | £4,195,000 | £9,564,000 | £15,277,000 | +264.2% |
| PBT | £1,530,000 | £3,176,000 | £3,514,000 | +129.7% |
| EPS | 1.47p | 2.40p | 1.22p | -17.0% |

### Intercede Group plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £703,000 | £2,014,000 | +186.5% |
| PBT | -£867,000 | -£2,125,000 | Loss both |
| EPS | -7.40p | -8.80p | Loss both |

### Internet Business Group Plc

| | Interim - Apr00 | Final - Oct00 | Interim - Apr01 | Comparison |
|---|---|---|---|---|
| REV | £988,000 | £1,824,922 | £757,000 | -23.4% |
| PBT | £110,000 | -£859,393 | -£1,407,000 | Profit to loss |
| EPS | 0.29p | -1.88p | -2.67p | Profit to loss |

### IQ-Ludorum Plc

| | Final - Oct99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £1,348,000 | £2,146,000 | +59.2% |
| PBT | £26,000 | -£1,859,333 | Profit to loss |
| EPS | n/a | -3.85p | n/a |

### ISOFT Group plc

| | Final - Apr00 | Final - Apr01 | Comparison |
|---|---|---|---|
| REV | £17,024,000 | £31,131,000 | +82.9% |
| PBT | £2,685,000 | £5,310,000 | +97.8% |
| EPS | 0.97p | 3.06p | +215.5% |

### I S Solutions plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £11,818,000 | £11,237,000 | -4.9% |
| PBT | £1,205,000 | £547,000 | -54.6% |
| EPS | 3.42p | 1.17p | -65.8% |

### ITNET plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £130,764,000 | £158,873,000 | +21.5% |
| PBT | £484,000 | -£1,423,000 | Profit to loss |
| EPS | 0.60p | -0.18p | Profit to loss |

### Izodia Plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £46,094,000 | £2,697,000 | -94.1% |
| PBT | -£10,817,000 | -£35,997,000 | Loss both |
| EPS | -35.77p | -66.15 | Loss both |

### Jasmin plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £4,201,000 | £3,982,000 | -5.2% |
| PBT | -£1,052,000 | -£449,000 | Loss both |
| EPS | -22.34p | -9.50p | Loss both |

### Kalamazoo Computer Group plc

| | Interim - Sep99 | Final - Mar00 | Interim - Sep00 | Comparison |
|---|---|---|---|---|
| REV | £32,768,000 | £62,781,000 | £22,632,000 | -30.9% |
| PBT | £754,000 | -£6,933,000 | -£2,129,000 | Profit to loss |
| EPS | 0.90p | -11.70p | -3.50p | Profit to loss |

### Kewill Systems plc

| | Final - Mar00 | Final - Mar01 | Comparison |
|---|---|---|---|
| REV | £75,245,000 | £68,737,000 | -8.6% |
| PBT | £1,803,000 | £3,279,000 | +81.9% |
| EPS | -1.20p | 0.50p | Loss to profit |

### Keystone Software plc

| | Interim - Sep99 | Final - Mar00 | Interim - Sep00 | Comparison |
|---|---|---|---|---|
| REV | £2,384,000 | £4,799,000 | £1,989,000 | -16.6% |
| PBT | £17,000 | -£165,000 | -£3,173,000 | Profit to loss |
| EPS | 0.10p | -0.60p | -7.60p | Profit to loss |

### Knowledge Management Software plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £353,078 | £2,091,986 | £2,194,089 | +521.4% |
| PBT | -£815,459 | -£3,078,772 | -£5,773,764 | Loss both |
| EPS | -1.17p | -5.40p | -5.51p | Loss both |

### Knowledge Support Systems Group plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £1,838,025 | £2,803,736 | +52.5% |
| PBT | -£83,497 | -£2,116,580 | Loss both |
| EPS | -0.10p | -3.00p | Loss both |

### Knowledge Technology Solutions Plc

| | Final - Jun00 | Interim - Mar01 | Comparison |
|---|---|---|---|
| REV | £128,580 | £90,253 | Not comparable |
| PBT | -£93,812 | -£138,029 | Not comparable |
| EPS | n/a | -0.26p | Not comparable |

### Logica plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £403,000,000 | £847,400,000 | £505,000,000 | +25.3% |
| PBT | £35,100,000 | £98,100,000 | £57,900,000 | +65.0% |
| EPS | 5.40p | 17.50p | 9.10p | +68.5% |

### London Bridge Software Holdings plc

| | Final - Dec99 | Final - Dec00 | Comparison |
|---|---|---|---|
| REV | £42,165,000 | £56,702,000 | +34.5% |
| PBT | £7,092,000 | £4,662,000 | -34.3% |
| EPS | 3.18p | 1.85p | -41.8% |

### Lorien plc

| | Final - Nov99 | Final - Nov00 | Comparison |
|---|---|---|---|
| REV | £138,817,000 | £111,588,000 | -19.6% |
| PBT | -£1,649,000 | -£2,718,000 | Loss both |
| EPS | -8.50p | -12.10p | Loss both |

### Lynx Group plc

| | Interim - Mar00 | Final - Sep00 | Interim - Mar01 | Comparison |
|---|---|---|---|---|
| REV | £111,018,000 | £250,482,000 | £141,306,000 | +27.3% |
| PBT | £1,789,000 | £6,106,000 | -£6,792,000 | Profit to loss |
| EPS | 0.98p | 1.98p | -4.38p | Profit to loss |

### MMT Computing plc

| | Interim - Feb00 | Final - Aug00 | Interim - Feb01 | Comparison |
|---|---|---|---|---|
| REV | £16,817,000 | £37,734,000 | £16,858,000 | +0.2% |
| PBT | £2,016,000 | £5,976,000 | £1,106,000 | -45.1% |
| EPS | 10.50p | 32.20p | 4.80p | -54.3% |

### Macro 4 plc

| | Interim - Dec99 | Final - Jun00 | Interim - Dec00 | Comparison |
|---|---|---|---|---|
| REV | £17,086,000 | £38,671,000 | £21,952,000 | +28.5% |
| PBT | £4,751,000 | £10,611,000 | £1,554,000 | -67.3% |
| EPS | 15.30p | 33.20p | 1.00p | -93.5% |

### Manpower SoftWare plc

| | Interim - Nov99 | Final - May00 | Interim - Nov00 | Comparison |
|---|---|---|---|---|
| REV | £747,363 | £1,611,619 | £1,089,618 | +45.8% |
| PBT | -£1,770,276 | -£2,790,867 | -£494,449 | Loss both |
| EPS | -21.59p | -27.73p | -3.74p | Loss both |

### Marlborough Stirling Plc

| | Final - Dec00 | Final - Dec01 | Comparison |
|---|---|---|---|
| REV | £26,912,000 | £50,080,000 | +86.1% |
| PBT | £492,000 | £8,337,000 | +1594.5% |
| EPS | 0.09p | 2.80p | +3011.1% |

## Quoted Companies - Results Service

Note: Highlighted Names indicate results announced this month.

### MERANT plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £227,283,000 | | £215,433,000 | -5.2% |
| PBT | -£35,369,000 | | -£50,046,000 | Loss both |
| EPS | -24.90p | | -37.90p | Loss both |

### Microgen plc
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £13,760,000 | £25,344,000 | £11,020,000 | +84.2% |
| PBT | -£2,808,000 | -£3,086,000 | £59,000 | Profit to loss |
| EPS | -4.70p | -5.20p | 0.10p | Profit to loss |

### Mission Testing Plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £2,728,034 | £6,048,205 | £4,987,904 | +82.8% |
| PBT | £246,761 | £500,000 | £195,263 | -20.9% |
| EPS | 1.63p | 3.31p | 1.01p | -38.0% |

### Misys plc
| | Final - May 00 | | Final - May 01 | Comparison |
|---|---|---|---|---|
| REV | £708,800,000 | | £858,500,000 | +21.1% |
| PBT | £113,600,000 | | £97,100,000 | -14.5% |
| EPS | 14.20p | | 13.00p | -8.5% |

### Mondas plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £1358.811 | | £2,702,141 | +98.9% |
| PBT | -£857,573 | | -£1,504,042 | Loss both |
| EPS | -6.80p | | -9.50p | Loss both |

### Morse Holdings plc
| | Interim Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £203,703,000 | £506,316,000 | £307,986,000 | +51.2% |
| PBT | £10,427,000 | £22,919,000 | £13,804,000 | +32.4% |
| EPS | 4.30p | 10.10p | 6.30p | +46.5% |

### MSB International plc
| | Final - Jan 00 | | Final - Jan 01 | Comparison |
|---|---|---|---|---|
| REV | £184,936,000 | | £157,760,000 | -14.7% |
| PBT | £4,958,000 | | £2,584,000 | -47.9% |
| EPS | 17.30p | | 7.50p | -56.6% |

### Myratech.net Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £1,453,000 | | £1,713,000 | +17.9% |
| PBT | -£41,000 | | -£1,599,000 | Loss both |
| EPS | -0.20p | | -6.00p | Loss both |

### Ncipher Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £4,664,000 | | £13,455,000 | +188.5% |
| PBT | -£892,000 | | -£1,790,000 | Loss both |
| EPS | -1.13p | | -2.18p | Loss both |

### NetBenefit plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £1,689,000 | £7,520,100 | £3,697,000 | +118.9% |
| PBT | -£473,000 | -£4,591,500 | -£6,560,000 | Loss both |
| EPS | -3.80p | -0.32p | -40.70p | Loss both |

### Netstore plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £546,430 | £1,372,632 | £1,152,321 | +110.9% |
| PBT | -£1,113,200 | -£4,894,738 | -£5,425,820 | Loss both |
| EPS | -2.04p | -7.57p | -6.14p | Loss both |

### Nettec plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £4,798,000 | | £17,311,000 | +260.8% |
| PBT | -£2,334,000 | | -£8,582,000 | Loss both |
| EPS | -3.90p | | -8.00p | Loss both |

### Northgate Information Solutions plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £125,578,000 | | £107,194,000 | -14.6% |
| PBT | -£36,959,000 | | £2,200,000 | Loss to Profit |
| EPS | -13.96p | | 0.55p | Loss to Profit |

### NSB Retail Systems plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £21,282,000 | | £40,930,000 | +92.3% |
| PBT | £1,544,000 | | -£7,700,000 | Profit to loss |
| EPS | 0.36p | | -4.26p | Profit to loss |

### OneclickHR Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £2,054,884 | | £4,068,345 | +98.0% |
| PBT | -£2,432 | | -£2,664,741 | Loss both |
| EPS | 0.00p | | -5.90p | n/a |

### Orbital Software Plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £190,404 | | £1,090,018 | +472.5% |
| PBT | -£2,339,462 | | -£5,873,568 | Loss both |
| EPS | -2.04p | | -0.27p | Loss both |

### Orchestream Holdings plc
| | 8 mnths to Dec99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | | | £2,746,200 | Not comparable |
| PBT | -£4,142,900 | | -£10,541,300 | Not comparable |
| EPS | -6.70p | | -10.40p | Not comparable |

### Parity plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £314,154,000 | | £269,228,000 | -14.3% |
| PBT | £18,561,000 | | £12,810,000 | -31.0% |
| EPS | 9.42p | | 6.25p | -33.7% |

### Patsystems plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £608,000 | | £2,524,000 | +315.1% |
| PBT | -£1,758,000 | | -£9,612,000 | Loss both |
| EPS | -2.80p | | -8.30p | Loss both |

### Planit Holdings plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £13,304,000 | | £19,070,000 | +43.3% |
| PBT | £2,483,000 | | £2,720,000 | +9.5% |
| EPS | 2.30p | | 2.00p | -13.0% |

### PSD Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £63,428,000 | | £88,549,000 | +39.6% |
| PBT | £16,525,000 | | £21,385,000 | +29.4% |
| EPS | 46.40p | | 57.00p | +22.8% |

### QA plc (was Skillsgroup)
| | Interim - May 00 | Final - Nov 00 | Interim - May 01 | Comparison |
|---|---|---|---|---|
| REV | £78,000,000 | £140,700,000 | £30,200,000 | -61.3% |
| PBT | -£1,800,000 | -£17,400,000 | £400,000 | Loss to Profit |
| EPS | -2.20p | -18.40p | -0.50p | Loss both |

### QSP Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £40,859,000 | | £40,959,000 | +0.2% |
| PBT | -£2,988,000 | | -£4,652,000 | Loss both |
| EPS | -4.00p | | -5.20p | Loss both |

### Quantica plc
| | Final - Nov 99 | | Final - Nov 00 | Comparison |
|---|---|---|---|---|
| REV | £18,153,000 | | £23,753,000 | +30.8% |
| PBT | £3,224,000 | | £3,768,000 | +16.9% |
| EPS | 6.02p | | 6.80p | +13.0% |

### RM plc
| | Interim - Mar 00 | Final - Sep 00 | Interim - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £78,074,000 | £207,560,000 | £113,716,000 | +45.7% |
| PBT | £1,432,000 | £9,528,000 | £1,536,000 | +7.3% |
| EPS | 1.10p | 7.90p | 1.20p | +9.1% |

### Raft International Plc
| | Interim - Apr 00 | Final - Oct 00 | Interim - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £4,191,000 | £9,173,000 | £5,027,000 | +19.9% |
| PBT | -£64,000 | £171,000 | -£5,000 | Loss both |
| EPS | -0.17p | 0.19p | -0.12p | Loss both |

### Rage Software plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £3,450,000 | £4,218,000 | £2,696,000 | -21.9% |
| PBT | -£947,000 | -£2,641,000 | -£7,995,000 | Loss both |
| EPS | -0.42p | -0.94p | -2.53p | Loss both |

### RDL Group Plc
| | Interim - Mar 00 | Final - Sep 00 | Interim - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £8,116,000 | £16,246,000 | £21,226,000 | +161.5% |
| PBT | £519,000 | £1,092,000 | £1,093,000 | +110.6% |
| EPS | 3.09p | 6.70p | 4.51p | +46.0% |

### Recognition Systems Group plc
| | Interim - Mar 00 | Final - Sep 00 | Interim - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £3,021,000 | £8,620,000 | £6,545,000 | +116.7% |
| PBT | -£2,258,000 | -£4,749,000 | -£2,667,000 | Loss both |
| EPS | -2.70p | -5.40p | -2.90p | Loss both |

### Retail Decisions plc
| | PF Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £11,937,000 | | £17,674,000 | +48.1% |
| PBT | £2,438,000 | | -£2,292,000 | Profit to loss |
| EPS | 1.11p | | -1.64p | Profit to loss |

### RexOnline plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £658,000 | | £2,006,000 | +204.9% |
| PBT | -£326,000 | | £216,000 | Loss to Profit |
| EPS | -4.50p | | 2.80p | Loss to Profit |

### Riversoft Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £515,825 | | £5,168,843 | +902.1% |
| PBT | -£5,259,073 | | -£26,641,044 | Loss both |
| EPS | -9.00p | | -32.70p | Loss both |

### Rolfe & Nolan plc
| | Final - Feb 00 | | Final - Feb 01 | Comparison |
|---|---|---|---|---|
| REV | £22,856,000 | | £25,592,000 | +12.0% |
| PBT | £1,838,000 | | -£1,013,000 | Profit to loss |
| EPS | 9.30p | | -7.50p | Profit to loss |

### Royalblue Group plc
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £25,500,000 | £57,383,000 | £34,693,000 | +36.1% |
| PBT | £3,037,000 | £6,918,000 | £2,025,000 | -33.3% |
| EPS | 6.00p | 13.70p | 3.70p | -38.3% |

### Sage Group plc
| | Interim - Mar 00 | Final - Sep 00 | Interim - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £202,528,000 | £412,153,000 | £229,649,000 | +13.4% |
| PBT | £53,992,000 | £108,748,000 | £59,156,000 | +9.6% |
| EPS | 2.94p | 5.92p | 3.18p | +8.3% |

### SBS Group plc
| | Interim - Feb 00 | Final - Aug 00 | Interim - Feb 01 | Comparison |
|---|---|---|---|---|
| REV | £22,866,000 | £46,444,000 | £23,106,000 | +1.0% |
| PBT | £124,000 | £285,000 | -£388,000 | Profit to loss |
| EPS | 0.90p | 2.10p | -3.20p | Profit to loss |

### Science Systems plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £30,966,000 | | £49,624,000 | +60.3% |
| PBT | £2,633,000 | | £2,732,000 | +3.8% |
| EPS | 11.40p | | 6.50p | -43.0% |

### SDL plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £12,960,000 | | £29,730,000 | +129.4% |
| PBT | -£550,000 | | £1,059,000 | Loss to profit |
| EPS | -1.78p | | 0.93p | Loss to profit |

### ServicePower Technologies plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £3,760,910 | | £3,292,000 | -12.5% |
| PBT | -£2,541,087 | | -£3,928,000 | Loss both |
| EPS | -6.37p | | -8.10p | Loss both |

### Sherwood International plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £47,186,000 | | £54,277,000 | +15.0% |
| PBT | £7,345,000 | | £6,634,000 | -9.7% |
| EPS | 19.80p | | 13.00p | -34.3% |

### Sirius Plc (was Policy Master Group)
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £16,730,281 | | £17,135,457 | +2.4% |
| PBT | £1,062,587 | | £727,215 | -31.6% |
| EPS | 6.90p | | 4.40p | -36.2% |

### Smartlogik Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £174,452,000 | | £57,642,000 | -67.0% |
| PBT | -£4,346,000 | | -£131,694,000 | Loss both |
| EPS | -3.90p | | -79.20p | Loss both |

### Sopheon plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £1,510,000 | | £7,763,000 | +414.1% |
| PBT | -£2,072,000 | | -£11,945,000 | Loss both |
| EPS | -10.10p | | -33.40p | Loss both |

### Spring Group plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £396,106,000 | | £374,448,000 | -5.5% |
| PBT | -£6,420,000 | | -£3,547,000 | Loss both |
| EPS | -5.09p | | -2.39p | Loss both |

### Staffware plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £23,152,000 | | £37,857,000 | +63.5% |
| PBT | £841,000 | | £3,042,000 | +261.7% |
| EPS | 4.20p | | 10.40p | +147.6% |

### StatPro Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £3,144,000 | | £3,172,000 | +0.9% |
| PBT | -£183,000 | | -£4,879,000 | Loss both |
| EPS | -1.40p | | -18.40p | Loss both |

### Stilo International Plc
| | Final - Dec 99 (17 mnths) | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £99,000 | | £86,000 | -13.1% |
| PBT | -£282,000 | | -£736,000 | Loss both |
| EPS | -56.40p | | -4.54p | Loss both |

### Superscape plc
| | Interim - Jan 01 | Final - Jul 00 | Interim - Jan 01 | Comparison |
|---|---|---|---|---|
| REV | £708,000 | £2,153,000 | £1,418,000 | +100.3% |
| PBT | -£2,897,000 | -£6,817,000 | -£4,318,000 | Loss both |
| EPS | -16.30p | -26.80p | -12.00p | Loss both |

### SurfControl plc
| | Interim - Nov 99 | Final - May 00 | Interim - Nov 00 | Comparison |
|---|---|---|---|---|
| REV | £3,633,000 | £9,519,000 | £10,797,000 | +197.2% |
| PBT | -£3,481,000 | -£16,259,000 | -£25,595,000 | Loss both |
| EPS | -24.70p | -81.86p | -89.70p | Loss both |

### Synigence Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £626,921 | | £1,984,010 | +216.5% |
| PBT | -£783,781 | | -£750,018 | Loss both |
| EPS | -3.80p | | -2.80p | Loss both |

### Synstar plc
| | Interim - Mar 00 | Final - Sep 00 | Interim - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £119,253,000 | £233,438,000 | £120,254,000 | +0.8% |
| PBT | £5,191,000 | £4,954,000 | -£18,818,000 | Profit to loss |
| EPS | 1.70p | 0.60p | -11.80p | Profit to loss |

### Systems Integrated Research plc
| | Interim - Nov 99 | Final - May 00 | Interim - Nov - 00 | Comparison |
|---|---|---|---|---|
| REV | £658,000 | £1,536,000 | £786,000 | +19.5% |
| PBT | £42,000 | £215,000 | £113,000 | +169.0% |
| EPS | 0.15p | 1.25p | 0.68p | +353.3% |

### Systems International Group plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £8,368,000 | £17,952,851 | £12,016,000 | +43.6% |
| PBT | £33,000 | £218,355 | £11,000 | -66.7% |
| EPS | 0.07p | 0.35p | 0.02p | -71.4% |

### Systems Union plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £600,000 | | £53,778,000 | Not comparable |
| PBT | -£1,953,000 | | -£105,924,000 | Not comparable |
| EPS | -9.80p | | -125.30p | Not comparable |

### Telecity Plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £3,362,000 | | £14,053,000 | +318.0% |
| PBT | -£3,450,000 | | -£12,686,000 | Loss both |
| EPS | -6.80p | | -21.80p | Loss both |

### Telework Systems plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £17,363,000 | | £21,947,000 | +26.4% |
| PBT | £2,705,000 | | £4,173,000 | +54.3% |
| EPS | 1.04p | | 1.36p | +31.2% |

### TelMe.com plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £13,974,000 | | £18,089,000 | +29.4% |
| PBT | -£2,105,000 | | -£2,083,000 | Loss both |
| EPS | -3.00p | | -2.80p | Loss both |

### Terence Chapman Group plc
| | Interim - Feb 00 | Final - Aug 00 | Interim - Feb 01 | Comparison |
|---|---|---|---|---|
| REV | £6,069,000 | £30,900,000 | £15,980,000 | +163.3% |
| PBT | £460,000 | £4,100,000 | £2,247,000 | +388.5% |
| EPS | 0.51p | 4.66p | 2.29p | +349.0% |

### Tikit Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £6,509,000 | | £9,310,000 | +43.0% |
| PBT | £800,000 | | £876,000 | +9.5% |
| EPS | 1.06p | | 5.48p | +417.0% |

### Torex plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £46,762,000 | | £88,425,000 | +89.1% |
| PBT | £4,039,000 | | £5,133,000 | +27.1% |
| EPS | 13.30p | | 9.00p | -32.3% |

### Totalise Plc
| | | Final - Apr 00 | Interim - Oct 00 | |
|---|---|---|---|---|
| REV | | £870,217 | £1,333,332 | n/a |
| PBT | | -£1,946,395 | -£3,276,023 | n/a |
| EPS | | -15.35p | -10.70p | n/a |

### Total Systems plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £1,958,040 | | £3,849,292 | +96.6% |
| PBT | -£579,589 | | £717,337 | Loss to Profit |
| EPS | -3.97p | | 4.90p | Loss to Profit |

### Touchstone Group plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £10,511,000 | | £11,807,000 | +12.3% |
| PBT | £1,196,000 | | £1,481,000 | +23.8% |
| EPS | 9.50p | | 9.80p | +3.2% |

### Trace Computers plc
| | Interim - Nov 99 | Final - May 00 | Interim - Nov 00 | Comparison |
|---|---|---|---|---|
| REV | £8,693,000 | £17,067,000 | £8,382,000 | -3.6% |
| PBT | £973,000 | £2,311,000 | £1,085,000 | +11.5% |
| EPS | 4.82p | 11.64p | 5.25p | +8.9% |

### Transeda Plc
| | Interim - Dec 99 | Final - Jun 00 | Interim - Dec 00 | |
|---|---|---|---|---|
| REV | £1,774,000 | £4,052,000 | £2,413,000 | -36.0% |
| PBT | -£240,000 | -£3,000 | £46,000 | Loss to Profit |
| EPS | -0.54p | 0.00p | 0.08p | Loss to Profit |

### Triad Group plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £48,366,000 | | £52,783,000 | +9.1% |
| PBT | £1,905,000 | | £4,511,000 | +136.8% |
| EPS | 5.06p | | 11.74p | +132.0% |

### Tribal Group plc
| | Final - Mar 00 | | Final - Mar 01 | |
|---|---|---|---|---|
| REV | £15,648,000 | | £24,088,000 | +53.9% |
| PBT | £1,046,000 | | £2,841,000 | +171.6% |
| EPS | 0.50p | | 4.00p | +700.0% |

### Ultima Networks plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £12,541,000 | | £6,952,000 | -44.6% |
| PBT | -£783,000 | | -£865,000 | Loss both |
| EPS | -0.44p | | -0.45p | Loss both |

### Ultrasis Group plc
| | Interim - Jan 00 | Final - Jul 00 | Interim - Jan 01 | Comparison |
|---|---|---|---|---|
| REV | £1,055,000 | £986,000 | £133,000 | -87.4% |
| PBT | -£1,839,000 | -£4,984,000 | -£2,432,000 | Loss both |
| EPS | -0.90p | -2.40p | -1.00p | Loss both |

### Vega Group plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £40,201,000 | | £35,661,000 | -11.3% |
| PBT | £4,843,000 | | -£5,882,000 | Profit to loss |
| EPS | 17.17p | | -26.87p | Profit to loss |

### Virtual Internet Plc
| | Interim - Apr 00 | Final - Oct 00 | Interim - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £2,539,924 | £6,259,257 | £3,975,209 | +56.5% |
| PBT | -£4,247,334 | -£7,998,119 | -£4,594,660 | Loss both |
| EPS | 19.71p | 34.81p | 18.58p | -5.7% |

### VI Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £4,545,000 | | £5,642,000 | +24.1% |
| PBT | £438,000 | | £465,000 | +6.2% |
| EPS | 1.24p | | 1.05p | -15.3% |

### Vocalis Group plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £2,694,000 | | £2,701,000 | +0.3% |
| PBT | -£4,507,000 | | -£7,144,000 | Loss both |
| EPS | -11.57p | | -15.82p | Loss both |

### Warthog Plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £2,406,039 | | £3,782,386 | +57.2% |
| PBT | £214,212 | | £314,150 | +46.7% |
| EPS | 0.50p | | 0.65p | +30.0% |

### Wealth Management Software plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £12,818,000 | | £15,533,000 | +21.2% |
| PBT | -£105,000 | | -£251,000 | Loss both |
| EPS | -0.41p | | -0.67p | Loss both |

### Xansa plc
| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £307,696,000 | | £391,235,000 | +27.1% |
| PBT | £17,391,000 | | £652,000 | -96.3% |
| EPS | 3.91p | | -4.22p | Profit to loss |

### XKO Group plc
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £29,628,000 | | £38,211,000 | +29.0% |
| PBT | -£6,263,000 | | -£19,611,000 | Loss both |
| EPS | -28.20p | | -85.30p | Loss both |

### Xpertise Group plc
| | Final - Dec 99 | | Final - Dec 00 | Comparison |
|---|---|---|---|---|
| REV | £3,707,000 | | £5,758,000 | +55.3% |
| PBT | -£171,000 | | -£4,000,000 | Loss both |
| EPS | -0.01p | | -0.08p | Loss both |

## Holway/SYSTEMHOUSE SCS Share Prices and Capitalisation

| | SCS Cat. | Share Price 31-Jul-01 | Capitalisation 31-Jul-01 | Historic P/E | PSR Ratio Cap./Rev. | SCSI Index 31-Jul-01 | Share price move since 29-Jun-01 | Share price % move in 2001 | Capitalisation move since 29-Jun-01 | Capitalisation move (£m) in 2001 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actinic | SP | £0.07 | £8.3m | Loss | 4.13 | 83 | -25.00% | -82.47% | -£2.80m | -£39.10m |
| AFA Systems | SP | £1.33 | £30.6m | Loss | 7.13 | 1104 | -31.17% | -4.68% | -£13.92m | -£1.52m |
| Affinity Internet Holdings | CS | £1.18 | £29.9m | Loss | 2.64 | 9038 | -52.53% | -75.77% | -£33.10m | -£88.60m |
| AIT Group | CS | £6.73 | £136.5m | 39.5 | 4.03 | 4483 | -6.01% | -43.25% | -£8.69m | -£104.09m |
| Alphameric | SP | £0.63 | £63.8m | Loss | 1.17 | 287 | -23.31% | -77.23% | -£19.30m | -£216.20m |
| Alterian | SP | £1.48 | £57.8m | Loss | 27.82 | 738 | -9.23% | -37.89% | -£5.90m | -£35.30m |
| Anite Group | CS | £1.33 | £369.6m | 332.5 | 1.92 | 778 | 3.50% | -21.07% | £12.47m | -£79.53m |
| Argonaut Games | SP | £0.32 | £28.9m | Loss | 19.93 | 328 | -31.52% | -52.27% | -£13.28m | -£651.78m |
| Autonomy | SP | £2.93 | £368.9m | 29.1 | 7.51 | 89 | -29.40% | -84.80% | -£153.62m | -£2,059.05m |
| Aveva Group | SP | £4.68 | £79.1m | 19.1 | 2.81 | 2338 | -7.24% | -15.08% | -£6.21m | -£12.81m |
| Axon | SP | £2.99 | £153.5m | 27.0 | 3.59 | 1709 | -8.00% | -60.53% | -£13.30m | -£224.50m |
| Azlan Group | R | £0.81 | £88.3m | 7.5 | 0.15 | 352 | -31.06% | -55.12% | -£39.88m | -£105.58m |
| Baltimore Technologies | SP | £0.25 | £129.5m | Loss | 1.74 | 2590 | -5.61% | -92.68% | -£7.64m | -£1,619.54m |
| Baron | SP | £0.20 | £0.9m | Loss | 0.27 | 195 | -17.02% | -80.98% | -£0.18m | -£3.73m |
| Bond International | SP | £0.92 | £13.1m | 17.8 | 1.39 | 1408 | 8.93% | 56.41% | £1.06m | £4.69m |
| Business Systems | CS | £0.43 | £34.4m | Loss | 0.91 | 357 | -9.57% | -46.88% | -£3.70m | -£30.40m |
| Capita Group | CS | £4.78 | £3,148.6m | 71.1 | 7.85 | 129213 | 3.35% | -4.40% | £138.63m | -£106.37m |
| Cedar Group | SP | £2.08 | £159.3m | Loss | 2.17 | 1976 | -9.19% | -33.06% | -£16.19m | -£78.79m |
| Charteris | CS | £0.89 | £32.3m | 3.5 | 4.81 | 983 | -6.84% | -30.04% | -£2.40m | -£11.70m |
| Clarity Commerce | SP | £1.27 | £11.9m | Loss | 8.22 | 1012 | -0.78% | -6.99% | -£0.10m | -£0.90m |
| Clinical Computing | SP | £0.31 | £7.8m | Loss | 3.44 | 250 | -7.46% | 16.98% | -£0.63m | £1.13m |
| CMG | CS | £2.61 | £1,598.5m | 18.0 | 1.97 | 7193 | -16.16% | -70.87% | -£307.49m | -£3,888.49m |
| Comino | CS | £3.03 | £41.7m | 16.2 | 1.95 | 2327 | -22.44% | -40.98% | -£12.10m | -£28.00m |
| Compass Software | SP | £1.19 | £13.3m | 42.7 | 5.58 | 793 | -28.74% | -35.68% | -£5.40m | -£6.50m |
| Compel Group | R | £0.87 | £26.9m | 10.2 | 0.09 | 692 | -6.49% | 6.13% | £12.60m | £1.60m |
| Computacenter | R | £2.54 | £464.3m | 11.4 | 0.23 | 379 | -19.11% | -24.18% | -£109.74m | -£148.14m |
| DCS Group | CS | £0.48 | £12.1m | Loss | 0.09 | 800 | -4.95% | -49.47% | -£0.55m | -£10.95m |
| Delcam | SP | £1.73 | £10.4m | 8.5 | 0.61 | 663 | -4.17% | -17.86% | -£0.45m | -£2.05m |
| Diagonal | CS | £1.66 | £144.6m | 20.6 | 1.75 | 2413 | -18.43% | -15.95% | -£32.60m | -£21.50m |
| Dicom Group | CS | £2.98 | £61.9m | 8.2 | 0.62 | 912 | -22.73% | -35.04% | -£18.18m | -£33.48m |
| DRS Data & Research | SP | £0.14 | £4.9m | 12.4 | 0.60 | 130 | 1.79% | 11.76% | £0.06m | £0.49m |
| Earthport | SP | £0.29 | £30.0m | Loss | 20.39 | 208 | -6.56% | -79.20% | -£2.20m | -£111.98m |
| Easynet | CS | £2.90 | £179.8m | Loss | 4.31 | 80 | -35.20% | -34.83% | £56.70m | £54.70m |
| Easyscreen | SP | £0.18 | £8.0m | Loss | 4.13 | 106 | -14.29% | -69.75% | -£1.32m | -£18.34m |
| ECSoft | CS | £7.28 | £85.1m | 77.6 | 1.31 | 403 | -7.03% | 19.26% | -£6.46m | £13.74m |
| Eidos | SP | £2.63 | £360.5m | Loss | 2.12 | 13144 | 6.48% | 22.33% | £21.91m | £139.51m |
| Electronic Data Proc | SP | £0.45 | £11.8m | Loss | 1.42 | 1378 | -7.22% | -34.78% | -£0.87m | -£6.27m |
| Epic | CS | £2.44 | £61.6m | 52.1 | 12.06 | 2319 | 6.33% | -29.73% | £3.60m | -£22.90m |
| Eurolink | CS | £0.50 | £5.2m | 22.8 | 0.69 | 500 | -0.99% | -29.58% | -£0.00m | -£2.13m |
| Flastfill | SP | £0.09 | £3.9m | Loss | 8.81 | 71 | -48.48% | -90.29% | -£3.64m | -£36.22m |
| Financial Objects | SP | £0.69 | £27.0m | Loss | 1.47 | 300 | -35.81% | -32.02% | -£15.19m | -£11.59m |
| Flomerics Group | SP | £1.11 | £16.1m | 16.3 | 1.37 | 4269 | -14.62% | -17.78% | -£2.77m | -£3.47m |
| Focus Solutions | SP | £0.89 | £22.3m | Loss | 9.81 | 456 | 7.23% | -56.16% | £1.50m | -£28.70m |
| Gresham Computing | CS | £0.25 | £11.5m | Loss | 0.49 | 272 | 17.44% | 2.02% | £1.66m | £0.21m |
| Guardian iT | CS | £4.43 | £308.8m | 32.0 | 3.57 | 1735 | -28.63% | -53.66% | -£123.95m | -£357.75m |
| Harvey Nash Group | A | £1.68 | £49.5m | 5.2 | 0.22 | 957 | -19.86% | -80.69% | -£12.30m | -£203.80m |
| Highams Systems Servs | A | £0.15 | £2.9m | Loss | 0.14 | 417 | -3.23% | -33.33% | -£0.10m | -£1.47m |
| I S Solutions | CS | £0.36 | £8.9m | 13.9 | 0.79 | 1323 | -2.74% | -81.32% | -£0.24m | -£38.62m |
| IBNet | SP | £0.22 | £11.8m | Loss | 109.26 | 391 | -27.12% | -70.75% | -£4.40m | -£28.28m |
| ICM Computer | CS | £2.00 | £39.6m | 13.3 | 1.26 | 1111 | -13.04% | -8.05% | -£5.91m | -£2.61m |
| I-Document Systems | SP | £0.16 | £19.9m | Loss | 25.01 | 20 | -12.68% | 10.79% | -£2.92m | £2.58m |
| IDS Group | SP | £0.74 | £41.5m | Loss | 3.32 | 817 | -24.23% | -57.02% | -£13.26m | -£55.06m |
| Innovation Goup | SP | £3.48 | £571.0m | 145.0 | 59.70 | 1517 | -34.43% | -56.56% | -£299.92m | -£460.02m |
| Intelligent Environments | SP | £0.14 | £8.0m | Loss | 0.91 | 144 | -30.77% | -67.47% | -£3.57m | -£9.57m |
| Intercede Group | SP | £0.53 | £8.6m | Loss | 4.27 | 875 | -16.00% | -12.50% | -£1.61m | -£1.21m |
| Internet Business Group | CS | £0.05 | £2.5m | Loss | 1.36 | 119 | 0.00% | -68.33% | -£0.01m | -£5.24m |
| IQ-Ludorum | SP | £0.25 | £19.6m | Loss | 9.13 | 327 | 40.00% | -48.96% | £5.60m | -£18.40m |
| iSOFT Group | SP | £2.61 | £307.1m | 58.3 | 9.86 | 2373 | 4.40% | 27.32% | £12.86m | £77.26m |
| ITNET | CS | £2.00 | £142.8m | Loss | 1.04 | 570 | -9.52% | 51.71% | -£15.06m | £50.44m |
| Izodia (was Infobank) | SP | £0.39 | £20.2m | Loss | 7.49 | 6112 | -4.94% | -86.00% | -£3.51m | -£140.41m |
| Jasmin | SP | £1.65 | £7.7m | Loss | 1.94 | 1097 | -0.60% | 29.02% | -£0.05m | £1.74m |
| Kalamazoo Computer | CS | £0.12 | £4.9m | Loss | 0.08 | 329 | -16.36% | -30.30% | -£0.96m | -£2.14m |
| Kewill Systems | SP | £0.70 | £53.4m | 14.8 | 0.78 | 1383 | -32.04% | -78.13% | -£25.11m | -£190.41m |
| Keystone | SP | £0.24 | £26.9m | Loss | 5.61 | 261 | -6.00% | -32.37% | -£1.70m | £12.20m |
| Knowledge Management | SP | £0.10 | £11.5m | Loss | 5.50 | 77 | -38.46% | -87.62% | -£7.20m | -£73.20m |
| Knowledge Support | SP | £0.28 | £20.7m | Loss | 9.41 | 127 | -56.59% | -92.41% | -£26.94m | -£251.64m |
| Knowledge Technology | SP | £0.03 | £1.9m | Loss | 10.44 | 500 | -16.67% | -50.00% | -£0.07m | -£1.92m |
| Logica | CS | £6.89 | £3,079.1m | 33.5 | 3.63 | 9436 | -20.16% | -60.63% | -£734.93m | -£4,655.93m |
| London Bridge Software | SP | £1.27 | £95.1m | 28.9 | 1.68 | 3163 | -15.67% | -61.67% | -£159.47m | -£464.87m |
| Lorien | A | £0.69 | £13.5m | Loss | 0.12 | 690 | -6.76% | -9.80% | -£0.99m | -£1.49m |
| Lynx Holdings | SP | £0.78 | £136.2m | 17.7 | 0.54 | 1950 | -9.83% | -11.86% | -£11.40m | -£2.00m |
| Macro 4 | SP | £3.88 | £80.6m | 16.9 | 3.67 | 1563 | -24.76% | -56.94% | -£26.50m | -£106.60m |
| Manpower SoftWare | SP | £0.31 | £7.3m | Loss | 4.54 | 314 | -7.58% | 15.09% | -£0.60m | £3.68m |
| Marlborough Stirling | CS | £1.90 | £347.7m | 67.9 | 6.94 | 1354 | -9.76% | 35.36% | -£36.74m | £99.16m |
| MERANT | SP | £1.06 | £143.0m | Loss | 0.66 | 512 | 21.84% | 11.58% | £25.62m | £1.22m |

Note: Main SYSTEMHOUSE SCS 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 SCS Share Prices and Capitalisation

| | SCS Cat. | Share Price 31-Jul-01 | Capitalisation 31-Jul-01 | Historic P/E | PSR Ratio Cap./Rev. | SCSI Index 31-Jul-01 | Share price move since 29-Jun-01 | Share price % move in 2001 | Capitalisation move since 29-Jun-01 | Capitalisation move (£m) in 2001 |
|---|---|---|---|---|---|---|---|---|---|---|
| Microgen Holdings | CS | £1.35 | £68.7m | 53.2 | 2.71 | 577 | -12.90% | -56.10% | -£10.20m | -£87.80m |
| Mission Testing | CS | £1.98 | £31.2m | 36.9 | 6.26 | 723 | -22.09% | -27.66% | -£8.90m | -£11.88m |
| Misys | SP | £3.47 | £1,998.0m | 22.6 | 2.33 | 4317 | -30.18% | -47.42% | -£863.97m | -£1,802.97m |
| MMT Computing | CS | £1.85 | £22.4m | 7.3 | 0.59 | 1101 | -15.91% | -64.93% | -£4.20m | -£41.40m |
| Mondas | SP | £0.35 | £6.9m | Loss | 2.56 | 460 | 21.05% | -13.75% | £1.20m | -£1.10m |
| Morse | R | £1.98 | £252.9m | 9.2 | 0.50 | 790 | -7.49% | -47.68% | -£20.49m | -£223.89m |
| MSB International | A | £0.94 | £19.2m | 35.6 | 0.12 | 495 | 2.73% | -18.26% | £0.50m | -£4.30m |
| Myratech.net | CS | £0.08 | £2.2m | Loss | 1.28 | 62 | -5.88% | -68.00% | -£0.14m | -£4.54m |
| Ncipher | SP | £0.77 | £97.5m | Loss | 7.24 | 308 | -20.62% | -71.79% | -£25.33m | -£247.53m |
| NetBenefit | CS | £0.26 | £4.1m | Loss | 0.55 | 128 | 0.00% | -80.00% | £0.04m | -£16.28m |
| Netstore | CS | £0.12 | £10.4m | Loss | 9.06 | 78 | -44.05% | -85.58% | -£8.17m | -£61.57m |
| Nettec | CS | £0.13 | £15.3m | Loss | 0.88 | 52 | -10.71% | -57.63% | -£1.81m | -£16.41m |
| Northgate Information Solutions | CS | £0.40 | £114.5m | 30.2 | 1.07 | 154 | -5.33% | -41.82% | -£4.94m | -£77.94m |
| NSB Retail Systems | CS | £0.21 | £64.9m | 8.3 | 1.59 | 1783 | -5.75% | -87.76% | -£4.02m | -£328.62m |
| OneclickHR | SP | £0.53 | £27.2m | Loss | 6.69 | 1325 | -4.50% | 76.67% | -£0.60m | £3.90m |
| Orbital Software | SP | £0.20 | £8.8m | Loss | 8.03 | 134 | -26.42% | -80.69% | -£3.15m | -£36.55m |
| Orchestream | SP | £0.67 | £86.9m | Loss | 31.63 | 359 | -18.40% | -75.82% | -£19.63m | -£248.93m |
| Parity | A | £0.42 | £63.6m | 6.6 | 0.24 | 6917 | -27.83% | -64.53% | -£24.57m | -£115.87m |
| Patsystems | SP | £0.32 | £40.0m | Loss | 15.85 | 294 | -37.00% | -69.42% | -£23.50m | -£90.90m |
| Planit | SP | £0.57 | £46.2m | 28.5 | 2.42 | 2354 | -9.60% | -45.67% | -£4.91m | -£38.91m |
| PSD | A | £4.60 | £115.5m | 8.0 | 1.30 | 2091 | -18.94% | -51.83% | -£26.90m | -£124.20m |
| QA (was Skillsgroup) | CS | £0.62 | £54.3m | 52.6 | 0.39 | 276 | -32.79% | -55.27% | -£26.51m | -£67.11m |
| QSP | SP | £0.14 | £14.3m | Loss | 0.35 | 187 | -36.67% | -52.89% | -£5.90m | -£12.90m |
| Quantica | A | £0.67 | £26.1m | 9.3 | 1.10 | 536 | -3.62% | 20.91% | -£1.00m | £4.50m |
| Raft International | SP | £0.28 | £18.4m | 147.4 | 2.01 | 444 | -28.21% | -55.56% | -£7.19m | -£23.59m |
| Rage Software | SP | £0.06 | £20.3m | Loss | 4.81 | 231 | -7.69% | -44.19% | -£1.20m | -£14.00m |
| RDL | A | £0.93 | £14.2m | 8.4 | 0.87 | 1033 | -12.26% | -46.86% | -£2.00m | -£12.60m |
| Recognition Systems | SP | £0.11 | £9.5m | Loss | 1.11 | 150 | -25.00% | -96.23% | -£3.16m | -£243.66m |
| Retail Decisions | SP | £0.31 | £44.2m | Loss | 2.50 | 419 | -11.43% | -74.90% | -£5.69m | -£124.99m |
| RexOnline | A | £0.59 | £7.7m | 18.2 | 3.84 | 696 | -10.69% | -39.38% | -£0.92m | £1.33m |
| Riversoft | SP | £0.29 | £70.2m | Loss | 13.58 | 309 | -28.40% | -69.15% | -£27.83m | -£153.83m |
| RM Group | SP | £4.75 | £445.7m | 51.6 | 2.15 | 13571 | -12.44% | -16.67% | -£63.35m | -£86.65m |
| Rolfe & Nolan | SP | £0.72 | £10.1m | Loss | 0.39 | 851 | -46.04% | -81.71% | -£8.62m | -£45.02m |
| Royalblue Group | SP | £7.63 | £229.6m | 59.4 | 4.00 | 4485 | -5.86% | -27.38% | -£14.28m | -£86.48m |
| Sage Group | SP | £2.35 | £2,976.5m | 38.4 | 7.22 | 90385 | -7.48% | -23.39% | -£241.51m | -£909.51m |
| SBS Group | A | £0.34 | £3.1m | 25.8 | 0.07 | 335 | -23.86% | -66.50% | -£0.95m | -£6.05m |
| Science Systems | CS | £4.88 | £122.9m | 37.1 | 2.48 | 3779 | -8.02% | -1.52% | -£10.75m | -£1.85m |
| SDL | CS | £0.69 | £28.8m | 14.2 | 0.97 | 457 | -41.70% | -81.56% | -£20.65m | -£118.25m |
| ServicePower | SP | £0.34 | £17.1m | Loss | 5.19 | 335 | -12.99% | -51.80% | -£2.60m | -£18.40m |
| Sherwood International | CS | £1.28 | £57.3m | 7.4 | 1.06 | 4264 | -54.29% | -59.62% | -£67.94m | -£77.94m |
| Sirius (was Policymaster) | SP | £1.24 | £19.8m | 28.2 | 1.16 | 823 | -40.48% | -62.58% | -£13.40m | -£32.00m |
| Smartlogik | CS | £0.05 | £14.0m | Loss | 0.24 | 43 | -20.83% | -79.79% | £3.60m | -£26.70m |
| Sopheon | SP | £0.43 | £18.3m | Loss | 2.36 | 612 | -27.97% | -73.44% | -£5.06m | -£45.16m |
| Spring Group | A | £0.69 | £102.9m | Loss | 0.27 | 761 | 0.00% | -22.60% | £0.00m | -£30.00m |
| Staffware | SP | £2.48 | £35.2m | 13.9 | 0.93 | 1100 | -72.27% | -82.32% | -£91.68m | -£161.78m |
| StatPro | SP | £0.73 | £23.5m | Loss | 7.41 | 913 | -13.10% | 5.04% | -£3.60m | £3.10m |
| Stilo International | SP | £0.19 | £8.5m | Loss | 98.38 | 380 | -50.65% | -69.35% | -£8.64m | -£19.13m |
| Superscape VR | SP | £0.41 | £14.9m | Loss | 6.92 | 207 | -17.17% | -83.53% | -£3.10m | -£75.70m |
| SurfControl (was JSB) | SP | £3.70 | £111.6m | Loss | 12.82 | 1850 | 1.37% | -68.17% | £1.58m | -£234.32m |
| Synigence | CS | £0.31 | £13.0m | Loss | 6.54 | 587 | 27.08% | -41.35% | £2.78m | -£9.12m |
| Synstar | CS | £0.47 | £76.3m | 78.3 | 0.33 | 285 | 8.05% | -1.05% | £5.62m | -£0.88m |
| Systems Integrated | SP | £0.40 | £5.4m | 21.5 | 3.49 | 348 | -13.04% | 29.03% | -£0.80m | £1.21m |
| Systems International | CS | £0.15 | £4.9m | 35.3 | 0.27 | 261 | -37.50% | -60.00% | -£2.91m | -£7.94m |
| Systems Union (was Freecom) | CS | £0.54 | £55.2m | Loss | 92.16 | 412 | -12.30% | -23.57% | -£7.70m | -£17.00m |
| Telecity | CS | £0.50 | £35.4m | Loss | 2.52 | 65 | -16.67% | -90.83% | -£7.10m | -£350.46m |
| Telework Systems | SP | £1.02 | £184.1m | 75.0 | 8.39 | 0 | -19.05% | -46.17% | -£43.29m | -£157.89m |
| Telme.com | CS | £0.15 | £11.9m | Loss | 0.66 | 97 | -23.08% | -52.38% | -£3.59m | -£13.19m |
| Terence Chapman | CS | £0.41 | £28.5m | 6.0 | 0.93 | 304 | -38.35% | -74.38% | -£17.75m | -£80.15m |
| Tikit Group | CS | £1.15 | £13.0m | 21.0 | 1.40 | 1000 | 0.00% | 0.00% | £0.00m | £0.00m |
| Torex Group | CS | £5.63 | £244.0m | 35.7 | 2.76 | 10922 | -12.79% | -3.85% | -£35.72m | -£5.22m |
| Totalise | CS | £0.04 | £2.3m | Loss | 1.72 | 190 | -33.33% | -71.43% | -£1.15m | -£5.18m |
| Total Systems | CS | £0.94 | £9.7m | 18.9 | 2.53 | 1764 | 23.68% | 5.62% | £1.80m | £0.44m |
| Touchstone | SP | £1.62 | £16.2m | 12.4 | 1.37 | 1538 | 8.39% | 37.45% | £1.60m | £4.70m |
| Trace Computers | CS | £0.78 | £11.8m | 6.5 | 0.69 | 620 | 1.97% | -4.32% | £0.20m | -£0.10m |
| Transeda | SP | £0.30 | £20.5m | 47.4 | 8.50 | 600 | -6.25% | -39.70% | -£1.40m | -£12.90m |
| Triad Group | CS | £2.02 | £51.4m | 17.1 | 0.97 | 1493 | -20.20% | -6.28% | -£11.00m | -£3.40m |
| Tribal Group | CS | £2.86 | £97.6m | 29.2 | 4.05 | 1733 | 2.51% | 20.68% | £2.44m | £16.76m |
| Ultima | R | £0.02 | £4.3m | Loss | 0.62 | 55 | 0.00% | -52.63% | £0.00m | -£4.81m |
| Ultrasis | CS | £0.05 | £11.5m | Loss | 11.66 | 102 | -35.48% | -55.56% | -£6.30m | -£14.30m |
| Vega Group | CS | £2.10 | £38.6m | Loss | 1.08 | 1721 | -7.69% | -45.81% | -£3.30m | -£32.70m |
| VI group | SP | £0.28 | £7.0m | 0.7 | 1.07 | 393 | 3.77% | -17.91% | £1.55m | £0.13m |
| Virtual Internet | CS | £0.25 | £5.0m | 19.3 | 0.89 | 490 | -32.88% | -80.08% | -£4.23m | -£24.90m |
| Vocalis | SP | £0.12 | £5.3m | Loss | 1.97 | 121 | 9.52% | -91.70% | £0.46m | -£58.69m |
| Warthog | SP | £0.33 | £13.6m | 50.8 | 3.60 | 756 | -2.99% | -24.42% | -£1.20m | -£5.40m |
| Wealth Management | SP | £0.06 | £2.5m | 3.3 | 0.16 | 46 | -80.95% | -94.55% | -£10.68m | -£43.68m |
| Xansa (was F.I. Group) | CS | £2.98 | £970.6m | Loss | 2.48 | 7628 | 0.00% | 10.59% | £0.01m | £112.81m |
| XKO | CS | £0.37 | £9.8m | 3.3 | 0.26 | 243 | -27.00% | -87.08% | -£3.57m | -£66.07m |
| Xpertise | CS | £0.06 | £1.9m | Loss | 0.32 | 240 | -36.84% | -66.67% | -£1.09m | -£3.75m |

Note: Main SYSTEMHOUSE SCS 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

# ANOTHER BAD MONTH

Another bad month for the tech stocks - the techMARK index fell 12% to 1573.7 whilst our own Holway SCS Index fell by 16% to 4764.2. However, despite our Holway SCS Index being 59% down from its value at the beginning of 2000, it is now back to the level it stood at almost exactly two years ago (Aug. 99) - an illustration of this can be seen on page 3.

All types of stock suffered in July with average falls of between 11% and 17% and the software products companies plunging the furthest.

The stock with the highest rise in its share price, at 40%, was **IQ-Ludorum**, "*the internet gaming software development company*", following the appointment of a new COO, Roger Stone, who has had over 30 years experience in the global software and telecoms market.

Also with a significant rise of 27% was **Synigence**, after the announcement of a co-marketing deal with **Quintiles Transactional Corp.** Quintiles will co-market Clinnix, Synigence's health information and communication service, to UK general practitioners.

At the other end of the scale was **Wealth Management Software** with a drop of 81% in its shares. The fall came after the company said it expected to make a significant loss in the six months to 30th Jun. 01.

| 31-Jul-01 | | |
|---|---|---|
| | SCSI Index | 4764.18 |
| | FTSE IT (SCS) Index | 915.07 |
| | techMARK 100 | 1573.70 |
| | FTSE 100 | 5529.10 |
| | FTSE AIM | 1041.20 |
| SCS Index = 1000 on 15th April 1989 | FTSE SmallCap | 2729.41 |

| Changes in Indices | SCSI Index | FTSE 100 | techMARK 100 | FTSE IT SCS Index | FTSE AIM Index | FTSE Small Cap |
|---|---|---|---|---|---|---|
| Month (01/07/01 to 31/07/01) | -15.18% | -2.01% | -12.00% | -20.95% | -8.43% | -6.79% |
| From 15th Apr 89 | +376.42% | +169.24% | | | | |
| From 1st Jan 90 | +417.79% | +134.09% | | | | |
| From 1st Jan 91 | +573.03% | +155.93% | | | | |
| From 1st Jan 92 | +355.96% | +121.78% | | | | |
| From 1st Jan 93 | +198.96% | +94.24% | | | | +96.74% |
| From 1st Jan 94 | +185.35% | +61.75% | | | | +46.06% |
| From 1st Jan 95 | +217.79% | +60.37% | | | | +56.29% |
| From 1st Jan 96 | +110.94% | +49.87% | +99.39% | | +9.21% | +40.58% |
| From 1st Jan 97 | +77.94% | +34.25% | +72.05% | | +6.67% | +25.02% |
| From 1st Jan 98 | +56.97% | +7.66% | +64.95% | -8.49% | +4.96% | +17.99% |
| From 1st Jan 99 | +20.87% | -6.01% | +8.08% | -36.72% | +29.89% | +31.80% |
| From 1st Jan 00 | -58.47% | -20.22% | -58.36% | -75.39% | -46.13% | -11.89% |
| From 1st Jan 01 | -43.10% | -11.14% | -38.66% | -53.05% | -27.58% | -14.26% |

| End Jul 01 | Move since 1st Jan 98 | Move since 1st Jan 99 | Move since 1st Jan 00 | Move since 1st Jan 01 | Move in Jul 01 |
|---|---|---|---|---|---|
| System Houses | 51.8% | -1.7% | -61.7% | -48.5% | -14.2% |
| IT Staff Agencies | -62.1% | -54.6% | -60.5% | -37.1% | -11.3% |
| Resellers | 4.6% | 11.3% | -46.4% | -29.1% | -12.8% |
| Software Products | 103.9% | 74.2% | -58.1% | -69.6% | -16.5% |
| Holway Internet Index | | 196.5% | -63.9% | -47.0% | -11.3% |
| Holway SCS Index | 57.0% | 20.9% | -58.5% | -46.2% | -15.2% |

## ERRATUM

**In the front page article of System House July, entitled "*Thank Goodness for Outsourcing*", we mistyped £706m as £106m in the sentence "*ICL announced that its IT infrastructure services in the UK had grown by 37% to £706m in FYE 31st Mar. 01*".**



**SYSTEM**HOUSE® is published monthly by Ovum Holway, 2, St. George's Yard, Farnham, Surrey, GU9 7LW. Telephone 01252 740900; Fax: 01252 740919; E-mail Internet:mail@ovumholway.com which also publishes the annual "Holway Report" and the "Software and Computing Services Industry in Europe Report". Ovum Holway analysts might hold stock in the companies featured.