



Canalys.com announces first year revenue of €400k

All three lines of business find customer acceptance

For immediate release:

Reading, UK March 20th, 2000 – Canalys.com has announced an impressive set of results for its fiscal year. It achieved total revenues of €400k in the fifteen months from September 1998 until December 1999. The revenues were well balanced between its three lines of business 44% being achieved from custom consulting projects, 29% from the sale of its Channels Analysis continuous service and 27% from industry presentations. A profit before tax was recorded that compares well with its benchmark competitors.

The top-line financial results do not give full justice to canalys.com's first year of success. Subscription products, including the Channels Analysis service, have revenues accrued over a twelve month period, so canalys.com exited its financial year with more than €160k of deferred revenues. This predictability of forthcoming revenues provides canalys.com with the confidence to invest in further expansion.

Steve Brazier, director of canalys.com, commented, "as a dotcom company we have broken nearly all the established rules. We are self-financed, generate more turnover than we spend in advertising and are achieving profitable growth." He continued, "we achieved a great deal in our first year, primarily by working closely with our customers. We have a prestigious client base, growing brand recognition, state-of-the-art facilities and a dedicated team spirit. Going forward our priorities are to increase our profile in the e-business and m-commerce worlds, recruit well, and expand our range of continuous services."

Outlook for 2000

The first two months of 2000 have continued apace. The total number of ongoing subscriptions to Channels Analysis has reached fourteen, which is substantially ahead of budget. Steve Brazier concluded, "each quarter we have achieved revenue growth ahead of the previous quarter. Our results for Q1 are already certain to continue that record."

Notes to editors

All financial results are given for guidance only. Canalys.com's financial year corresponds to the calendar year and will be for a twelve month period in the future. As is usual for start-up companies, canalys.com extended its first financial year to a fifteen-month period.

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