

Profitable cloud hosting growth helps iomart Group plc post strong annual results

Submitted by: Iomart Group Plc

Tuesday, 29 May 2012

iomart Group plc (<http://www.iomart.com>) (AIM:IOM), the UK cloud computing and managed hosting services provider, has today (29 May 2012) announced strong annual results (<http://www.londonstockexchange.com/exchange/news/market-news/market-news-detail.html?announcementId=11217619>) for the year ended 31 March 2012, with profits up by 68% to £11.2m (2011: £6.6m).

Revenue grew by 33% to £33.5m (2011: £25.3m), while pre-tax profits grew by 91% to £6.9m (2011: £3.6m) – all ahead of the record amounts achieved in the last financial year. For full details click [here](#).

Financial Highlights

- Revenue growth of 33% to £33.5m (2011: £25.3m)
- Adjusted EBITDA¹ growth of 68% to £11.2m (2011: £6.6m)
- Adjusted profit before tax² growth of 91% to £6.9m (2011: £3.6m) benefitting strongly from operational leverage
- Adjusted basic earnings per share³ from operations increased by 96% to 6.99p (2011: 3.56p)
- Cash flow from operations growth of 36% to £9.6m (2011: £7.1m)
- Adjusted EBITDA¹ margins increased to 33% (2011: 26%)
- Proposed final dividend increased by 38% to 0.90p per share (2011: 0.65p per share)

Angus MacSween, CEO of iomart Group plc, said: “This is another great set of results and shows that we continue to consolidate our position within the large, highly fragmented and growing UK cloud hosting market. We are investing in both storage infrastructure and in our network connectivity to maintain our leading position and offer premium levels of service to customers.”

Revenues from the hosting division grew by 38% to £24.3m (2011: £17.7m), mostly due to iomart Hosting which, in the last four financial years, has experienced a five-fold increase in revenues from £4.6m in the year to March 2009.

Over 600 new orders were won, including a substantial amount of additional orders from existing customers - recurring revenue levels are around 95%.

The Group also bought three hosting companies in the last financial year- Switch Media, EQSN and Global Gold.

Angus MacSween added: “Since the end of the financial year, trading has been encouraging. All three acquisitions have been fully integrated and we have the financial firepower to do more. We would expect to make at least another two or three acquisitions in the next 12 months.”

Ian Ritchie, Chairman of iomart Group plc, said: “With the high level of revenue visibility we enjoy, we have begun the 2013 financial year in a strong position. I look forward to another exciting year of growth.”

iomart Group was recently named Scottish PLC of the Year and one of the fastest growing cloud service providers in the world by Talkin' Cloud. Customers include office2office, Reiss and Skyscanner.

¹ EBITDA is earnings before interest, tax, depreciation and amortisation before share based payment

charges and acquisition costs.

2 Adjusted profit before tax is profit before tax, amortisation charges on acquired intangible assets, share based payment charges and acquisition costs.

3 Adjusted earnings per share is earnings per share before amortisation charges on acquired intangible assets, share based payment charges and acquisition costs.

-ends-

News release issued by Jane Robertson, Head of PR for iomart Group plc. For more information please email jane.robertson@iomart.com or call 0141 931 6474 (dir), 0141 931 6400 or 07827948993 (mob).

Notes for editors:

About iomart Group plc:

iomart Group plc (AIM:IOM) is one of the UK's leading providers of managed hosting and cloud computing services. From a single server through to private cloud networks, iomart specialises in the delivery and management of mission-critical hosting services, enabling customers to reduce the costs, complexity and risks associated with maintaining their own web and online applications.

By physically owning and managing its own global network infrastructure, iomart offers world-beating levels of service to its customers. The Group offers a unique 100% uptime guarantee with all hosting services being engineered to ensure no single point of failure.

iomart Group operates in its chosen markets through a number of subsidiaries: iomart Hosting, RapidSwitch, Easyspace, EQSN and Westcoastcloud. The group has been listed on the London Stock Exchange's Alternative Investment Market (AIM) since April 2000. For more information about iomart Group plc visit www.iomart.com