



Ideagen PLC - IDEA Pre-Close Trading Update

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Ideagen PLC

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This announcement contains inside information.

Ideagen PLC

("Ideagen," "the Company" or the "Group")

Pre-Close Trading Update

Ideagen PLC (AIM: IDEA), a leading supplier of Information Management software to highly regulated industries, is pleased to provide an update on trading for the year ended 30 April 2017 ahead of the announcement of its full year results on or around 18 July 2017.

The Board is pleased to report that results to 30 April 2017 are expected to be in line with market expectations and that trading was once again robust across all key verticals, with particular success within the Life Sciences, Aviation and Financial sectors. The Group delivered organic revenue growth* of approximately 10 per cent together with further contributions from all four acquisitions made during the year. This represents the Group's eighth consecutive year of revenue and adjusted EBITDA** growth.

The Group expects to report revenue of approximately £27.1million, (FY2016: £21.9 million) and adjusted EBITDA** of approximately £7.8 million (FY2016: £6.3 million), both having increased by approximately 24%, and a significant increase in adjusted EPS***, which continues to be an important financial metric for the Group.

The Board is confident that the transition from a traditional 'perpetual licence' business model to a 'subscription licence' model is well underway, as evidenced by a significant increase in the run-rate of recurring revenues. This has been driven primarily by the success of Coruson, our SaaS based enterprise Risk and Safety Management solution which is allowing the Group to win larger contracts and grow high visibility, subscription-based revenue.

Cash generation was extremely strong at the end of the financial year and accordingly net cash at 30 April 2017 was significantly ahead of market forecasts at £4.2 million (31 October 2016: £4.8 million), even after paying £4.6 million of consideration for the acquisitions of IPI Solutions and Gael (deferred) and £0.3 million in dividends. The Board expects to report that cash generated by operations will be in excess of 100% of adjusted EBITDA**.

David Hornsby, Chief Executive, commented: "We are pleased to report that the Group has continued to perform well in delivering another year of high quality earnings growth underpinned by strong cash

Ideagen e: info@ideagen.com w: www.ideagen.com

generation. We have also made four important acquisitions which have provided scale, product capability and recurring revenues. We continue to grow organically and to increase the percentage of our revenues derived from recurring business. The Group has significant contracted work in progress and a strong pipeline of new business opportunities which provides the Board with confidence for the current year and beyond."

** FY2016 comparator prepared on a proforma basis as if these acquisitions had occurred during that year*

***Earnings before interest, tax, depreciation, amortisation, share based payments, acquisition costs and other exceptional items.*

****Adjusted diluted earnings per share*

Enquiries:

Ideagen plc

David Hornsby, Chief Executive
Graeme Spenceley, Finance Director

Tel: 01629 699100

finnCap Limited

Stuart Andrews/Henrik Persson/James Thompson
(Nomad)
Stephen Norcross (Corporate Broking)

Tel: 020 7220 0500

About Ideagen plc

Ideagen is a UK company quoted on the London Stock Exchange AIM market (Ticker: IDEA.L).

Ideagen is a supplier of Information Management software with operations in the UK, the United States and the Middle East. The Company specialises in GRC (Governance, Risk and Compliance) and Content and Clinical solutions with a primary focus on organisations operating within highly regulated industries. With an excellent portfolio of software products, Ideagen is able to provide complete information lifecycle solutions that enable organisations to reduce risk, meet their regulatory and compliance standards, helping them to reduce costs and improve efficiency.

The Group has a customer base of over 3,000 organisations using the Ideagen suite of products, including many blue chip names such as BAE Systems, Emirates, Shell and the European Central Bank as well as 150 hospitals in the UK and US.

For further information please visit www.ideagen.com

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