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ovum HOLWAY

# SYSTEMHOUSE

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

## FORESIGHTS

As many of you might know first hand, we have recently completed a customer satisfaction survey for our Ovum Holway products. We are now busy incorporating your suggestions.

The two things that come through most strongly are how much you value our comments (whether you agree or not!) and how you want more predictions for the future.

Mind you, you also said how irritating it is when we say *"We told you so"!* So, rather than rub it in, we would suggest you reread our predictions made at the end of 2000 in Jan. 01 SYSTEMHOUSE.

The article was headlined "E-nd of e-" and went on to talk about *"the-business not e-business"* and *"Mortar MUST win"*.

We also said, ***"if you think the worst is over...think on"***, and then droned on, as usual, about the importance of core competencies, strong management, profits, cash etc.

**2002 AND BEYOND**

**THE MACRO SCENE**

Much cleverer people than us forecast that:

- the US will experience a short recession and that recovery will be evident by H2 2002. Remember the US market is more important than Europe for many UK S/ITS players.

- the UK will escape recession according to Gordon Brown's Pre Budget statement. Though growth in 2002 will be lower than 2001, this will be more than compensated for by higher growth in 2003.

- Continental Europe will go into recession in 2002 with Germany particularly badly affected.

We therefore stick with our view that:

- UK S/ITS growth will stage a very modest recovery in 2002 (from just 3% in 2001 to 6% in 2002). However:

▪ Almost al growth will come from the continued move to outsourcing

▪ New project work, and ITSA activities in particular, will continue *'in recession'* in H1 at least

▪ The first signs of recovery, albeit modest, will occur in H2, signalled by the ITSAs

- most UK S/ITS companies have taken some action to reduce costs already. Q4 2001 results are expected to be bad and this has already been factored in. However, most will require still further *'restructuring'* which will have an adverse effect on H1 2002 earnings. Although recovery will be evident in H2, it will not be until 2003 that earnings growth for the sector as a whole swings into positive territory. When this happens, earnings growth will be very strong. In EVERY previous recovery this has been the case and we see no reason why this one should be different.

**STOCK MARKETS**

- We believe that S/ITS share prices in general (although there are many *'aberrations'*) have already hit the nadir. Even with sub 10% revenue growth through to 2004 at least, the UK S/ITS sector should manage earnings growth of >25% in 2003/2004. The current average P/Es are therefore historically justified.

- However, this requires a mindset change for all. If you invest in the UK

S/ITS sector we believe that expectations for financial returns should be set at the 25% p.a. level. In a <2% inflation economy (with almost no risk of a return to the old high inflation days) this kind of return is great! But over the last few years investors have expected a much higher return (and indeed for about 18 months were so rewarded). This forced companies into very unwise activities, investments and over priced acquisitions.

- If you accept the above argument then it will be 2004/2005 before the S/ITS market indices return to their March 2000 levels.

**SECTORS**

Most of these messages we have given for a long while;

- outsourcing is the key high sector.

- BPO (we will return to this sector in more detailed Ovum Holway research in 2002) is the place to be. It is not a case of *"Watch out"*. It is far more a case of *"If you want to be there, move fast"*

- Public sector IT services spend will grow at almost 50% above the rate of the private sector, Healthcare will be a particularly good place to be (albeit a relatively small, c10%, segment of the PS market)

- Boring as it may be (we make no apologies!), companies with high levels

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of contracted/recurring revenues from customers will fare best in 2002/2003.

- New project work (this would embrace the new licence sales for application software products, associated VAR-type solutions activities and the larger systems integration projects) will remain in the doldrums for much of 2002. However, as the economy recovers, long postponed projects, as well as the sheer age of some existing systems, will create a better environment. But do not expect the heady days of 1997/98 to return. There is no special event or *'must have'* technology to drive explosive growth.

**IT STAFF**

- We do not see "*Pervasive IT Skills Shortage*" headlines reappearing for some considerable time/years.

- IT salaries will moderate. Indeed, we see permanent salary reductions taking the place of the short term cuts being introduced in many S/ITS companies at present.

- Of course, this will affect both the ITSA market and contractor fees in particular.

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IN THIS ISSUE

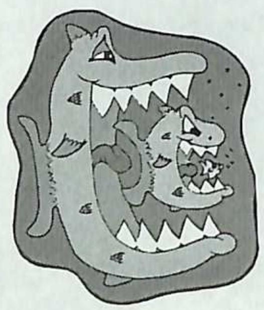


OTHER ARTICLES



INDICES (changes in Dec. 01)

| | | |
|---|---|---|
| **Holway SCS** | 4798 | -3.5% |
| **Holway Internet** | 3092 | -3.7% |
| **FTSE IT (SCS)** | 844 | -4.7% |
| **techMARK 100** | 1473 | -1.9% |
| **FTSE 100** | 5217 | +0.3% |
| **Nasdaq** | 1577 | +1.1% |



**M&A AND IPOs**

M&A activity has slumped in 2001. Actually there is still loads of money around but sellers' value expectations have still not reduced to '*good value*'; thus the buyers continue to stay away.

We see that changing in 2002, if, as we have said above, the nadir has already been reached.

We know of several S/ITS IPOs planned for 2002 and have every hope of seeing them come about.

M&A activity will also recover – particularly at the mid range level which has been the worst affected. This will be driven, at least in part, by the age of the owners/founders of these companies (see last month's SYSTEMHOUSE) who might at last accept reasonable valuations.

Although we have long forecast the *'Big Eat Big'* acquisition trends, few have been consummated and those that have (CG and EY would be a good recent example) have hardly been glowing testimonies to the wisdom of such big meals!

Product companies MUST enter the services sector to survive and grow through the next period. It would be better to do this in a series of small meals (IBM and Data Sciences was a great success example), rather than one big feast. But we fear still more mega acquisition attempts with the obvious and now predictable aftermath.

Please recognise that there has been a power shift in our industry.

25 years ago the hardware manufacturers wielded the power in the sector. 15 years ago the software providers took over. Now, and for the next 15 years, it will be the IT services providers. IBM was the most powerful global computer company in the 1960/70s...it is now the most powerful global services provider. It can and will use that power to control the industry. It will knock other hardware and software providers out of many of the world's largest corporations and markets because IBM controls the IT processes of those companies. There are too many examples of this happening already, and many suppliers who secretly recognise and fear this power.

The unrelenting trend towards outsourcing will only strengthen the power hold of the lead services providers. Of course, there are other global services competitors but at the moment *IBM is on a roll*.

Of course, investors have not been slow to realise this. IBM stock is up nearly 40% in 2001 – against a trend, of course, in exactly the opposite direction.

**THE NEXT REVOLUTION?**

We don't see there being one!

What we see is a long, but equally rewarding, evolution towards truly mobile internet access and communications which

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will pervade every sector from children to SMEs to corporates. By the end of the decade everyone will carry their pocket-sized, 4x3 colour screen, Qwerty keyboard, high speed wireless internet device. It will be as ubiquitous as today's 2G mobile phone. It will become your persona. Depriving you of it will be like losing your Filofax, mobile phone, fixed line e-mail connection, the post, newspapers, TV, radio etc ALL AT ONCE. Frightening, but there we are.

The opportunities to service this market will be huge.

Every past evolution has knocked out current leaders and created new ones. We see no reason why Microsoft should not suffer a similar fate in this evolution, but

spotting who will be the *'Microsoft of 2010'* is just a bit beyond us at the moment! We suspect that it will be none of the current contenders to the crown.

**AND FINALLY**

Two years ago we were a Bear when everyone else was a Bull. Over that period most joined us in the Bear Pit.

We are no longer a Bear. But neither are we a Raging Bull either. We believe – and indeed sincerely hope – that the next 3-4 years will see good but not massively exciting growth in both our sector and its associated valuations.

Although we have criticised the phrase on many occasions when used by others, we really do *"Look forward to the future with confidence"*.

## HINDSIGHTS

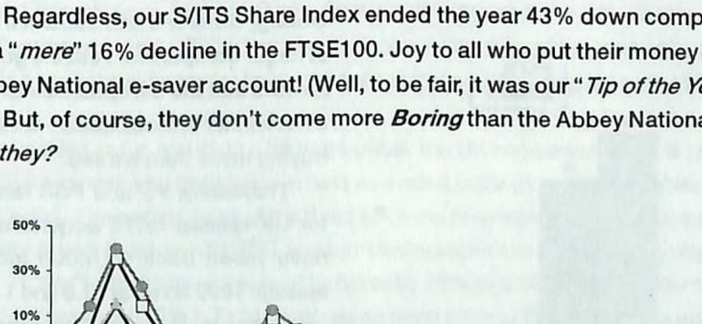
**EVERY *"Review of 2001"* – whether now or forever into the future – will be dominated by one event, one date. 11th Sep. 01.**

**Without belittling it in any way, that date has been used as an excuse by most companies for their performance. It was NOT the reason. Our industry was in deep trouble well before that date. It might have accelerated the profits warnings. It might have been the '*excuse*' used by them and even their customers for delayed/cancelled orders. But it wasn't the real reason for them.**

**In 2001, the TechMARK100 Index had already fallen by 48% before 11th Sept. Indeed, from its low of 1065 soon after, it has put on a quite remarkable gain of 38% since. *Fighting a WAR is clearly good for shareholders – if not for anyone else!***

**Regardless, our S/ITS Share Index ended the year 43% down compared to a "*mere*" 16% decline in the FTSE100. Joy to all who put their money in an Abbey National e-saver account! (Well, to be fair, it was our "*Tip of the Year*"!)**

**But, of course, they don't come more *Boring* than the Abbey National. *Or do they?***




**We have spent so, so many years writing "*Reviews of the Year*" where unknown (latterly dot.com) companies recorded 1000%+ share price gains. The Top Three in 1999 were Recognition Systems (up 3390%), NSB (up 1128%) and Baltimore (up 1092%), *"Emperor's New Clothes"?* (SYSTEMHOUSE Jan 00) - we won't rub in the salt but suggest you look them up now on pages 18 and 19!**

**It therefore actually gives us great pleasure to announce the two top performing shares of 2001;**

**- ITNET's share price is up 89% since 1st Jan 01. OK, this is, in part a recovery from the awful Hackney days, but it's still pretty good. Indeed ITNET not only gets out award but is the best performing FTSE350 stock too.**

**- Xansa has increased in value by £296.78m. Thus topping the increase in market capitalisation chart for 2001.**

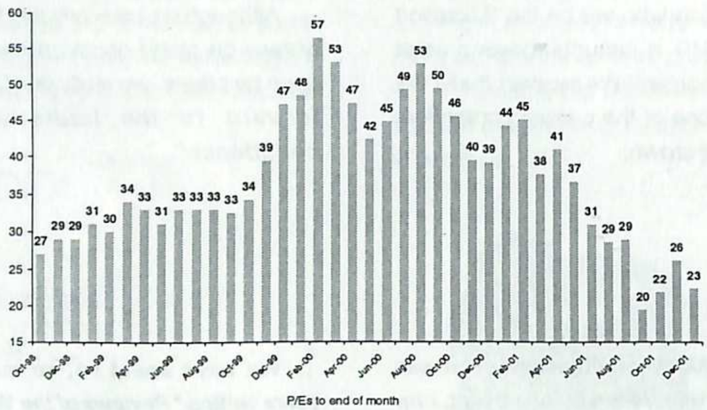
***Similarities?* We could point out that they both (extremely unusually in our industry) have women as their CEOs. *But of course that would be sexist and has nothing to do with it.* The fact is that they**

[continued from page three]

are both pretty ***Boring*** companies. ***"Boring"*** in the Holway-compliment way of course! ***Boring*** because they both rely on outsourcing – the star sector for 2001. ***Boring*** because they both have long term, predictable revenues and contract commitments. **Boring** because they are both rather well managed. ***Boring*** because they both care for their staff. We could go on...but that would be really ***Boring***.

**Valuations**

The chart below shows average P/Es at the end of every month. We should warn you that it's confusing to compare with the last month – comparisons with this month last year are of more value.

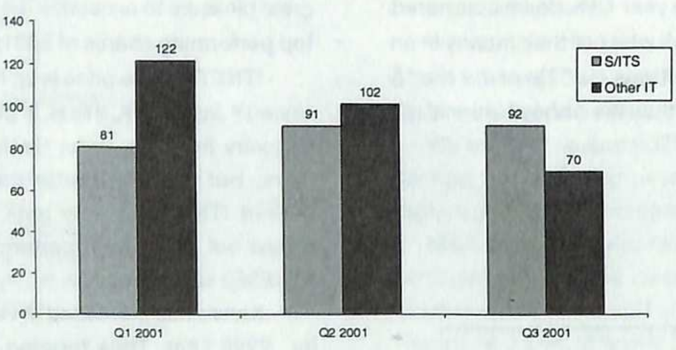



Valuations are now back into '*normal territory*'. Given our expectations for 25% EPS growth in 2003, we have no '*overheating*' concerns with an average P/E of 23.

**M&A**

It's been a dire year for M&A in the UK. According to KPMG, the number of deals involving UK companies as a whole is down by 30% in 2001, whilst the value has fallen by a huge 70%. Much of the activity is in more-or-less forced

**UK IT acquisitions Q1-Q3 2001**




Source: Regent Associates

sales or acquisitions designed to defend market share. The slowdown in activity has hit investment banks hard. Nor is it getting any better – more job losses are expected in the City during the winter. *Many will get a nasty surprise with their (lack of) annual bonuses.*

There have been few large deals to boost the market, but other factors have also been in play to slow things down. Firstly, the drop in equity markets and hence deal values. Secondly, disagreements on values – sellers looking to past values but buyers looking at current worth. Thirdly, sheer fear by chief executives - in the current climate, news of a potential deal pushes share prices down, and, in any case, internal finances are a much higher priority with boards than acquisitions.

Regent recorded a 20% drop in the number of acquisitions involving UK S/ITS companies between H1 2000 and H1 2001. At first glance the (known) value of these deals was much the same, at c£6.2bn. Leaving out the Sema purchase by Schlumberger that's a fall in the total value of acquisitions of 60% in H1 2001.

By Q3, the number of deals in the IT sector as a whole was down 27% on the previous year; at just 264, although as the chart shows, deals in the software and services sector (particularly software) have held up better than in other IT sectors as the year has progressed.

Of course the sorts of operations being bought have changed significantly. It's not the privates any more i.e. the internet startups that were being grabbed for ridiculous prices in 2000. It's the safe, dependable (not to say *Boring*) divisions and subsidiaries of larger companies. And the good news is that the UK continues to be a net winner in these deals – we are buying more than we sell.

Thankfully, PE and PSR ratios for UK-related S/ITS acquisitions have fallen back to much more realistic 1999 levels at 21.8 and 1.38 respectively. In the current climate the priority is on earnings - PE ratios have held up better than PSRs.

*"Best forgotten"* might well be the epitaph for 2001.

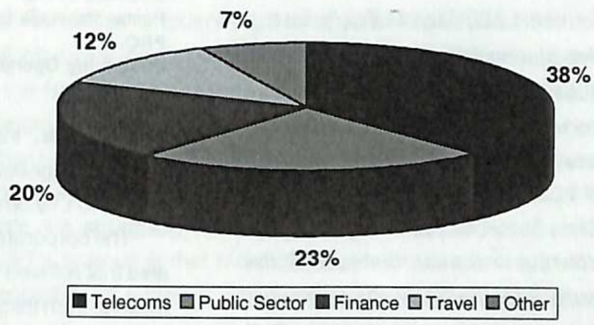
As we say in our "*Foresights*" article...there is much to look forward to in 2002 and beyond.

+26%
171p
Anite

# ANITE CHOOSES LATVIA FOR OFFSHORE DEVELOPMENT

Another excellent set of results from **Anite,** and based on a strategy which remains unchanged – something for which John Hawkins, CE, makes *"no apology"* – and quite right too! The headline results say it all: revenue increased by 11% to £95.2m, with revenue from the core businesses up 41% to £92.6m. Pre-tax profits were down 35% to £1.96m, but a better indication of the profitability of highly acquisitive Anite is the PBT figure *pre-goodwill amortisation and exceptionals*, which increased by an impressive 54% to £13.1m with organic profits up 39%.

**Profit Before Tax - By Industry Sector**




As mentioned above, Anite's core strategy, *"to establish Anite as a leading consultancy and managed services company in Europe"*, remains unchanged, as does its operational strategy i.e. to use its industry knowledge to offer management consultancy, IT consultancy, mission critical repeatable software and the management and support of operations. However, a change we are pleased to see is Anite making moves to create some synergies between its businesses. We have said before that Anite is in reality more of a conglomerate than a single entity so the news that it intends to increase the use of knowledge management to *"glue"* the businesses together is welcome. It also intends to create synergies through the creation of a common technical architecture, to be used across all businesses.

An additional part of the strategy will be to look at building up an offshore development capability. This is currently being considered for Anite Public Sector, and is already a strategy used by another public sector player, **Capita**. We asked John Hawkins at the results briefing if he could comment further on this but were told, *"It is a little premature to offer any more information"*.

However, the following day, we read an article in the FT saying that Anite has a potential acquisition target in mind (identity not revealed). John Hawkins told the FT, *"People in Latvia are highly educated and speak many different languages. This will increase our capability and lower our development costs"*. We will have to wait and see what capacity any new development facility might have, and as a result, what effect this will have on Anite Public Sector's employees in the UK. Given Anite's history we would have expected it to go for acquisition rather than partnership; either way, it would have been nice to hear about it at the results briefing but better late than never!

Looking at the results in a bit more detail, the UK accounted for 54% (39% in FY01) of revenues by destination, mainly as a result of the growth in the public sector business. The performance of the three solutions businesses and the consultancy business was as follows (the PBT split by industry sector can be seen in the diagram):

·Anite Public Sector increased turnover by 76% to £34.3m and accounted for 37% of revenues (32% in FY01), and has an order book of £29.6m. The business is expecting to see larger projects, increasing margins and the reduction of costs as a results of offshore development.

·Anite Travel increased revenues by 24% to £11.8m and accounted for 13% of total revenues. It is seeing no effects following the events of 11th Sep. 01 as it had a large backlog of orders and *"its solutions help companies reduce overheads"*. The acquisition of its biggest competitor, **FSS**, was announced on the day of the results, and *"an aggressive 60-day integration plan"*, will follow. The acquisition is expected to lead to larger orders, larger deals and higher organic growth.

·Anite Telecoms saw turnover increase by 74% to £18m but lost some profit in H101 as a result of its Network Operations business, which has now been downsized. It is now concentrating on the core testing and billing business, which is seeing strong demand. The business contributed 23% of revenues (£21.3m) and has an order intake up 35% at £17.6m.

·The Consultancy business put in a strong trading performance with turnover up 22% to £39.1m. We were initially surprised at this, as traditional IT consultancy does not perform well in a downturn. However, 20% of the revenue comes from application management and support (resilient in a downturn) and 30% comes from 12-month recurring revenue contracts (also very good to see). The business has held up well and saw operating profits increase by 36% to £6m.

The order book has increased to £71m (2000: £46m) and we expect to see more good news from Anite at the full year stage. What we will see less of is Anite's acquisitive-ness! Although the Group will continue to keep an eye out for acquisitions, this will be a smaller contribution to growth from now on. Anite remains, *"confident of outperforming (its) sector in the coming year"* and we have no reason to doubt them. Indeed, with a three-year target for half of the business to come from managed services, revenues are likely to become even more predictable!

-14%
34p

northgate

# LACK OF NEW PROJECTS AFFECTS NORTHGATE'S REVENUE

**Northgate Information Solutions** has issued its interim results for the six months ended 31st Oct. 01. Turnover fell 20% to £44.6m, *"reflecting the planned reduction in reseller activity"*. A LBT of £1.3m was converted into a PBT of £4.1m and a loss per share of 0.43p became an EPS of 1.39p. Commenting on the outlook, Chris Stone, CE, said, *"Following the downturn in the corporate sector, the outlook for the full year is somewhat below our earlier expectations, albeit with four months to run. However, we are benefiting from strong performances in the public sector and human resource divisions...we have an order book of over £100m. Overall, we are confident that further progress in the business will be made beyond that achieved last year"*.

| **Northgate Information Solutions** | **Turnover** | | **Operating Profit** | |
|---|---|---|---|---|
| **Six months to 31st October** | **2001** | **2000** | **2001** | **2000** |
| Public Sector | £19.30m | £17.45m | £1.75m | £0.54m |
| Corporate Sector | £14.17m | £26.26m | -£1.32m | £1.01m |
| Human Resource Systems | £7.48m | £6.22m | £0.92m | £0.00m |
| PRO IV | £3.69m | £5.75m | -£0.05m | -£0.43m |
| **Continuing Operations** | **£44.63m** | £55.68m | £1.31m | £1.11m |

**Comment** – Northgate's results show a decrease in turnover but an improvement in profits – something we are likely to see from more companies in the current climate as they suffer from decreased demand but in parallel take action to cut costs.

But despite the decrease in revenue, the results represent an improvement in the business mix for Northgate, with more than two-thirds of revenue now coming from its applications and managed services, compared to under 50% at the same time last year. Indeed, managed services revenue has increased by 29%. Also showing a significant increase was turnover from the public sector, with an increase of 11% to £19.3m.

The corporate sector, as highlighted in Chris Stone's comment above, was the area that suffered the most, with a 46% drop in revenue to £14.2m. The fall came as revenue from third party reselling decreased by 55% and revenue from professional services decreased by 41%. Northgate has seen the volume of sales from selling third party products, as well as margins, falling for some time, and it has been a conscious decision to stop chasing the work. This, and the fall in professional services revenue, comes at a time when clients are less willing to embark on new development projects.

Charges relating to Northgate's share option scheme had quite an effect on the headline profit figures. In H100, the company reported an operating loss of £1.4m, which included an exceptional LOSS of £2.5m as a result of the scheme. In H101, the £4.0m operating profit included an exceptional loss of £0.6m as a result of restructuring and an exceptional PROFIT of £2.7m as a result of the share option scheme. The result is that the headline profit figures hide the underlying profit growth. Operating profit pre-exceptionals increased by 17.7% to £1.3m, so we are not saying that Northgate has not done well in cutting its cost base – its just better to look at the underlying figures.

Growth at the moment is being driven by increases in Government spending and a trend towards outsourcing in all markets, and Northgate is tailoring its offerings to meet the demand. Its aim is to move further into not only IT outsourcing but also into business process outsourcing. In the troubled corporate market, as well as winning five new managed services contracts, Northgate is now offering, *"cluster computing"*, which it says includes hardware, systems integration, and managed services, to respond to *"more sophisticated client demands"*. As well as growing organically, the company is also cash generative so will use acquisitions in the areas of health, police, and local government, as well as HR and managed services, to accelerate growth.

-37%
3p

ACTINIC

# ACTINIC - CONSERVING THE CASH

**Actinic**, a developer of e-commerce software for SMEs, has announced its results for the year ended 30th Sep. 01. In what was described as a *"very disappointing"* year, revenues fell 26% to £1.5m, LBT nearly doubled to £6.8m (£3.5m) and loss per share also deepened to 5.4p (2.62p). The company reports that it is *"optimistic for an improvement in revenues for the financial year 2002"*.

**Comment**: Actinic had to lower its revenue expectations three times during the year and has seen its share price fall to less than 10% of its flotation price (81p in May 00). Marketing activities have been scaled back to reduce costs, as have plans for US and European expansion. In a bid to reach break-even more quickly, Actinic has also had some discussions about partnering with, or acquiring, other companies but has not yet identified a suitable prospect. It is keeping an eye out for a *"low cost"* acquisition that would provide economies of scale. Meanwhile, Actinic is conserving its cash (£13.6m at the year end), and believes it has sufficient reserves to reach break-even.

-15%
258p

iSOFT THE HEALTH INNOVATOR

## "*EXTREMELY ENCOURAGING*" OUTLOOK

**iSOFT**, a supplier of healthcare information systems, has announced interim results for the six months to 31st Oct. 01. Revenue is up 105% to £22.8m, PBT has increased 160% to £3.5m and EPS has risen from 0.72p to 2.04p. Commenting on the results, CEO Patrick Cryne said: "*The advanced characteristics of our modern product offering coupled with the high visibility of information systems procurement programmes in the public and private healthcare sectors in our selected territories, puts the iSOFT Group in an excellent position for continuing success...The prospects for the remainder of the financial year and into next year remain extremely encouraging*".

**Comment**: The Government recently announced an additional £85m of funding for the NHS next year, on top of its £800m IT budget. The good news for iSoft is that for the first time, this money is going to be ring fenced. Health Secretary, Alan Milburn admitted that previously, hard-pressed hospitals had diverted IT allocations to immediate priorities such as cutting waiting lists. Government funding has helped iSoft win new clients at a time when those in the corporate sector are struggling to keep existing clients. What is most revealing about iSOFT's revenue is that most of the growth is organic (c£1.2m came from the acquisitions of **Eclipsys** and **Eclipsys Australia** in May). How refreshing, to see a company reporting that the outlook is "*extremely encouraging*".

+5%
41p

Glotel.

## GLOTEL REDUCING DEPENDENCE ON TELCO SECTOR

IT staff agency (ITSA) Glotel has announced results for the six months to 30th Sep. 01. Turnover has fallen 26% to £60.1m, a PBT of £3.5m in the same period last year is now a LBT of £2.1m and EPS of 5.9p is now a loss per share of 3.9p. Commenting on the results, Chairman, and founder, Les Clark said, "*There has been a continued deterioration in trading conditions since the commencement of the second half and the ongoing uncertainty in our markets gives little expectation for a recovery in the short term*".

Comment: Well, these results from Glotel were not unexpected - before the FY01 results were announced in July the company had issued two profits warnings. Glotel was the darling of the ITSA industry, enjoying double-digit growth in the past few years (even the year to 31st Mar. 01 showed 25% growth), but relying on the telecoms industry for the majority of its revenue is no longer a winning strategy.

Glotel managed a respectable 20.7% gross profit margin for the period (only slightly down from the 21.2% at the interim stage in 00), but it allowed admin costs to rise whilst revenue was falling. This, coupled with the £1.75m restructuring costs during the period (a combination of redundancies and office closure costs), took Glotel into losses for the first time in its history.

To get the business back on track, Glotel has, quite rightly, redirected the efforts of some of its sales force to other industries (including outsourcing companies of course). It has also recently secured S-CAT status (category 5) for the supply of contractors to government departments and agencies. Glotel now generates more than half of its turnover outside the telco sector, compared to less than a third this time last year. And before you ask, this change in revenue mix is a result of increasing revenue from outside this sector, not just a result of declining telco business!

To reduce costs, Glotel has cut staff numbers by 37% since Dec. 00 resulting in a 40% reduction in the monthly run rate – this included removing a "*layer of middle management*". Now it's all hands to the pump, with Chief Executive, Andy Baker (co-founder), having relocated to Chicago during the summer to oversee Glotel's US operations.

Along with all of the ITSAs we talk to, Glotel has implemented tighter cash control and debt collection procedures. We spoke with Les Clark on the day of the results and he reassured us that there will be no further nasties in the form of bad debt – Glotel was hit very hard in FY01, and had to make a £2.5m bad debt provision. Also reined in are borrowings, down from £6.8m at end Mar. 01 to £0.5m currently.

The measures Glotel has taken are all sound, but they will take time to bear fruit - cutting costs is the easy bit, developing new accounts (presumably already served by Glotel's competitors) will prove more difficult. As we all know, everyone is talking about doing more with their existing customer base right now, so Glotel will have to prove itself against rival, established suppliers. We trust that Glotel has its best sales people on the case!

-22%
140p

# VEGA ON THE PATH TO FULL RECOVERY

**Vega**'s interim results for the six months to 31st Oct. 01 show turnover down a couple of % points to £17.6m, however LBT has improved from £1.3m to £332K, and loss per share has also improved from 5.79p to 1.9p. 'New' Chief Executive, Phil Cartmell (appointed May 01), commented on the outlook, *"Given current market dynamics it is difficult to predict the speed of growth that we can expect beyond this financial year, however our long term order book and the level of identified opportunities supports our belief that we will continue on the path to full recovery."*

**Comment:** Its good to see Vega on the path to recovery (their words!), after a pretty disastrous year in FY01, which saw the company plunge into losses of £5.9m. Excluding amortisation of goodwill (£393K), Vega just sneaked in profitability during the interim period. Costs have been cut (specifically senior management), but more significantly, Vega has improved utilisation rates of its consultants, and has recently secured the long awaited contract to develop ground-training aids for Eurofighter.

Going forward, the company is much better organised to address new opportunities, with its three business units (space, government & defence, and commercial industries). Previously Vega had six discrete divisions, each operating semi-autonomously. Each unit now has a director responsible for *"sales, profit and cash generation"* – quite appropriate, in our opinion, for in today's climate revenue generation alone is not good enough. These changes should improve Vega's ability to cross-sell, and lead to greater penetration of existing accounts – familiar themes to our readers!

Vega has recently attained S-CAT status for the supply of a range of consulting services, and is concentrating on building a pipeline that includes more smaller, shorter-term opportunities that offer the flexibility to maximise staff utilisation.

Vega admits that growth beyond the current financial year is difficult to predict, but at least it goes forward with an order book worth close to £39m, that's up c13% on this time last year.

-7%
41p

# DISAPPOINTING RESULTS FROM TELEWORK

**Telework**, *"the software group specialising in computer telephony and labour management"* has announced *"disappointing"* interim results for the six months ended 30th Sep. 01. Turnover fell 20% to £8.3m, a PBT of £2.8m, became a LBT of £1.8m and EPS of 1.09p was converted into a loss per share of 0.80p.

| Telework Group | Turnover £000s | Operating Profit £000s |
|---|---|---|
| TeleWare | 3,700 | 207 |
| Workplace | 4,600 | -1,700 |
| **Total** | **8,300** | **-1,493** |

The company attributes its results to a *"marked shortfall in sales from the targeted level, together with increased overheads in anticipation of growth"*. Indeed, the company expects, *"that trading in the second half of the year is likely to remain at the current level for the remainder of the period, and that the Group's financial performance in the second half will be broadly similar to that of the first half"*. As a consequence, Telework is to reduce its workforce by 25%.

The group has two revenue streams, TeleWare - which specialises in computer telephony - and Workplace - specialising in software for workforce management.

Workplace, which accounted for nearly 64% of total sales at the year end suffered the most, with *"lengthening sales cycles"* causing a shortfall in both licence revenue and implementation consultancy. In addition, the uncertainty in the rail sector, together with the contract signing problems in the aviation sector, has added to the delays.

In its Teleware division performance was affected by a *"disappointing"* level of sales through its traditional route to market via telephony distributors such as Siemens, BT and Mitel. To address this, the company has been building a direct sales force and opened a new channel to market.

Teleware, like many companies has been caught out by the downturn. It expanded too quickly for its own good, the *"excellent levels of prospective business"* failed to materialise, and Teleware was left with a higher cost base and fewer sales. However, it has also been caught on the hop, with its Workplace division also succumbing to the recession (the company reports that it normally does well in *"conventional"*(!) recessions).

-7%
155p

## INGENTA ON COURSE FOR PROFITS

**Ingenta**, which manages and distributes published scientific, professional and academic research via the internet, announced its preliminary results for the year ended 30th Sep. 01. Turnover increased 130% to £9.9m, LBT 'improved' to £16.3m (£21m) and loss per share also 'improved' to 31p (52p). Commenting on the outlook, Chief Executive, Mark Rowse, said: *"With only around 10% of this type of research material currently available online, the potential for Ingenta, with its first mover advantage and market leadership remains significant....With over 50% of expected revenue for this year already either contracted or repeat business, the Board is confident of the outcome for the year ahead"*.

**More than 50% of its sales target for FY02 already contracted**

**Comment**: Ingenta's super 130% increase in revenue was achieved by a mix of organic growth (95%) and a £1.5m contribution from **CatchWord** (software company acquired Feb. 01). Cost of sales rose 50% during the year, but this still left Ingenta with a tasty 82% gross margin (up from 72%). A combination of integration and R&D costs (£5.9m), goodwill amortisation (£5.2m) and operational costs (£13.6m) left the company still in the red. However, Ingenta reported that it generated profits ahead of schedule in Sep. 01 and is poised to become profitable this year.

Ingenta provides three services: publisher services (i.e. converting raw text and data for use on the web), pay-per-view (for downloading articles) and the development and management of *"specialist"* websites (for traditional publishers and libraries). It reports that it has been *"largely unaffected by the global slowdown"* with all three areas of its business enjoying revenue growth. The company also enjoys high revenue visibility, with more than 50% of its sales target for FY02 (c£20m) already contracted.

We think Ingenta is a neat (and niche) little business. OK publishing scientific and academic research is hardly exciting, but it makes perfect sense to look to exploit the possibilities of the internet amongst the very community who first recognised its potential. And we like the recurring revenues! The only thing missing is profits – but with relatively fixed costs, and cash reserves of £2.2m, Ingenta is confident that FY02 will deliver profitability. We certainly hope so.

**ComputerLand**

## GROWING ITS SERVICES BUSINESS

**ComputerLand** has issued its interim results for the six months to 31st Oct. 01. Turnover fell 15% to £16.9m, PBT fell 35% to £151K and EPS decreased to 1.1p (1.7p for the comparable period in 2000).

The company has been in the process, over the past few years, of re-positioning itself from product reseller to IT services and infrastructure solutions provider. Product resale is still a prominent feature of ComputerLand's business model and its declining hardware sales were held to blame for the falling revenues. Many companies have attempted the move from product reseller to services provider (**Compel**, who sold their reseller business to **SCH**, **GECITS** which ditched desktop product resale before being purchased by **Computacenter** and **Logical**, which pulled out of desktop supply). The problem is that in these models it's often the product resale that pulls through the services business; pulling out of one affects the revenue growth of the other. However, on the goods news front, services revenue grew 41% to £6.4m and now accounts for 38% of total revenues. In particular, increased demand for services related to the deployment of Windows 2000, new contracts in outsourcing and new services centred on help desk solutions, helped group performance.

ComputerLand is still a minnow in service supply, and will need to carve out a niche for itself. At the moment it is still trying to be all things to all people (Microsoft consultancy, outsourcer, help desk solution provider). Given its current size it cannot afford to stretch itself too thinly.

**Still a minnow in service supply**

-4%
229p

sage

# WORDS FROM THE WISE

Going to a **Sage** briefing is akin to being presented with a comfort blanket; it exudes a certain reassuring feeling. And this year was no different. We never doubted it would be, of course, but it is good to see that one of only two UK "*Boring Award*" holders (the other is Capita) retains its cup with its latest results for the year to 30th Sep. 01. Remember you can only get it for ten years of uninterrupted EPS growth as a quoted company. In Sage's case that record extends back to its IPO in 1989.

Latest figures show:

· Turnover increased by 17% to £484.1m (2000: £412.2m). Organic growth was around 11%.

· Pre-tax profit increased 12% to £121.3m (2000: £108.7m).

· Earnings per share up 11% to 6.59p (2000: 5.92p) (But remember Sage, unlike everyone else does NOT write-off goodwill from acquisitions - intangibles on the balance sheet are now £836m - was £540m).

· Dividends for the year raised 10% to 0.43p (2000: 0.39p).

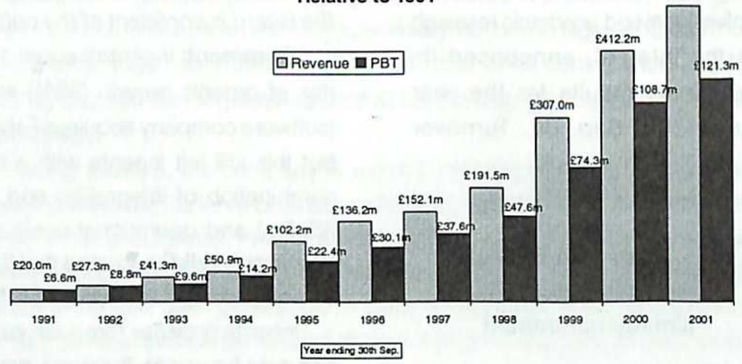
· Operating cash flow up 14% to £119.6m (2000: £105.0m).

· Acquisition of **Interact Commerce Corporation** (Interact) for £189m, May 2001.

· 248,000 new customers added (excluding Interact), bringing the total to 2.8m (2000: 2.5m).

· Support contracts increased 15% to 897,000 (2000: 779,000).

**Sage Group plc**
**11 year Revenue and PBT Record**
**Relative to 1991**




UK revenues grew by 13% to £148.8m with operating profits up only 2% at £56.3m and, obviously therefore margins declined slightly. The UK accounts for 31% of total revenues. 46,000 new customers were attracted during the year.

**France**, which accounts for 15% of total revenues, revealed a 4% increase, but this disguised a strong performance in the second half, when revenues increased 27% over the prior year.

**Germany & Switzerland** contributed 6% towards total revenues and as in France, the Euro helped. Whereas the business was loss-making two years ago, it achieved operating margins of 23% this year (2000: 10%), despite revenues growing by only 5%.

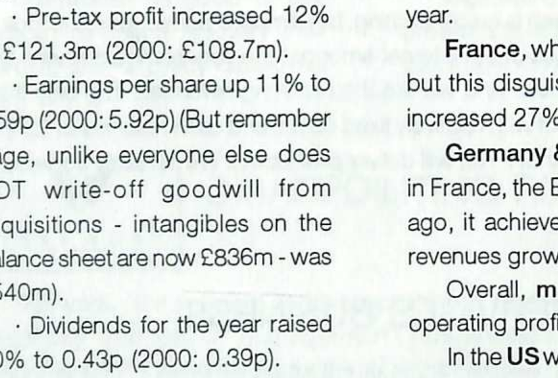
Overall, **mainland Europe** revenues were up 4.4% at £102.5m with operating profits up 17% at £26.3m.

In the **US** which now accounts for 48% of total revenues, *"market conditions have been challenging and were exacerbated by disruption following September's terrorist attacks. The market for new licence sales was especially tough, but despite this our US businesses maintained their market share and the installed base business performed strongly so that revenues (excluding Interact) grew 7% over the prior year"* to £209.2m.

Michael Jackson, Chairman, commented: *"Our businesses have continued to win significant numbers of new customers - nearly a quarter of a million - this year. Throughout the Group we continue to find new ways of selling more products and services to existing customers. Our strategy of marketing an ever-expanding product and service offering to an ever-increasing customer base remains our clear focus. As in the past, we will continue to grow our business both organically and through acquisition.*

*Notwithstanding the current economic climate, we believe that the strength of our brands, the breadth of our product offering, the resilience of our channel and the sheer scale of our customer base provide us with a platform for sustained long-term growth. Therefore we look forward to 2002 with confidence".*

**Sage - 2001 Geographic mix**
**Total = £484.1**



+22%
835p

## ANOTHER SOLID SET OF RESULTS

**AIT** (suppliers of financial services CRM software) has announced results for the six months to 30th Sep. 01 showing revenue up 57% to £22.3m compared to the same period last year, and up c14% on the previous six months. PBT is up 34% to £2.7m and EPS up from 6.49p to 8.56p.

Licence fees and maintenance revenue is ahead 144% to £8.8m, up from 26% to 39% of revenue. Overall the underlying trading margin (before R&D expenditure) remained at 31%, *"despite a temporary dip in consultant utilisation"*. Increased investment meant that reported operating margin was 12.3%, down from 13.8% the previous year.

On 19th Sep. 01, AIT acquired the customer base and some assets of US CRM supplier, Information Management Associates, for $16.5m cash.

CEO Carl Rigby commented: *"The IMA acquisition opens up new geographical and vertical markets for the enlarged AIT Group and our product set. It strengthens our US operations, which are now underpinned by strong maintenance revenues, and enables us to pursue international opportunities more effectively. Our UK financial services sector pipeline remains strong...giving us confidence of delivering further growth"*.

**Comment** - Another solid set of results from AIT. With the IMA acquisition occurring just before the end of the period, the revenue increase is virtually all organic, with the added benefit that recurring revenues now account for 39% of the total. This is also against the backdrop of an impressive client list, including Nationwide Building Society, Lloyds TSB and Marks and Spencer Financial Services. Admittedly PBT margin has slipped to 12% - even AIT is not immune from the fall in consultancy demand - but this is actually against a 72% increase in R&D spend.

According to the company, expansion in Europe is now also accompanied by success in the US – no details were given, but, through its acquisition of the IMA customer base, the company is in a much stronger position in the US than it was. AIT looks to be well poised for overseas growth, particularly when the economies in Europe and the US pick up.

As we enter a bright and shiny new year, let's also give a plug to the fact that AIT is listed in the FTSE4Good index, a benchmark for socially-responsible investment. It includes *"only those companies which can demonstrate that they are working towards environmental sustainability and developing positive relationships with stakeholders"*. I'm not sure what all that means in the CRM software context, but it can't be bad!

+8%
131p

## HEAVILY PEPPERED WITH WORDS OF CAUTION

**Total Systems, the insurance and investment sector software and services supplier, has reported some impressive figures for the six months to 30th Sep. 01. Turnover increased by 79% to £2.84m and the PBT of £773K was almost five times that of the same period last year (and more than the PBT for the full year to Mar. 01). Diluted EPS increased from 1.04p to 5.11p.**

Terry Bourne, Chairman, commented, *"The Board believes that next year we will continue to see lower levels of spending on information technology in the financial services sector. Nevertheless our strong long-term client relationships have enabled us to secure a larger share of available budgets while we actively seek to expand our client base"*.

**Comment** - The results look impressive and the Board *"remains optimistic"*, but the commentary is heavily peppered with words of caution; 'general economic downturn', 'economic and political uncertainty', 'delaying investments', 'provided that no existing clients experience unforeseen difficulties' etc. It concludes with "*We remain convinced that your company has an excellent future and should deliver significant value to shareholders in the medium and long term*".

Clearly it's difficult to predict the market out there, but the tone of the press release seems to be thoroughly preparing the ground for possible bad news ahead. However, there's no reference to plans to prepare for, or deal with, a further worsening in the market – the blame is put firmly on the insurance sector, which, it says, "*must upgrade to new systems*". If only these pesky customers would do what they're told!

To date, shareholders have not had a good time of it over the long haul. At the end of the year, shares were at 131p, just 54% up on the float price way back in 1988. Nonetheless, the results are good and the company says it expects to sign a number of contracts with new clients, which should not be scoffed at, particularly at a time when others are struggling to hold onto their existing customer base.

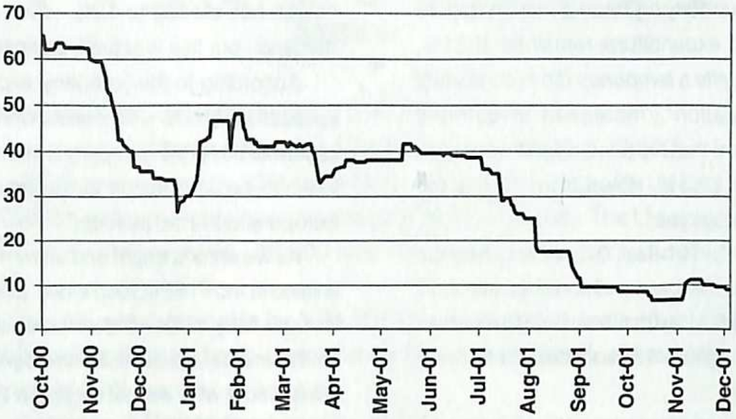
3% 10p raft

# RAFT AWASH

As forewarned in its Aug. 01 trading statement, component-based software developer **Raft International** ended up in loss for the year to 31st Oct. 01. Total revenues rose 3% to £9.5m, however last year's tiny pre-tax profit of £171K is now a rather substantial pre-tax loss of £826K (essentially all from continuing operations), and EPS of 0.19 is now a loss per share of 1.32p. Commenting on the results CEO Frank Mobjerg said: *"During the year we have made good progress towards our key objectives in building Raft International as a leading provider of component based solutions. However, market conditions and increased overheads have led to a disappointing financial result. The Board is committed to returning the Group to profitability in the next financial year."*

**Comment**: Raft was founded in 1995 and competes in the financial services sector with the likes of **Financial Objects** (whose business has also been struggling of late).The really telling aspect of the results is that Raft's revenue in H2 was down 11% on H1, and this coincided with the company's increased spending on sales and marketing activities. Indeed, overheads rose by £1.6m during the year - a massive increase for a company with less than £10m turnover. Raft states that it has taken action to reduce costs (cutting staff numbers by 10%), but with customers taking longer to make decisions, don't expect any improvement in Raft's fortunes in the near future.

**Raft International plc - Share price history**




Just as well it has £5.3m cash left from the £6.4m they raised in their float in Oct. 00. Raft's share price ended the month at 10p, down 84% since their IPO.

-14% 14p keystone make timework smarter

# KIWI LOOKING MORE LIKE A DODO

Interesting news from New Zealand-born, but LSE quoted, practice management software firm **Keystone Solutions**, as it announced on the same day both their interims results and that it is under offer from Aussie-based (and listed) **Solution 6**, who are in the same line of business.

But first to the results, which are at least generally moving in the right direction. Turnover for the six months to 30th Sep. 01 rose 43% to £2.84m and operating losses fell by one third to £2.2m. Pre-tax losses declined 36% to £2.03m bringing loss per share down from 7.6p to 1.61p. Cash in the bank rose from £1.86m to £5.67m as a result of a net £11m fundraising exercise in Jan. 01 (at 17p), but net cash outflow was up 28% to £3.7m. Although they appear to have made some headway with sales, non-exec chairman Claes Hultman reported that the soft US market means *"it is unlikely that the Company will meet market estimates for the full year"*.

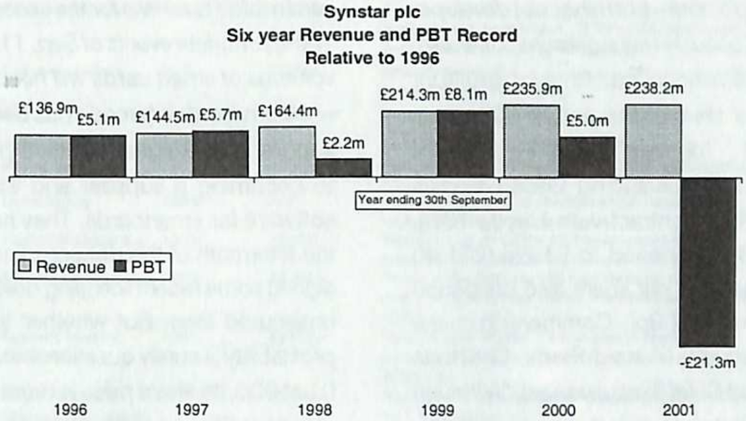
**Comment:** We ended our last comment on Keystone, when they announced their full year results back in July, simply with the words *"no hope!"*. Well, it looks like we may be (regrettably) spot on. Keystone was formed in 1990 out of an MBO from **Wang** New Zealand's legal back-office software division, and reversed into **Calidore Group** (an AIM-listed shell) in Sep. 97, capitalising the company at £7.8m. Keystone has made some progress this last half, especially in UK, NZ and Oz, but frankly they are hugely dependent on making sales of their complex high-end product into the US professional

[continued on page thirteen]

23%
69p
synstar

# SYNSTAR'S NEW BROOM SWEEPS GOODWILL CLEAN

European support services and business continuity firm **Synstar** has announced its preliminary results for the year ended 30th Sep. 01. Turnover (inc. discontinued ops) rose 1% to £238.2m. A PBT of £5m was converted into an LBT of £21.3m (although this included £25m of exceptional items including the loss on the sale of Synstar's Italian business, goodwill write-off of its acquisitions totalling £11.9m, and an £8.5m restructuring charge). An EPS of 0.6p became a loss per share of 13.8p.




Total revenues in the core Computer Services division lifted 1% to £219m, although continuing operations fared better, rising 5% to £205m. However, goodwill write-off pushed the division into an operating loss of £1.4m, although operating profit pre-exceptionals stayed relatively healthy at £6.5m (a 3% margin) - mind you, this was still down 35% on the year, when they were making a 5% margin. Business Continuity revenues were essentially flat at £19.3m, but operating profit slumped 66% (48% pre-exceptionals) to £1.3m, a mere 7% margin (20% the year prior).

On a brighter note, the business is cash generative, there's no more goodwill on the balance sheet, and there's still £13m in the bank.

CEO Steve Vaughan expects *"a difficult year ahead"* but sees *"grounds for optimism"*.

**Comment**: 'New broom' CEO Steve Vaughan didn't waste any time sweeping out a lot of the dross at Synstar after coming on board in Jan. 01. Since rolling out his new strategy at the interims, he has finished most of the spring cleaning *"on time and on budget"*, disposing of the loss-making Italian subsidiaries along the way. They have taken all the restructuring costs 'on the chin' – including writing off all the remaining goodwill on **Lancare** (network support, acquired Sep. 99), **CT Consulting** (data management, acquired Mar. 00) and Tecsys (business continuity, acquired Nov. 99). Best of all, they finished the year with cash inflow of £1.8m and no debt. Now comes the really tricky part. Vaughan expects the next 12 months will be all about *"stabilise, improve and invest"* before they can expand again. They key is to improve the cross-selling between Customer Services clients and Business Continuity clients – with the added challenge of trying to keep margins up in a business where 'added value' is pretty hard to articulate – and harder to get recognition for. But we come back to the fact that Synstar's business is all about '*Boring*' support services. The need never goes away and they do it very well. OK, we'd be happier if France were back in profit (*"budgeted for break-even this year"*) and Switzerland too (more problematic so *"we'd sell for the right price"*). They've also got a long haul to bring Business Continuity margins back to the 20% level that they (and **Guardian iT**) *used* to have in the good times. But perhaps Guardian's recent 'misfortunes' may turn out to benefit Synstar. In any event, so long as Synstar sticks to the business at hand – and continues to keep the focus on profits and cash rather than share – then it has the best chance of seeing the tough times through.

Synstar's share price has performed exceptionally in 2001; finishing the year up 45% at 69p, making it the fifth best performing share.

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**[Keysone continued from page twelve]**

**services market. They are further advising that cash burn will decrease significantly *"as we expect an increase in consulting revenue during the second half"*. Well, that sounds like 'strike two' to us. If the deal with Solution 6 doesn't pan out, then we have fears for their survival beyond twelve months unless they raise more cash. Keystone's shares peaked in Feb. 00 at nearly £14, but ended Dec. 01 at 14p, 60% down on the year, and 84% down on the Sep. 97 initial placing price of 90p.**

9%
56p

# FUTURE LESS SECURE FOR INTERCEDE

**Intercede Group**, *"a leading (Ed's note – but miniscule) developer of security management software"*, has announced its interim results for the six months ended 30th Sep. 01. Turnover fell 59% to £471K (£1.1m, including £664K from a single contract with Lloyds TSB), LBT deepened to £1.2m (£313K) and loss per share also deepened to 7.3p (2.9p). Commenting on the outlook, Richard Parris, Chairman and Chief Executive said, *"Although the downturn in the world economy has created difficult trading conditions for the IT sector, we nevertheless anticipate an acceleration in smart card related business for the second half of the current financial year and beyond. The unfortunate events of Sep. 11th can only increase the likelihood that growing volumes of smart cards will need to be deployed for security purposes"*.

**Comment**: Intercede has been in the process of transforming itself from a supplier and integrator of third party security products (such as **Baltimore**'s) to becoming a supplier and licensor of proprietary security management software for smartcards. They have now got caught – just like Baltimore – in the aftermath of the dot.com/financial services/telecoms bust. Intercede has signed some recent licensing deals and raised extra funds through a convertible unsecured loan. But whether this will be enough to see them through to profitability is surely questionable. Nonetheless, having launched on AIM in Jan. 01 at 60p, its share price is more or less managing to hold its own, ending the month at 56p, just 7% down on the IPO price.

5%
5p

# COFFERS RAPIDLY DEPLETING AT FFASTFILL

Miniscule purveyor of trading software, **Ffastfill**, has announced its interim results for the six months ended 30th Sep. 01. Turnover rose 23% to £317K, but pre-tax losses increased significantly to £4.2m (£1.5m for the comparable period), and loss per share also deepened to 7.88p (4.19p). New CEO Chris Stone (*not* as in Northgate's CEO!) is *"confident that the talent of our staff and management, and the strength and quality of our product, will lead to a substantial improvement in the performance of the company"*.

**Comment**: Ffastfill was only founded in Apr. 99 when there seemed no end in sight to the share trading boom. They launched on AIM in Nov. 00 at 120p, raising £15m gross and valuing the company at £54.5m. But, as with other companies seeking to deliver electronic trading solutions (e.g. Patsystems, Easyscreen), the going has been very slow but also very costly. To add insult to injury, Ffastfill also hit *"technical issues"* which delayed sales and installations. Over the past few months they have also overhauled the Board. Frankly, with £7.3m in the bank, and net cash outflow of over £4m in H1, Ffastfill's new management doesn't have too long left to stem the tide, especially with such paltry revenues. Their shares ended the month at 5p, a massive 96% discount to the IPO price.

27%
252p

# THE SWEET SMELL OF SUCCESS?

**Jasmin**, which develops solutions for the transportation, defence, and security industries has announced its interim results for the six months ended 30th Sep. 01. Turnover increased 96% to £3.2m, an LBT of £490K was converted into a modest PBT of £325K and loss per share of 10.37p became an EPS of 6.72p. Commenting on the outlook, Chairman, Roger Plant, stated, *"The substantial improvement in performance and a sustained strong order book gives the Board confidence of being able to report a good result for the year as a whole"*.

**Comment**: Jasmin ended the year with losses and falling revenues, but with a £16m order book so there was some light at the end of the tunnel, although we must admit that we were slightly sceptical about its chances of *"increasing its presence in existing markets and penetrating new markets"*. However, the interim results have shown that the company seems to be turning itself around, apart from the £10m Highways Agency Emergency Telephones contracts; Jasmin has also won some smaller contracts with an aggregate value of £4.2m. Slow, but steady progress.

## Mergers & Acquisitions

| Buyer | Seller | Seller Description | Acquiring | Price | Comment |
|---|---|---|---|---|---|
| Anite | FSS Group | Travel reservation software | 100% plus £4m of loan | £10m | FSS will be integrated with Anite's existing travel division. The combinded operation will have 300 staff. |
| Capita | Moorgate Registrars | Registrar | 100% | £2m | Capita paid cash for the Chelmsford-based company. |
| Capita | Industrial Society's workforce training & development business | Professional training | 100% | £23.75m | Capita paid £23m cash, £750K is based on performance, payble Mar. 03. The business turned over £14m and made proforma profits of £3m in 2001. |
| Cube8 Group | Room Service (UK) | Delivery services | 98% | £1.5m | Cube8, the internet incubator, is giving up. It is getting into food delivery instead! |
| Dimension Data | Planet CTI | CTI | 100% | Euro2.4m | Belgian-based Planet CTI was formed in 1996. |
| Friezenberg Beheer BV | TelMe's travel interests | Travel portal, data and software | 100% | £5m | TelMe is to concentrate on its CRM business. Friezenberg paid £4m in cash up front, with balance based on performance. |
| IBNet | WebGravity | Consultancy | 100% | n/a | WebGravity provides services which help locate websites through search engines. |
| Netstore | QSP's ASP business | Hosted financial & e-business solutions | 100% | £900K | Netstore bought QSP's ASP business from the receivers for initial £200K, rising to max. £900K. |
| Netstore | RedRock Software | Messaging solutions | 100% | £2.3m | Terms of the deal are 158 new Netstore shares for every 1000 RedRock shares. RedRock is quoted on OFEX. |
| Pink Roccade NV | Computeraid Services Ltd | Support, hosting, maintenance | 100% | Eur7.2m | PinkRoccade placed 1.8m shares to finance the acquisition. The Dutch company now has c1300 staff in the UK. |
| Retail Decisions | Motorcharge Ltd | EPOS network & charge card operator | 100% | £5.4m | Acquisition of the Australian company funded via a 2 for 5 rights issue. |
| RexOnline | JobSearch | Online recruitment site | 100% | c£180K | RexOnline paid £150K upfront, with a further £30K based on future performance. It also issued JobSearch with 20,000 shares. |
| SDL | Alpnet Inc | Globalisation services | Majority shareholding | $7m | SDL raised £7.2m via a placing to fund the acquisition. |
| Skandia Insurance | Lynx Group | Support services for IFAs | 96% | £210m | Skandia already had a minority stake in Lynx, and has bought it for the Bankhall business. The IT businesses have been sold to a MBO for £60m. |
| Sopheon | Orbital Software Holdings | Knowledge management sol's | 100% | £18.4m | All share offer by Sopheon was at a c148% premium to closing price, prior to annoucement |
| Tickit Group | Aurra Consulting | Systems and consultancy for the legal profession | 100% | £2.4m max | Tickit paid £636K upfront, with a further £310K dependent upon PBT in FY's 01 and 02, and £1.5m dependent upon performance to Jun. 03. |
| Torex | Figure Retail Systems | EPOS systems | 100% | £3m | Torex paid £1.5m upfront in shares, with the balance dependent on profitability over 3 years. |
| Torex | Oxhealth.com | Electronic health records | 100% | £375K | Torex paid in shares for the Oxfordshire company. |

## Forthcoming IPOs

| Name | Activity | SCS or Dotcom Index | Index Class | Market | Issue Price | Est Mkt Cap. | IPO Date |
|---|---|---|---|---|---|---|---|
| Digital Brain | Online Education Service | SCS | CS | TBA | tbc | £50.0m | 2002 |
| Immersive Education | Education Software developer | SCS | SP | TBA | tbc | £12.5m | Early 2002 |
| Kinetic Information Systems | Financial Software | SCS | SP | MAIN | tbc | tbc | 2002 |
| McClaren | IT Consultancy | SCS | CS | TBA | tbc | £25.0m | 2002 |
| System-C Healthcare | Healthcare IT Solutions | CSC | SP | TBA | tbc | tbc | 2002 |
| theoilsite.com | B2B exchange | Dotcom | B2B | AIM | tbc | £5.0m | 2002 |

-15%

9p

kalamazoo

Following three years of losses, **Kalamazoo** has proposed voluntary liquidation and announced that it is to be acquired by UCS, *"one of the largest suppliers of in-house dealership computer systems in the US"*, for a total consideration of £14.1m (£8.2m cash, £5.9m Group indebtedness).

Several reasons were put forward as the reason for the disposal:-

· With regard to the pension scheme, the poor financial condition of the company meant that if the Group continued to trade independently, it was potentially unable to settle the full Minimum Funding Shortfall. Therefore it has agreed to pay a cash payment of £5.2m to the trustees of the pension scheme (by way of a loan) in respect of the funding.

· Following the acquisition of **DMS** in 1997, the company embarked on a programme of product development to produce a pan European product. Three and half years, £16.1m of R&D costs, and £10.5m in cumulative losses later, *"there is no certainty that (the products) will deliver the anticipated results within the required time frame"*.

· Over three and a half years, net assets have reduced from £13.4m to £2.5m, with net cash reducing from £6.8m to £1.7m.

· Market conditions have been particularly difficult in the car industry and compounded by the economic downturn.

All employees of the Group (including the executive directors, except Bob Jordan) will transfer to the UCS group of companies, following the passing of the resolutions at the EGM all the directors will resign. Following the completion of the disposal, Kalamazoo will be placed into members' voluntary liquidation and the listing of Kalamazoo's Ordinary shares on the Official List be cancelled. It is anticipated that Shareholders will receive total distributions from the liquidation of around 10p per Issued share.

## Quoted Companies - Results Service

Note: Highlighted Names indicate results announced this month.

### Actinic plc
| | Final - Sep00 | | Final - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £2,048,000 | | £1,517,000 | -25.9% |
| PBT | -£3,508,000 | | -£6,780,000 | Loss both |
| EPS | -2.62p | | -5.40p | Loss both |

### AFA Systems plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £2,172,000 | £4,291,000 | £4,077,000 | +87.7% |
| PBT | -£420,000 | -£2,609,000 | -£1,417,000 | Loss both |
| EPS | -2.20p | -11.90p | -5.60p | Loss both |

### Affinity Internet Holdings Plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £4,138,000 | £11,312,000 | £10,796,000 | +160.9% |
| PBT | -£3,436,000 | -£26,050,000 | -£14,944,000 | Loss both |
| EPS | -20.40p | -125.80p | -56.20p | Loss both |

### AIT Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £14,218,000 | £33,882,000 | £22,346,000 | +57.2% |
| PBT | £2,003,000 | £5,109,000 | £2,676,000 | +33.6% |
| EPS | 6.49p | 16.22p | 8.56p | +31.9% |

### 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
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £606,000 | £2,078,000 | £1,803,000 | +197.5% |
| PBT | -£569,000 | -£3,592,000 | -£4,753,000 | Loss both |
| EPS | -2.10p | -10.71p | -12.20p | Loss both |

### Anite Group plc
| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £85,665,000 | £192,418,000 | £95,220,000 | +11.2% |
| PBT | £3,041,000 | £7,096,000 | £1,964,000 | -35.4% |
| EPS | 0.20p | 0.40p | -0.50p | Profit to loss |

### Argonaut Games
| | Final - Jul 00 | | Final - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £4,359,000 | | £4,396,000 | +0.8% |
| PBT | -£636,000 | | -£3,131,000 | Loss both |
| EPS | -0.83p | | -3.35p | Loss both |

### Autonomy Corporation plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | 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
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £12,936,000 | £28,100,000 | £14,034,000 | +8.5% |
| PBT | £2,335,000 | £5,225,000 | £1,130,000 | -51.6% |
| EPS | 9.29p | 20.39p | 4.26p | -54.1% |

### Axon Group plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £17,210,000 | £42,737,000 | £22,590,000 | +31.3% |
| PBT | £2,803,000 | £7,174,000 | £3,566,000 | +27.2% |
| EPS | 3.40p | 8.60p | 4.40p | +29.4% |

### Azlan Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £261,700,000 | £591,608,000 | £298,300,000 | +14.0% |
| PBT | £5,400,000 | £16,132,000 | £8,000,000 | +48.1% |
| EPS | 3.30p | 10.20p | 5.30p | +60.6% |

### Baltimore Technologies plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £25,704,000 | £74,224,000 | £39,432,000 | +53.4% |
| PBT | -£20,659,000 | -£94,185,000 | -£550,334,000 | Loss both |
| EPS | -5.50p | -23.10p | -110.80p | Loss both |

### Bond International Software plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £4,519,000 | £9,376,878 | £5,698,000 | +26.1% |
| PBT | £141,000 | £1,031,979 | £443,000 | +214.2% |
| EPS | 0.55p | 5.02p | 2.17p | +294.5% |

### Business Systems Group Holdings plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £17,602,000 | £37,707,000 | £13,061,000 | -25.8% |
| PBT | -£145,000 | -£148,000 | -£4,539,000 | Loss both |
| EPS | -0.26p | -0.37p | -5.47p | Loss both |

### Capita Group plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | 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
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £18,357,000 | £73,260,000 | £50,776,000 | +176.6% |
| PBT | -£5,800,000 | -£24,443,000 | -£53,730,000 | Loss both |
| EPS | -8.80p | -33.80p | -69.80p | Loss both |

### Charteris Plc
| | Final - Jul 00 | | Final - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £6,716,000 | | £13,276,000 | +97.7% |
| PBT | £371,000 | | £828,000 | +123.2% |
| EPS | 0.85p | | 1.52p | +78.8% |

### Clarity Commerce
| | Interim - Sep00 | Final - Sep01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £1,448,000 | £3,552,000 | £2,428,000 | n/a |
| PBT | -£502,000 | -£1,111,000 | -£276,000 | n/a |
| EPS | -8.40p | -14.75p | -2.84p | n/a |

### Clinical Computing plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £1,331,000 | £2,259,201 | £1,176,000 | -11.6% |
| PBT | £157,000 | -£328,673 | -£498,000 | Profit to loss |
| EPS | 0.60p | -1.30p | -1.99p | Profit to loss |

### CMG plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £349,400,000 | £810,400,000 | £456,700,000 | +30.7% |
| PBT | £45,100,000 | £83,100,000 | -£10,200,000 | Profit to loss |
| EPS | 5.30p | 7.80p | -2.60p | Profit to loss |

### Comino Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £9,447,000 | £21,436,000 | £9,310,000 | -1.5% |
| PBT | £1,499,000 | £3,233,000 | -£1,441,000 | Profit to loss |
| EPS | 7.20p | 16.30p | -6.50p | Profit to loss |

### Compass Software Group plc
| | Interim - May00 | Final - Nov00 | Interim - May01 | Comparison |
|---|---|---|---|---|
| REV | £965,353 | £2,383,095 | £1,961,614 | +103.2% |
| PBT | £53,723 | £442,911 | £91,481 | +70.3% |
| EPS | 0.49p | 3.71p | 0.47p | -4.1% |

### Compel Group plc
| | Final - Jun 00 | | Final - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £288,015,000 | | £235,731,000 | -18.2% |
| PBT | £2,080,000 | | -£13,367,000 | Profit to loss |
| EPS | 8.50p | | -47.00p | Profit to loss |

### Computacenter plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun01 | Comparison |
|---|---|---|---|---|
| REV | £927,487,000 | £1,990,620,000 | £1,175,570,000 | +26.7% |
| PBT | £19,187,000 | £55,571,000 | £29,259,000 | +52.5% |
| EPS | 7.10p | 20.80p | 10.60p | +49.3% |

### 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
| | Interim - Jul 00 | Final - Dec 00 | Interim - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £6,973,000 | £11,653,000 | £5,235,000 | -24.9% |
| PBT | £313,000 | £563,000 | £315,000 | +0.6% |
| EPS | 0.72p | 1.12p | 0.68p | -5.6% |

### Delcam plc
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £8,302,280 | £17,011,059 | £9,004,030 | +8.5% |
| PBT | £611,162 | £1,642,845 | £734,661 | +20.2% |
| EPS | 8.10p | 19.60p | 8.90p | +9.9% |

### Diagonal plc
| | Interim - May00 | Final - Nov 00 | Interim - May 01 | 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
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £99,229,000 | | £140,290,000 | +41.4% |
| PBT | £3,860,000 | | £7,471,000 | +93.5% |
| EPS | 18.80p | | 22.80p | +21.3% |

### Earthport Plc
| | Final - Jun 99 | | Final - Jun 00 | 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
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £19,031,000 | £41,742,000 | £28,607,000 | +50.3% |
| PBT | -£3,507,000 | -£12,113,000 | -£10,586,000 | Loss both |
| EPS | -13.46p | -44.98p | -38.43p | Loss both |

### Easyscreen plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £969,022 | £1,926,881 | £1,245,696 | +28.6% |
| PBT | -£3,767,777 | -£7,582,291 | -£2,188,965 | Loss both |
| EPS | -8.23p | -16.49p | -4.70p | Loss both |

### ECsoft Group plc
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | 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
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £37,414,000 | £169,767,000 | £31,046,000 | -17.0% |
| PBT | -£82,348,000 | -£96,358,000 | -£27,435,000 | Loss both |
| EPS | -65.40p | -93.90p | -21.80p | Loss both |

### Electronic Data Processing plc
| | Interim - Mar 00 | Final - Sep00 | Interim - Mar 01 | 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
| | Final - Mar 00 | | Final - Mar 01 | Comparison |
|---|---|---|---|---|
| REV | £7,596,000 | | £8,269,000 | +8.9% |
| PBT | £340,000 | | £390,000 | +14.7% |
| EPS | 2.19p | | 2.57p | +17.4% |

### Ffastfill Plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £257,245 | £438,429 | £317,284 | +23.3% |
| PBT | -£1,225,540 | -£5,105,274 | -£4,005,218 | Loss both |
| EPS | -4.19p | -12.69p | -7.88p | Loss both |

### Financial Objects plc
| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £8,874,000 | £18,369,000 | £8,711,000 | -1.8% |
| PBT | -£1,573,000 | -£887,000 | £937,000 | Loss to Profit |
| EPS | -3.33p | -2.61p | 1.22p | Loss to Profit |

### Flomerics Group plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | 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
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £828,000 | £2,273,000 | £2,285,000 | +63.8% |
| PBT | -£1,224,000 | -£2,437,000 | -£1,426,000 | Loss both |
| EPS | -4.90p | -9.70p | -5.70p | Loss both |

### Gresham Computing plc
| | Interim - Apr 00 | Final - Oct 00 | Interim - Apr 01 | 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
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £33,277,000 | £86,397,000 | £58,313,000 | +75.2% |
| PBT | £2,823,000 | £3,857,000 | -£1,733,000 | Profit to loss |
| EPS | 2.56p | 13.70p | -4.63p | Profit to loss |

### Harvey Nash Group plc
| | Interim - Jul 00 | Final - Jan 01 | Interim - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £93,190,000 | £226,249,000 | £126,359,000 | +35.6% |
| PBT | £5,756,000 | £12,971,000 | -£1,103,000 | Profit to loss |
| EPS | 12.25p | 24.63p | -3.79p | Profit to loss |

### Highams Systems Services Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £10,262,000 | £20,662,000 | £9,717,000 | -5.3% |
| PBT | -£1,744,000 | -£2,032,000 | -£370,000 | Loss both |
| EPS | -2.38p | -10.43p | -1.43p | Loss both |

### IBNet Plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £14,000 | | £402,000 | +100.0% |
| PBT | -£595,000 | | -£24,445,000 | Loss both |
| EPS | -1.50p | | -44.48p | Loss both |

### I-Document Systems Plc
| | 7 months - Oct 00 | | Final - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £501,648 | | £1,201,192 | +139.4% |
| PBT | -£242,770 | | -£1,181,273 | Loss both |
| EPS | -0.33p | | -0.97p | Loss both |

### ICM Computer Group plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £49,535,000 | | £66,678,000 | +34.6% |
| PBT | £4,513,000 | | £4,668,000 | +3.4% |
| EPS | 15.40p | | 16.00p | +3.9% |

### 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
| | Interim - Jun 00 | Final - Dec00 | Interim Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £4,721,000 | £8,810,556 | £1,948,000 | -58.7% |
| PBT | -£801,000 | -£2,523,413 | -£3,623,000 | Loss both |
| EPS | -1.90p | -5.97p | -8.30p | Loss both |

### Innovation Group plc (The)
| | Final - Sep00 | | Final - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £9,564,000 | | £57,754,000 | +503.9% |
| PBT | £3,176,000 | | £3,073,000 | -3.2% |
| EPS | 2.40p | | -1.30p | Profit to loss |

### Intercede Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £1,140,000 | £2,014,000 | £471,000 | -58.7% |
| PBT | -£313,000 | -£1,125,000 | -£1,190,000 | Loss both |
| EPS | -2.90p | -8.80p | -7.30p | Loss both |

### Internet Business Group Plc
| | Interim - Apr 00 | Final - Oct 00 | Interim - Apr 01 | |
|---|---|---|---|---|
| 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
| | Interim - Jun 00 | Final - Dec00 | Interim Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £2,123,000 | £2,146,000 | £1,836,000 | -13.5% |
| PBT | -£1,840,000 | -£1,859,333 | -£2,230,000 | Loss both |
| EPS | -0.02 | -3.85p | -0.04 | Loss both |

### iSOFT Group plc
| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £11,124,000 | £31,131,000 | £22,763,000 | +104.6% |
| PBT | £1,340,000 | £5,310,000 | £3,491,000 | +160.5% |
| EPS | 0.72p | 3.06p | 2.04p | +183.3% |

### I S Solutions plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £6,529,000 | £11,237,000 | £5,904,000 | -9.6% |
| PBT | £482,000 | £547,000 | -£161,000 | Profit to loss |
| EPS | 1.35p | 1.17p | -0.73p | Profit to loss |

### ITNET plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £75,705,000 | £158,873,000 | £87,590,000 | +15.7% |
| PBT | -£3,131,000 | -£1,423,000 | £4,072,000 | Loss to profit |
| EPS | -2.85p | -0.18p | 3.47p | Loss to profit |

### Izodia Plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £671,000 | £2,697,000 | £2,730,000 | +306.9% |
| PBT | -£9,966,000 | -£35,997,000 | -£61,363,000 | Loss both |
| EPS | -19.66p | -66.15 | -139.63 | Loss both |

### Jasmin plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £1,653,000 | £3,982,000 | £3,233,000 | +95.6% |
| PBT | -£490,000 | -£449,000 | £325,000 | Loss to profit |
| EPS | -10.37p | -9.50p | 6.72p | Loss to profit |

### Kalamazoo Computer Group plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £22,632,000 | £48,276,000 | £23,619,000 | +4.4% |
| PBT | -£2,129,000 | -£4,287,000 | -£2,517,000 | Loss both |
| EPS | -3.50p | -6.90p | -4.00p | Loss both |

### Kewill Systems plc
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £33,160,000 | £68,737,000 | £24,399,000 | -26.4% |
| PBT | £2,098,000 | £3,279,000 | -£55,069,000 | Profit to loss |
| EPS | 1.40p | 0.50p | -71.90p | Profit to loss |

### Keystone Solutions Group
| | Interim - Sep00 | Final - Mar 01 | Interim - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £1,989,000 | £4,477,000 | £2,841,000 | +125.1% |
| PBT | -£3,173,000 | -£8,408,000 | -£2,026,000 | Loss both |
| EPS | -7.70p | -13.40p | 1.61p | Loss both |

### Knowledge Management Software plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £2,091,986 | | £6,054,760 | +189.4% |
| PBT | -£3,078,772 | | -£12,771,898 | Loss both |
| EPS | -5.40p | | -12.20p | Loss both |

### Knowledge Support Systems Group plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £895,739 | £2,803,736 | £512,658 | -42.8% |
| PBT | -£425,722 | -£2,116,580 | -£4,582,815 | Loss both |
| EPS | -0.60p | -3.00p | -6.20p | Loss both |

### Knowledge Technology Solutions Plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £128,580 | | £150,583 | +17.1% |
| PBT | -£93,812 | | -£193,861 | Loss both |
| EPS | n/a | | -0.38p | Not comparable |

### Logica plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £847,400,000 | | £1,133,200,000 | +33.7% |
| PBT | £98,100,000 | | £136,200,000 | +38.8% |
| EPS | 16.80p | | 20.60p | +22.6% |

### London Bridge Software Holdings plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £27,160,000 | £56,702,000 | £36,935,000 | +36.0% |
| PBT | £3,344,000 | £4,662,000 | £2,362,000 | -29.4% |
| EPS | 1.31p | 1.85p | 0.84p | -35.9% |

### Lorien plc
| | Interim - May00 | Final - Nov 00 | Interim - May01 | Comparison |
|---|---|---|---|---|
| REV | £53,188,000 | £111,588,000 | £67,090,000 | +26.1% |
| PBT | -£2,464,000 | -£2,718,000 | £537,000 | Loss to profit |
| EPS | -14.10p | -12.10p | 3.00p | Loss to profit |

### Lynx Group plc
| | Final - Sep00 | | Final - Sep01 | Comparison |
|---|---|---|---|---|
| REV | £250,482,000 | | £271,816,000 | +8.5% |
| PBT | £6,106,000 | | -£5,454,000 | Profit to loss |
| EPS | 1.98p | | -4.71p | Profit to loss |

### MMT Computing plc
| | Final - Aug00 | | Final - Aug01 | Comparison |
|---|---|---|---|---|
| REV | £37,734,000 | | £31,112,000 | -17.5% |
| PBT | £5,976,000 | | -£2,792,000 | Profit to loss |
| EPS | 32.20p | | -19.40p | Profit to loss |

### Macro 4 plc
| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £38,671,000 | | £47,100,000 | +21.8% |
| PBT | £10,611,000 | | £5,034,000 | -52.6% |
| EPS | 33.20p | | 9.40p | -71.7% |

### Manpower SoftWare plc
| | Final - May00 | | Final - May01 | Comparison |
|---|---|---|---|---|
| REV | £1,611,619 | | £2,769,667 | +71.9% |
| PBT | -£2,790,867 | | -£740,126 | Loss both |
| EPS | -27.73p | | -5.10p | Loss both |

### Marlborough Stirling Plc
| | Interim - Jun 00 | Final - Dec00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £22,707,000 | £50,080,000 | £33,688,000 | +48.4% |
| PBT | £4,604,000 | £8,337,000 | £5,053,000 | +9.8% |
| EPS | 2.61p | 2.80p | 1.92p | -26.4% |

### 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 |

## Quoted Companies - Results Service

Note: Highlighted Names indicate results announced this month.

### Microgen plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £13,760,000 | £25,344,000 | £11,020,000 | -19.9% |
| PBT | -£2,808,000 | -£3,086,000 | £59,000 | Loss to Profit |
| EPS | -4.70p | -5.20p | 0.10p | Loss to Profit |

### Mission Testing Plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £6,048,205 | | £10,515,000 | +73.9% |
| PBT | £500,000 | | £967,000 | +93.4% |
| EPS | 3.31p | | 4.43p | +33.8% |

### 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

| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £881,263 | £2,702,141 | £1,729,088 | +96.2% |
| PBT | -£466,426 | -£1,504,042 | -£1,184,379 | Loss both |
| EPS | -3.40p | -9.50p | -5.90p | Loss both |

### Morse Holdings plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £506,316,000 | | £586,076,000 | +15.8% |
| PBT | £22,919,000 | | £19,194,000 | -16.3% |
| EPS | 10.10p | | 7.70p | -23.8% |

### MSB International plc

| | Interim - Jul 00 | Final - Jan 01 | Interim - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £75,040,000 | £157,760,000 | £83,627,000 | +11.4% |
| PBT | £25,000 | £2,584,000 | £416,000 | +1564.0% |
| EPS | 0.1p | 7.50p | 1.1p | +1000.0% |

### Myratech.net Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £853,000 | £1,713,000 | £1,055,000 | +100.8% |
| PBT | -£446,000 | -£1,599,000 | -£1,239,000 | Loss both |
| EPS | -1.80p | -6.00p | -4.50p | Loss both |

### Ncipher Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £5,489,000 | £13,455,000 | £8,118,000 | +47.9% |
| PBT | -£1,073,000 | -£1,790,000 | -£1,449,000 | Loss both |
| EPS | -1.35p | -2.18p | -1.30p | Loss both |

### NetBenefit plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £7,520,100 | | £6,353,000 | -15.5% |
| PBT | -£4,591,000 | | -£21,663,000 | Loss both |
| EPS | -0.32p | | -134.40p | Loss both |

### Netstore plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,372,632 | | £3,563,923 | +159.6% |
| PBT | -£4,894,738 | | -£11,829,902 | Loss both |
| EPS | -7.57p | | -13.32p | Loss both |

### Nettec plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £7,737,000 | £17,311,000 | £9,413,000 | +21.7% |
| PBT | -£8,582,000 | -£8,582,000 | -£21,353,000 | Loss both |
| EPS | -2.80p | -8.00p | -19.00p | Loss both |

### Northgate Information Solutions plc

| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £55,681,000 | £107,194,000 | £44,628,000 | -19.9% |
| PBT | -£1,255,000 | £2,200,000 | £4,102,000 | Loss to Profit |
| EPS | -0.43p | 0.55p | 1.39p | Loss to Profit |

### NSB Retail Systems plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £18,822,000 | £40,930,000 | £48,220,000 | +156.2% |
| PBT | £2,150,000 | -£7,700,000 | -£39,407,000 | Profit to loss |
| EPS | 0.41p | -4.26p | -9.77p | Profit to loss |

### OneclickHR Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,327,199 | £4,068,345 | £2,704,900 | +103.8% |
| PBT | -£710,558 | -£2,664,741 | -£1,178,243 | Loss both |
| EPS | -1.80p | -5.90p | -2.30p | Loss both |

### Orchestream Holdings plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £577,000 | £2,746,200 | £6,949,000 | +1104.3% |
| PBT | -£5,388,000 | -£10,541,300 | -£9,768,000 | Loss both |
| EPS | -6.50p | -10.40p | -7.90p | Loss both |

### Parity plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £139,241,000 | £269,228,000 | £130,367,000 | -6.4% |
| PBT | £6,538,000 | £12,810,000 | -£1,468,000 | Profit to loss |
| EPS | 2.73p | 5.53p | -0.48p | Profit to loss |

### Patsystems plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,091,000 | £2,524,000 | £2,617,000 | +139.9% |
| PBT | -£3,835,000 | -£9,612,000 | -£5,502,000 | Loss both |
| EPS | -3.50p | -8.30p | -4.00p | Loss both |

### Planit Holdings plc

| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £9,119,000 | £19,070,000 | £9,766,000 | +7.1% |
| PBT | £980,000 | £2,720,000 | £916,000 | -6.5% |
| EPS | 0.80p | 2.00p | 0.70p | -12.5% |

### Protogana plc (was Recognition Systems)

| | Final - Sep 00 | | Final - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £8,620,000 | | £8,766,000 | +1.7% |
| PBT | -£4,749,000 | | -£10,238,000 | Loss both |
| EPS | -5.40p | | -9.00p | Loss both |

### PSD Group plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £41,132,000 | £88,549,000 | £41,974,000 | +2.0% |
| PBT | £10,011,000 | £21,385,000 | £5,529,000 | -44.8% |
| EPS | 27.30p | 57.00p | 13.80p | -49.5% |

### 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 |

### Quantica plc

| | Interim - May 00 | Final - Nov 00 | Interim - May 01 | Comparison |
|---|---|---|---|---|
| REV | £9,278,000 | £23,753,000 | £16,717,000 | +80.2% |
| PBT | £1,463,000 | £3,768,000 | £1,596,000 | +9.1% |
| EPS | 2.71p | 6.80p | 2.75p | +1.5% |

### RM plc

| | Final - Sep 00 | | Final - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £207,560,000 | | £241,916,000 | +16.6% |
| PBT | £9,528,000 | | £15,207,000 | +59.6% |
| EPS | 7.90p | | 11.20p | +41.8% |

### Raft International Plc

| | Final - Oct 00 | | Final - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £9,173,000 | | £9,468,000 | +3.2% |
| PBT | £171,000 | | -£826,000 | Profit to loss |
| EPS | 0.19p | | -1.32p | Profit to loss |

### Rage Software plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £3,331,000 | | £5,731,000 | +72.1% |
| PBT | -£6,736,000 | | -£17,054,000 | Loss both |
| EPS | -2.40p | | -5.28p | 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% |

### Retail Decisions plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £7,198,000 | £17,674,000 | £10,699,000 | +48.6% |
| PBT | -£1,671,000 | -£2,292,000 | -£548,000 | Profit to loss |
| EPS | -1.27p | -1.64p | -0.48p | 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

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £986,000 | £5,168,843 | £3,268,000 | +231.4% |
| PBT | -£9,199,000 | -£26,641,044 | -£19,890,000 | Loss both |
| EPS | -16.10p | -32.70p | -8.20p | 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

| | Final - Sep 00 | | Final - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £412,153,000 | | £484,137,000 | +17.5% |
| PBT | £108,748,000 | | £121,317,000 | +11.6% |
| EPS | 5.92p | | 6.59p | +11.3% |

### 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

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £21,298,000 | £49,624,000 | £32,970,000 | +54.8% |
| PBT | £1,251,000 | £2,732,000 | £2,599,000 | +107.8% |
| EPS | 3.40p | 6.50p | 6.40p | +88.2% |

### SDL plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £11,578,000 | £29,730,000 | £16,747,000 | +44.6% |
| PBT | £269,000 | £1,059,000 | -£2,770,000 | Profit to loss |
| EPS | 0.09p | 0.93p | -6.50p | Profit to loss |

### ServicePower Technologies plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,151,000 | £3,292,000 | £1,351,000 | +17.4% |
| PBT | -£2,697,000 | -£3,928,000 | -£1,991,000 | Loss both |
| EPS | -5.88p | -8.10p | -3.90p | Loss both |

### Sherwood International plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £24,097,000 | £54,277,000 | £26,847,000 | +11.4% |
| PBT | £2,548,000 | £6,634,000 | -£1,445,000 | Profit to loss |
| EPS | 5.10p | 13.00p | -2.60p | Profit to loss |

### Sirius Financial Plc (was Policy Master Group)

| | Interim - Jun 00 | Final - Dec 00 | Interim Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £8,100,000 | £17,135,457 | £9,093,000 | +12.3% |
| PBT | £29,000 | £727,215 | £115,000 | +296.6% |
| EPS | 0.10p | 4.40p | 0.20p | +100.0% |

### Smartlogik Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £12,707,000 | £57,642,000 | £1,738,000 | -86.3% |
| PBT | -£910,000 | -£131,694,000 | -£10,438,000 | Loss both |
| EPS | -0.60p | -79.20p | -6.00p | Loss both |

### Sopheon plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £3,098,000 | £7,763,000 | £6,068,000 | +95.9% |
| PBT | -£3,387,000 | -£11,945,000 | -£12,565,000 | Loss both |
| EPS | -9.90p | -33.40p | -32.50p | 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

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £18,241,000 | £37,857,000 | £19,127,000 | +4.9% |
| PBT | £2,667,000 | £3,042,000 | -£3,369,000 | Profit to loss |
| EPS | 12.90p | 10.40p | -24.10p | Profit to loss |

### StatPro Group plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,278,000 | £3,172,000 | £3,031,000 | +148.2% |
| PBT | -£1,985,000 | -£4,879,000 | -£2,326,000 | Loss both |
| EPS | -8.30p | -18.40p | -7.80p | Loss both |

### Stilo International Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £59,000 | £86,000 | £571,000 | +867.8% |
| PBT | -£243,000 | -£736,000 | -£1,038,000 | Loss both |
| EPS | -48.60p | -4.54p | -2.33p | Loss both |

### Superscape plc

| | Interim - Jul 00 | | Interim - Jul 01 | Comparison |
|---|---|---|---|---|
| REV | £1,445,000 | | £1,343,000 | -7.1% |
| PBT | -£3,920,000 | | -£4,607,000 | Loss both |
| EPS | -11.80p | | -12.60p | Loss both |

### SurfControl plc

| | Final - May 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £9,519,000 | | £27,839,000 | +192.5% |
| PBT | -£16,259,000 | | -£60,940,000 | Loss both |
| EPS | -81.86p | | -207.78p | Loss both |

### Synigence Plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £1,089,700 | £1,984,010 | £155,518 | -85.7% |
| PBT | £60,201 | -£750,018 | -£2,788,678 | Profit to loss |
| EPS | 0.20p | -2.80p | -6.50p | Profit to loss |

### Synstar plc

| | Final - Sep 00 | | Final - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £235,911,000 | | £238,198,000 | +1.0% |
| PBT | £4,954,000 | | -£21,296,000 | Profit to loss |
| EPS | 0.60p | | -13.80p | Profit to loss |

### Systems Integrated Research plc

| | Final - May 00 | | Final - May 01 | Comparison |
|---|---|---|---|---|
| REV | £1,536,000 | | £1,654,000 | +7.7% |
| PBT | £215,000 | | £307,000 | +42.8% |
| EPS | 1.25p | | 1.93p | +54.4% |

### Systems Union plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £15,686,000 | £53,778,000 | £36,756,000 | +134.3% |
| PBT | -£96,515,000 | -£105,924,000 | £679,000 | Loss to Profit |
| EPS | -115.00p | -125.30p | 0.60p | Loss to Profit |

### 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

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £10,409,000 | £21,947,000 | £8,343,000 | -19.8% |
| PBT | £2,757,000 | £4,173,000 | -£1,800,000 | Profit to loss |
| EPS | 1.09p | 1.36p | -0.80p | Profit to loss |

### TelMe Group plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £34,225,000 | £18,089,000 | £35,858,000 | +4.8% |
| PBT | -£1,025,000 | -£2,083,000 | -£2,411,000 | Loss both |
| EPS | -1.40p | -2.80p | -3.00p | Loss both |

### Terence Chapman Group plc

| | Final - Aug 00 | | Final - Aug 01 | Comparison |
|---|---|---|---|---|
| REV | £30,917,000 | | £32,020,000 | +3.6% |
| PBT | £4,136,000 | | £8,124,000 | +96.4% |
| EPS | 4.66p | | 6.30p | +35.2% |

### Tikit Group plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £4,877,000 | £9,310,000 | £4,704,000 | -3.5% |
| PBT | £505,000 | £876,000 | £450,000 | -10.9% |
| EPS | 3.40p | 5.48p | 3.10p | -8.8% |

### Torex plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £34,905,000 | £88,425,000 | £61,954,000 | +77.5% |
| PBT | £1,791,000 | £5,133,000 | £3,860,000 | +115.5% |
| EPS | 3.70p | 9.00p | 5.10p | +37.8% |

### Totalise Plc

| | Final - Apr 00 | | Final - Apr 01 | Comparison |
|---|---|---|---|---|
| REV | £870,217 | | £4,284,893 | +392.4% |
| PBT | -£1,946,395 | | -£4,359,241 | Loss both |
| EPS | -15.35p | | -11.25p | Loss both |

### Total Systems plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £1,584,209 | £3,849,292 | £2,838,066 | +79.1% |
| PBT | £156,071 | £717,337 | £772,911 | +395.2% |
| EPS | 1.04p | 4.90p | 5.11p | +391.3% |

### Touchstone Group plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £5,490,000 | £11,807,000 | £6,121,000 | +11.5% |
| PBT | £410,000 | £1,481,000 | £606,000 | +47.8% |
| EPS | 2.50p | 9.80p | 3.80p | +52.0% |

### Trace Computers plc

| | Final - May 00 | | Final - May 01 | Comparison |
|---|---|---|---|---|
| REV | £17,067,000 | | £15,656,000 | -8.3% |
| PBT | £2,311,000 | | £3,183,000 | +37.7% |
| EPS | 11.64p | | 17.12p | +47.1% |

### Transeda Plc

| | Final - Jun 00 | | Final - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £4,052,000 | | £6,510,000 | +60.7% |
| PBT | -£3,000 | | £592,000 | Loss to Profit |
| EPS | 0.00p | | 0.66p | Loss to Profit |

### Triad Group plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £25,003,000 | £52,783,000 | £24,182,000 | -3.3% |
| PBT | £1,265,000 | £4,511,000 | £1,519,000 | +20.1% |
| EPS | 3.41p | 11.74p | 4.10p | +20.2% |

### Tribal Group Plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | |
|---|---|---|---|---|
| REV | £4,086,000 | £24,088,000 | £15,344,000 | +275.5% |
| PBT | £177,000 | £2,841,000 | £761,000 | +329.9% |
| EPS | n/a | 4.00p | 3.95p | n/a |

### Ultima Networks plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £3,889,000 | £6,952,000 | £2,768,000 | -28.8% |
| PBT | -£496,000 | -£865,000 | -£599,000 | Loss both |
| EPS | -0.26p | -0.45p | -0.31p | 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

| | Interim - Oct 00 | Final - Apr 01 | Interim - Oct 01 | Comparison |
|---|---|---|---|---|
| REV | £18,249,000 | £35,661,000 | £17,572,000 | -3.7% |
| PBT | -£1,332,000 | -£5,882,000 | -£332,000 | Loss both |
| EPS | -5.79p | -26.87p | -1.90p | Loss both |

### 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 | Loss both |

### VI Group plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £2,699,000 | £5,642,000 | £3,083,000 | +14.2% |
| PBT | £259,000 | £465,000 | £324,000 | +25.1% |
| EPS | 0.68p | 1.05p | 0.94p | +38.2% |

### Vocalis Group plc

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £2,008,000 | £2,701,000 | £1,223,000 | -39.1% |
| PBT | -£2,478,000 | -£7,144,000 | -£1,968,000 | Loss both |
| EPS | -5.60p | -15.82p | -4.25p | 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

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £7,320,000 | £15,533,000 | £6,356,000 | -13.2% |
| PBT | -£215,000 | -£251,000 | -£3,246,000 | Loss both |
| EPS | -0.87p | -0.67p | -7.85p | 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

| | Interim - Sep 00 | Final - Mar 01 | Interim - Sep 01 | Comparison |
|---|---|---|---|---|
| REV | £20,197,000 | £38,211,000 | £20,433,000 | +1.2% |
| PBT | -£2,311,000 | -£19,611,000 | -£4,777,000 | Loss both |
| EPS | -10.10p | -85.30p | -25.30p | Loss both |

### Xpertise Group plc

| | Interim - Jun 00 | Final - Dec 00 | Interim - Jun 01 | Comparison |
|---|---|---|---|---|
| REV | £2,919,000 | £5,758,000 | £2,936,000 | +0.6% |
| PBT | -£228,000 | -£4,000,000 | -£231,000 | Loss both |
| EPS | -0.76p | -0.08p | -0.74p | Loss both |

## Holway/SYSTEMHOUSE SCS Share Prices and Capitalisation

| | SCS Cat. | Share Price 31-Dec-01 | Capitalisation 31-Dec-01 | Historic P/E | PSR Ratio Cap./Rev. | SCSI Index 31-Dec-01 | Share price move since 30-Nov-01 | Share price % move in 2001 | Capitalisation move since 30-Nov-01 | Capitalisation move (£m) in 2001 |
|---|---|---|---|---|---|---|---|---|---|---|
| Actinic | SP | £0.03 | £3.7m | Loss | 2.43 | 37 | -36.84% | -92.21% | -£2.15m | -£43.71m |
| AFA Systems | SP | £0.92 | £21.7m | Loss | 5.06 | 763 | -14.08% | -34.17% | -£3.48m | -£10.38m |
| Affinity Internet Holdings | CS | £3.03 | £81.7m | Loss | 7.22 | 23269 | -6.78% | -37.63% | -£5.93m | -£36.83m |
| AIT Group | CS | £8.35 | £169.5m | 43.2 | 5.00 | 5567 | 22.34% | -29.54% | £31.00m | -£71.10m |
| Alphameric | SP | £1.09 | £111.2m | 28.7 | 2.04 | 500 | 26.01% | -60.29% | £23.00m | -£168.80m |
| Alterian | SP | £0.74 | £28.8m | Loss | 13.86 | 368 | -1.34% | -69.05% | -£0.40m | -£64.30m |
| Anite Group | CS | £1.71 | £489.3m | 23.9 | 2.54 | 997 | 26.30% | 1.19% | £101.89m | £40.19m |
| Argonaut Games | SP | £0.63 | £57.4m | Loss | 13.04 | 651 | -4.58% | -5.30% | -£2.72m | -£623.32m |
| Autonomy | SP | £3.27 | £411.7m | Loss | 8.38 | 100 | -7.63% | -83.04% | -£34.00m | -£2,016.23m |
| Aveva Group | SP | £4.42 | £74.7m | 22.9 | 2.66 | 2208 | 2.91% | -19.80% | £2.10m | -£17.20m |
| Axon | CS | £1.75 | £89.8m | 14.8 | 2.10 | 1000 | -12.94% | -76.90% | -£13.40m | -£288.20m |
| Azlan Group | R | £1.34 | £145.6m | 10.5 | 0.25 | 580 | -7.29% | -26.04% | -£11.50m | -£48.30m |
| Baltimore Technologies | SP | £0.15 | £78.2m | Loss | 1.05 | 1564 | -23.75% | -95.58% | -£24.32m | -£1,670.82m |
| Bond International | SP | £0.75 | £10.7m | 11.2 | 1.14 | 1154 | -0.66% | 28.21% | -£0.10m | £2.33m |
| Business Systems | CS | £0.14 | £10.9m | Loss | 0.29 | 113 | 0.00% | -83.13% | £0.00m | -£53.90m |
| Capita Group | CS | £4.90 | £3,230.2m | 71.2 | 8.06 | 132524 | 4.53% | -1.95% | £140.18m | -£24.82m |
| Cedar Group | SP | £0.04 | £3.1m | Loss | 0.04 | 38 | -71.43% | -98.71% | -£7.73m | -£235.03m |
| Charteris | CS | £0.89 | £32.3m | Loss | 2.43 | 983 | 1.14% | -30.04% | £0.30m | -£11.70m |
| Clarity Commerce | SP | £0.92 | £12.6m | Loss | 3.51 | 732 | 1.67% | -32.72% | £0.14m | -£0.16m |
| Clinical Computing | SP | £0.30 | £7.5m | Loss | 3.33 | 242 | -15.49% | 13.21% | -£1.38m | £0.88m |
| CMG | CS | £2.43 | £1,489.3m | 25.1 | 1.84 | 6703 | 2.10% | -72.85% | £30.26m | -£3,997.74m |
| Comino | CS | £1.70 | £23.5m | 34.4 | 1.10 | 1308 | -6.85% | -66.83% | -£1.70m | -£46.20m |
| Compass Software | SP | £0.92 | £10.7m | 29.7 | 4.49 | 613 | 0.00% | -50.27% | £0.00m | -£9.10m |
| Compel Group | R | £0.85 | £26.2m | Loss | 0.11 | 676 | 0.00% | 3.68% | £0.00m | £0.90m |
| Computacenter | R | £3.45 | £639.4m | 12.7 | 0.32 | 515 | 5.99% | 2.99% | £36.13m | £27.03m |
| DCS Group | CS | £0.29 | £7.1m | Loss | 0.05 | 475 | -12.31% | -70.00% | -£1.00m | -£15.86m |
| Delcam | SP | £1.43 | £8.7m | 7.3 | 0.51 | 550 | -1.38% | -31.90% | -£0.12m | -£3.80m |
| Diagonal | CS | £1.03 | £90.4m | 12.9 | 1.09 | 1490 | 26.54% | -48.10% | £18.90m | -£75.70m |
| Dicom Group | CS | £4.24 | £88.3m | 13.0 | 0.63 | 1300 | -8.32% | -7.42% | -£8.00m | -£7.10m |
| DRS Data & Research | SP | £0.15 | £5.3m | 13.4 | 0.64 | 139 | 0.00% | 19.61% | -£0.01m | £0.86m |
| Earthport | SP | £0.29 | £30.0m | Loss | 20.39 | 208 | 0.00% | -79.20% | £0.00m | -£111.98m |
| Easynet | CS | £2.64 | £163.7m | Loss | 3.92 | 73 | -7.37% | -40.67% | -£13.00m | £38.60m |
| Easyscreen | SP | £0.47 | £20.9m | Loss | 10.86 | 278 | 18.87% | -20.59% | £3.31m | -£5.39m |
| ECSoft | CS | £5.08 | £59.4m | 56.0 | 0.91 | 281 | -8.97% | -16.80% | -£5.85m | -£12.05m |
| Eidos | SP | £1.80 | £249.6m | Loss | 1.47 | 8996 | -23.81% | -16.28% | -£77.99m | £28.61m |
| Electronic Data Proc | SP | £0.50 | £12.6m | Loss | 1.51 | 1531 | -4.76% | -27.54% | -£0.60m | -£5.50m |
| Epic | CS | £0.88 | £22.1m | 14.4 | 2.75 | 833 | -22.22% | -74.75% | -£6.40m | -£62.40m |
| Eurolink | CS | £0.45 | £4.7m | 17.5 | 0.56 | 450 | 20.00% | -36.62% | £0.78m | -£2.70m |
| Ffastfill | SP | £0.05 | £2.4m | 3.9 | 5.46 | 44 | 5.00% | -94.00% | £0.12m | -£37.69m |
| Financial Objects | SP | £0.83 | £32.6m | 17.2 | 1.77 | 361 | 9.93% | -18.23% | £2.99m | -£6.01m |
| Flomerics Group | SP | £0.80 | £11.6m | 11.4 | 0.99 | 3077 | -6.98% | -40.74% | -£0.90m | -£8.00m |
| Focus Solutions | SP | £1.03 | £25.7m | Loss | 11.31 | 526 | -4.21% | -49.51% | -£1.20m | -£25.30m |
| Gresham Computing | CS | £0.26 | £12.5m | Loss | 0.53 | 277 | -0.96% | 4.04% | -£0.12m | £1.18m |
| Guardian iT | CS | £1.55 | £108.1m | 11.3 | 1.25 | 608 | -64.77% | -83.77% | -£198.96m | -£558.46m |
| Harvey Nash Group | A | £1.20 | £35.9m | 9.1 | 0.16 | 686 | -9.43% | -86.17% | -£3.70m | -£217.40m |
| Highams Systems Servs | A | £0.15 | £2.9m | Loss | 0.14 | 410 | -6.35% | -34.44% | -£0.20m | -£1.52m |
| I S Solutions | CS | £0.33 | £8.1m | 23.9 | 0.72 | 1211 | 0.00% | -82.89% | £0.00m | -£39.38m |
| IBNet | SP | £0.09 | £5.0m | Loss | 12.38 | 164 | -2.70% | -87.76% | -£0.14m | -£35.13m |
| ICM Computer | CS | £3.00 | £59.3m | 18.0 | 0.89 | 1667 | 1.69% | 37.93% | £0.91m | £17.11m |
| I-Document Systems | SP | £0.15 | £19.2m | Loss | 16.00 | 19 | -10.45% | 7.22% | -£2.30m | £1.90m |
| IDS Group | SP | £0.48 | £27.5m | Loss | 2.20 | 533 | -16.52% | -71.93% | -£5.00m | -£69.10m |
| Innovation Goup | SP | £3.60 | £667.8m | 57.5 | 11.55 | 1572 | 21.01% | -55.00% | £115.90m | -£363.20m |
| Intelligent Environments | SP | £0.05 | £3.1m | Loss | 0.35 | 56 | -22.22% | -87.35% | -£0.90m | -£14.48m |
| Intercede Group | SP | £0.56 | £9.1m | Loss | 4.51 | 925 | 8.82% | -7.50% | £0.74m | -£0.72m |
| Internet Business Group | CS | £0.04 | £2.5m | Loss | 1.38 | 100 | -5.88% | -73.33% | -£0.16m | -£5.21m |
| IQ-Ludorum | SP | £0.12 | £9.8m | Loss | 4.57 | 163 | -5.77% | -74.48% | -£0.60m | -£28.20m |
| iSOFT Group | SP | £2.58 | £303.0m | 40.3 | 9.73 | 2341 | -15.30% | 25.61% | -£54.71m | £73.19m |
| ITNET | CS | £2.49 | £177.9m | 26.9 | 1.30 | 710 | -5.15% | 88.97% | -£9.67m | £85.53m |
| Izodia (was Infobank) | SP | £0.32 | £18.4m | Loss | 6.82 | 5000 | -21.25% | -88.55% | -£5.02m | -£142.22m |
| Jasmin | SP | £2.52 | £11.9m | 29.2 | 2.99 | 1680 | 26.95% | 97.65% | £2.55m | £5.89m |
| Kalamazoo Computer | CS | £0.09 | £3.8m | Loss | 0.08 | 250 | -14.63% | -46.97% | -£0.65m | -£3.33m |
| Kewill Systems | SP | £0.43 | £33.0m | Loss | 0.48 | 855 | -27.92% | -86.48% | -£12.70m | -£210.80m |
| Keystone | SP | £0.14 | £16.0m | Loss | 3.56 | 156 | -13.85% | -59.71% | -£2.60m | £1.30m |
| Knowledge Management | SP | £0.12 | £13.5m | Loss | 2.24 | 90 | -9.62% | -85.45% | -£1.45m | -£71.15m |
| Knowledge Support | SP | £0.18 | £13.1m | Loss | 5.98 | 81 | -24.47% | -95.19% | -£4.18m | -£259.18m |
| Knowledge Technology | SP | £0.07 | £5.7m | Loss | 37.76 | 1400 | 0.00% | 40.00% | £0.43m | £1.90m |
| Logica | CS | £6.40 | £2,860.1m | 24.8 | 2.52 | 8765 | -17.31% | -63.43% | -£598.88m | -£4,874.88m |
| London Bridge Software | SP | £1.79 | £302.9m | 40.5 | 5.34 | 4463 | -10.53% | -45.91% | -£35.70m | -£257.10m |
| Lorien | A | £0.63 | £12.3m | 8.9 | 0.11 | 630 | 13.51% | -17.65% | £1.40m | -£2.70m |
| Lynx Group | R | £1.20 | £209.5m | 34.7 | 0.77 | 3000 | 15.94% | 35.59% | £28.80m | £71.30m |
| Macro 4 | SP | £2.53 | £52.5m | 9.5 | 1.11 | 1018 | -2.88% | -71.94% | -£1.60m | -£134.70m |
| Manpower SoftWare | SP | £0.25 | £6.0m | Loss | 2.16 | 258 | 61.29% | -5.66% | £2.27m | £2.36m |
| Marlborough Stirling | CS | £2.05 | £466.7m | 35.6 | 9.32 | 1464 | 5.40% | 46.43% | £23.90m | £218.20m |
| MERANT | SP | £1.11 | £149.1m | 12.1 | 0.69 | 534 | 19.46% | 16.32% | £24.33m | £7.33m |
| Microgen | CS | £1.03 | £52.1m | 41.4 | 2.06 | 438 | -4.65% | -66.67% | -£2.57m | -£104.37m |

**Note:** Main **SYSTEM**HOUSE 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-Dec-01 | Capitalisation 31-Dec-01 | Historic P/E | PSR Ratio Cap./Rev. | SCSI Index 31-Dec-01 | Share price move since 30-Nov-01 | Share price % move in 2001 | Capitalisation move since 30-Nov-01 | Capitalisation move (£m) in 2001 |
|---|---|---|---|---|---|---|---|---|---|---|
| Mission Testing | CS | £1.63 | £27.9m | 23.8 | 5.59 | 595 | -2.99% | -40.48% | -£0.81m | -£15.19m |
| Misys | SP | £3.25 | £1,871.6m | 20.3 | 2.18 | 4043 | 0.00% | -50.76% | -£0.38m | -£1,929.38m |
| MMT Computing | CS | £1.10 | £13.3m | Loss | 0.43 | 655 | -24.14% | -79.15% | -£4.20m | -£50.50m |
| Mondas | SP | £0.28 | £5.5m | Loss | 2.04 | 367 | 5.77% | -31.25% | £0.30m | -£2.50m |
| Morse | R | £1.90 | £243.3m | 9.8 | 0.42 | 760 | -1.30% | -49.67% | -£3.30m | -£233.50m |
| MSB International | A | £0.85 | £17.2m | 23.0 | 0.11 | 445 | 5.62% | -26.52% | £0.90m | -£6.30m |
| Myratech.net | CS | £0.04 | £1.2m | Loss | 0.68 | 33 | 54.55% | -83.00% | £0.41m | -£5.57m |
| Ncipher | SP | £0.80 | £100.6m | Loss | 7.48 | 318 | -14.52% | -70.88% | -£17.10m | -£244.40m |
| NetBenefit | CS | £0.13 | £2.1m | Loss | 0.33 | 65 | -3.70% | -89.80% | -£0.08m | -£18.32m |
| Netstore | CS | £0.20 | £17.7m | Loss | 4.97 | 133 | 5.26% | -75.46% | £0.88m | -£54.32m |
| Nettec | CS | £0.11 | £13.5m | Loss | 0.78 | 46 | 0.00% | -62.71% | -£0.01m | -£18.21m |
| Northgate Information Solutions | CS | £0.34 | £95.8m | 10.5 | 0.89 | 129 | -14.10% | -51.27% | -£15.71m | -£96.61m |
| NSB Retail Systems | SP | £0.25 | £77.6m | 10.9 | 1.90 | 2130 | -12.50% | -85.37% | -£11.11m | -£315.91m |
| OneclickHR | SP | £0.42 | £22.1m | Loss | 5.43 | 1050 | -6.67% | 40.00% | -£1.60m | -£1.20m |
| Orchestream | SP | £0.21 | £26.8m | Loss | 9.76 | 111 | -42.25% | -92.55% | -£19.59m | -£308.99m |
| Parity | A | £0.49 | £75.2m | 15.9 | 0.28 | 8167 | -16.95% | -58.12% | -£15.33m | -£104.33m |
| Patsystems | SP | £0.11 | £13.7m | Loss | 5.41 | 98 | -10.64% | -89.81% | -£1.65m | -£117.25m |
| Planit | SP | £0.55 | £45.7m | 17.9 | 2.40 | 2292 | 26.44% | -47.12% | £9.60m | -£39.40m |
| Protogana (was Recognition) | SP | £0.04 | £14.0m | Loss | 1.59 | 57 | -30.43% | -98.56% | -£4.30m | -£239.20m |
| PSD | A | £4.58 | £114.8m | 9.7 | 1.30 | 2080 | -1.61% | -52.09% | -£1.90m | -£124.90m |
| QA (was Skillsgroup) | CS | £0.46 | £40.6m | 40.5 | 0.29 | 206 | -1.08% | -66.55% | -£0.50m | -£80.80m |
| Quantica | A | £0.55 | £21.6m | 7.2 | 0.91 | 444 | 0.00% | 0.00% | £0.00m | £0.00m |
| Raft International | SP | £0.10 | £6.7m | Loss | 0.71 | 163 | 2.50% | -83.73% | £0.16m | -£35.28m |
| Rage Software | SP | £0.08 | £31.1m | Loss | 5.42 | 308 | -20.00% | -25.58% | -£6.63m | -£3.23m |
| RDL | A | £0.54 | £10.4m | 5.4 | 0.64 | 600 | -27.03% | -69.14% | -£3.76m | -£16.36m |
| Retail Decisions | SP | £0.19 | £29.2m | Loss | 1.65 | 257 | -7.32% | -84.62% | -£2.25m | -£139.95m |
| RexOnline | A | £0.40 | £5.3m | 11.8 | 2.62 | 476 | -2.44% | -58.55% | -£0.13m | -£1.11m |
| Riversoft | SP | £0.12 | £29.0m | Loss | 5.61 | 128 | -38.46% | -87.23% | -£18.20m | -£195.00m |
| RM Group | SP | £2.38 | £222.9m | 21.3 | 0.92 | 6786 | -1.04% | -58.33% | -£2.30m | -£309.50m |
| Rolfe & Nolan | SP | £0.83 | £11.6m | Loss | 0.45 | 982 | -14.51% | -78.90% | -£2.00m | -£43.50m |
| Royalblue Group | SP | £6.13 | £184.4m | 47.8 | 3.21 | 3603 | -15.52% | -41.67% | -£33.90m | -£131.70m |
| Sage Group | SP | £2.29 | £2,894.5m | 35.3 | 5.98 | 87885 | -4.29% | -25.51% | -£130.50m | -£991.50m |
| SBS Group | A | £0.22 | £2.0m | 16.6 | 0.04 | 215 | 0.00% | -78.50% | £0.00m | -£7.14m |
| Science Systems | CS | £5.20 | £131.0m | 29.7 | 2.64 | 4031 | 6.12% | 5.05% | £7.50m | £6.30m |
| SDL | CS | £0.68 | £28.7m | Loss | 0.97 | 453 | -9.93% | -81.70% | -£3.09m | -£118.39m |
| ServicePower | SP | £0.23 | £11.5m | Loss | 3.49 | 225 | -10.00% | -67.63% | -£1.30m | -£24.00m |
| Sherwood International | SP | £1.32 | £59.1m | Loss | 1.09 | 4398 | -10.20% | -58.36% | -£6.64m | -£76.14m |
| Sirius Financial (was Policymaster) | SP | £0.98 | £15.6m | 9.3 | 0.91 | 650 | 0.00% | -70.45% | £0.00m | -£36.20m |
| Smartlogik | SP | £0.02 | £5.9m | Loss | 0.10 | 18 | -27.27% | -91.49% | -£2.20m | -£34.82m |
| Sopheon | SP | £0.29 | £24.7m | Loss | 3.19 | 417 | 0.00% | -81.88% | £0.03m | -£38.77m |
| Spring Group | A | £0.78 | £116.4m | Loss | 0.31 | 861 | -4.32% | -12.43% | -£5.30m | -£16.50m |
| Staffware | SP | £3.35 | £48.2m | Loss | 1.27 | 1489 | -31.49% | -76.07% | -£22.22m | -£148.82m |
| StatPro | SP | £0.43 | £13.9m | Loss | 4.38 | 538 | -14.00% | -38.13% | -£2.20m | -£6.50m |
| Stilo International | SP | £0.11 | £4.9m | Loss | 56.86 | 220 | -18.52% | -82.26% | -£1.12m | -£22.70m |
| Superscape VR | SP | £0.29 | £10.4m | Loss | 4.83 | 144 | 9.62% | -88.55% | £0.94m | -£80.20m |
| SurfControl (was JSB) | SP | £4.93 | £148.5m | Loss | 3.52 | 2463 | -11.82% | -57.63% | -£19.90m | -£197.40m |
| Synigence | CS | £0.14 | £6.3m | Loss | 3.16 | 269 | 0.00% | -73.08% | -£0.01m | -£15.83m |
| Synstar | CS | £0.69 | £112.1m | Loss | 0.47 | 418 | 23.21% | 45.26% | £21.10m | £34.90m |
| Systems Integrated | SP | £0.35 | £4.6m | 17.3 | 2.79 | 300 | -8.00% | 11.29% | -£0.41m | £0.47m |
| Systems Union (was Freecom) | SP | £0.84 | £86.1m | 9.9 | 143.74 | 642 | 1.21% | 19.29% | £1.00m | £13.90m |
| Telecity | CS | £0.13 | £26.1m | Loss | 1.86 | 17 | 4.00% | -97.61% | £1.00m | -£359.76m |
| Telme.com | CS | £0.09 | £6.8m | Loss | 0.37 | 55 | 30.77% | -73.02% | £1.59m | -£18.33m |
| Terence Chapman | CS | £0.41 | £28.9m | Loss | 0.90 | 304 | -22.64% | -74.38% | -£8.45m | -£79.65m |
| Tikit Group | CS | £1.15 | £13.3m | 19.4 | 1.43 | 996 | 6.51% | -0.43% | £1.10m | £0.30m |
| Torex Group | CS | £7.28 | £320.3m | 34.8 | 3.62 | 14126 | 0.00% | 24.36% | £0.00m | £71.10m |
| Total Systems | CS | £1.31 | £13.6m | 14.7 | 3.53 | 2462 | 8.30% | 46.63% | £1.10m | £4.34m |
| Totalise | CS | £0.04 | £3.1m | Loss | 0.71 | 202 | -5.56% | -69.64% | -£0.18m | -£4.43m |
| Touchstone | SP | £1.34 | £13.5m | 9.2 | 1.14 | 1276 | 10.74% | 14.04% | £1.30m | £2.00m |
| Trace Computers | CS | £0.95 | £14.4m | 8.0 | 0.84 | 756 | -2.07% | 16.67% | -£0.30m | £2.50m |
| Transeda | SP | £0.25 | £16.7m | 20.5 | 2.58 | 490 | -5.77% | -50.75% | -£1.06m | -£16.66m |
| Triad Group | CS | £0.94 | £23.8m | 7.3 | 0.45 | 693 | 2.19% | -56.51% | £0.50m | -£31.00m |
| Tribal Group | CS | £3.25 | £118.4m | 39.5 | 4.92 | 1970 | 2.52% | 37.13% | £2.90m | £37.52m |
| Ultima | R | £0.02 | £4.3m | Loss | 0.62 | 55 | 0.00% | -52.63% | £0.00m | -£4.81m |
| Ultrasis | CS | £0.04 | £20.6m | Loss | 20.89 | 71 | -17.65% | -68.89% | -£4.50m | -£5.20m |
| Vega Group | CS | £1.40 | £25.8m | Loss | 0.72 | 1148 | -22.22% | -63.87% | -£7.30m | -£45.50m |
| VI group | SP | £0.30 | £7.6m | Loss | 1.16 | 429 | 30.43% | -10.45% | £1.77m | £0.76m |
| Virtual Internet | CS | £0.24 | £5.0m | 13.6 | 0.89 | 470 | 0.00% | -80.89% | £0.00m | -£24.88m |
| Vocalis | SP | £0.07 | £3.2m | Loss | 1.20 | 74 | -17.65% | -94.95% | -£0.70m | -£60.77m |
| Warthog | SP | £0.43 | £17.8m | Loss | 4.71 | 988 | -20.56% | -1.16% | -£4.60m | -£1.20m |
| Wealth Management | SP | £0.16 | £6.5m | Loss | 0.42 | 119 | 72.22% | -85.91% | £2.73m | -£39.69m |
| Xansa (was F.I. Group) | CS | £3.54 | £1,154.6m | 38.0 | 2.95 | 9077 | 8.09% | 31.60% | £86.58m | £296.78m |
| XKO | CS | £0.51 | £13.7m | Loss | 0.36 | 340 | 34.21% | -81.95% | £3.50m | -£62.20m |
| Xpertise | CS | £0.05 | £1.6m | Loss | 0.27 | 200 | -16.67% | -72.22% | -£0.31m | -£4.06m |

**Note:** Main **SYSTEM**HOUSE 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

# SCS INDEX TAKES A SMALL DIP AT END OF 2001

Following increases in October and November, the last month of 2001 saw our SCS Index falling by 3.5% to 4798, whilst the TechMARK 100 index and FTSE IT SCS Index also fell, by 1.9% and 4.7% respectively. Since the beginning of the year, our SCSI index has fallen by 43%.

It was the software products companies and the IT staff agencies which pulled the index down the furthest in December. Indeed Software Products companies have been by far the worst performers for 2001 as a whole. Even the internet companies did not do as bad.

Of the companies in our SCS Index, it was the smaller companies which showed the highest percentage increase in their share prices in Dec. - **Wealth Management Software**'s share price increased by 72% to 16p and **Manpower Software** saw a 61% increase to 25p. Also putting in a good performance was **Anite**, following its results announcement (see page 5), with a 26% increase to 171p.

The worst performer was **Cedar Group**, following its results announcement, originally planned for October. Its share price fell 71% to 4p. The company has announced that it has received an indicative offer for the company at 5p per share; a far cry from its Mar. 00 high of 1,500p. However, if these talks fall through, it is unlikely that the company would be able to meet its commitments as they fall due and would therefore be insolvent. Also putting in a poor performance was **Guardian IT** - its share price fell 65% to 155p after its profits warning.

| 31-Dec-01 | |
|---|---|
| SCSI Index | 4798.12 |
| FTSE IT (SCS) Index | 844.30 |
| techMARK 100 | 1472.70 |
| FTSE 100 | 5217.40 |
| FTSE AIM | 897.80 |
| FTSE SmallCap | 2579.15 |

SCSI Index = 1000 on 15th April 1989

| Changes in Indices | SCSI Index | FTSE 100 | techMARK 100 | FTSE IT SCS Index | FTSE AIM Index | FTSE Small Cap |
|---|---|---|---|---|---|---|
| Month (03/12/01 to 31/12/01) | -3.50% | +0.27% | -1.94% | -4.72% | +0.19% | -0.59% |
| From 15th Apr 89 | +379.81% | +154.06% | | | | |
| From 1st Jan 90 | +421.48% | +120.89% | | | | |
| From 1st Jan 91 | +577.83% | +141.50% | | | | |
| From 1st Jan 92 | +359.21% | +109.27% | | | | |
| From 1st Jan 93 | +201.09% | +83.29% | | | | +65.90% |
| From 1st Jan 94 | +187.39% | +52.63% | | | | +38.02% |
| From 1st Jan 95 | +220.05% | +70.20% | | | | +47.68% |
| From 1st Jan 96 | +112.45% | +41.42% | +86.59% | | -5.83% | +32.84% |
| From 1st Jan 97 | +79.20% | +26.68% | +61.01% | | -8.02% | +18.14% |
| From 1st Jan 98 | +58.09% | +1.59% | +54.37% | -15.57% | -9.50% | +11.49% |
| From 1st Jan 99 | +21.73% | -11.31% | +1.15% | -41.61% | +12.00% | +24.54% |
| From 1st Jan 00 | -58.17% | -24.72% | -61.03% | -77.29% | -53.55% | -16.74% |
| From 1st Jan 01 | -42.69% | -16.15% | -42.60% | -56.68% | -37.56% | -18.98% |

| End Dec 01 | Move since 1st Jan 98 | Move since 1st Jan 99 | Move since 1st Jan 00 | Move since 1st Jan 01 | Move in Dec 01 |
|---|---|---|---|---|---|
| System Houses | 63.6% | 5.9% | -58.7% | -44.5% | -0.9% |
| IT Staff Agencies | -66.6% | -60.0% | -65.2% | -44.6% | -4.5% |
| Resellers | 32.6% | 41.0% | -32.1% | -10.2% | 2.2% |
| Software Products | 107.9% | 77.7% | -57.3% | -69.0% | -5.6% |
| Holway Internet Index | | 209.2% | -62.4% | -44.7% | -3.7% |
| Holway SCS Index | 58.1% | 21.8% | -58.2% | -42.7% | -3.5% |



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