



Canalys announces record results for its second full year

Analyst firm growing in excess of 100% per annum

For immediate release:

Thursday 1st March 2001 – Canalys announced today that it achieved record revenues for its second financial year, ending December 2000. Its revenue of €815,000 represented growth of 104% over 1999. While Canalys executed successfully across its three lines of business, it was particularly pleased with its core continuous analysis services, where revenues grew in excess of 200%. These services, which include the Channels Analysis, Mobile Analysis and E-business Analysis programs, were responsible for 48% of the company's revenue during 2000.

Revenues from ad-hoc consulting also grew impressively at 69% and contributed 36% of the company's revenue. Presentations at industry conferences are Canalys' third major line of business; this grew at 21% to represent 16% of revenues.

Steve Brazier, CEO of Canalys commented: "Year 2000 was a tremendous year of expansion for Canalys. We began by moving into prestigious premises. By the end of the year, with our seventh team member about to join, we were negotiating again for more office space."

The year saw remarkable activity in the high-tech industry, with the emergence of many venture capital backed start-ups. Sadly, by the end of the year, many of these start-ups had begun to fail due to a lack of profits, impatient backers, or in some cases the simple lack of a sound business model. Canalys' strategy from the beginning has been to enjoy profitable growth. Canalys reported net profits for 2001, which compare favourably against its benchmark competitors and show healthy growth over 1999. Its business philosophy leaves the company in a strong cash position and well placed to prosper despite the current industry turmoil.

Mike Welch, Vice President, added: "Canalys has made great progress with its internal operations over the last year. It completed a major upgrade to its web site, established a client care program, increased its profile in the press, developed its marketing activities and built an internal CRM solution. All its employees are fully mobile."

Two key elements set Canalys apart: it has a prestigious list of blue chip clients that would be the envy of many larger organisations; and it has continued to expand while maintaining a team spirit that is both industrious and fun.

Steve Brazier continued: "In February we launched our third information service to study emerging mobile devices and services ([Mobile Analysis](#)). The interest in this program has been phenomenal,

leaving us optimistic that our rapid growth will continue during 2001. We have launched an exciting product that directly addresses an 'information vacuum'."

Note to editors: all financial results are given for guidance only.

Canalys.com ltd's financial year ends December 31st.

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