



# DICOM Group

Information drives your business

Results Three Months to 30 September 2006  
Corporate Overview

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# Agenda



- Financial Review
- Operations and Market Development
- Outlook and Summary
- Q & A

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# Financial Review

## First Quarter Results 2006/2007

# Financial Highlights



- Seasonally slow first quarter after very strong q4
- Revenue up 1% in local currency terms
- Adjusted operating profit of £0.6m (£1.2m)
- Adjusted Profit before tax of £0.9m (£1.3m)
- Adjusted earnings per share of 0.7p (1.2p)

# P&L Summary

three months to 30 September




	2006	2005	growth	like for like
	£m	£m	%	%
<b>Turnover</b>				
Own Products	10.5	11.1	(5%)	(2%)
Services	11.7	11.9	(2%)	5%
3 <sup>rd</sup> party products	11.1	10.6	5%	6%
<b>Total turnover</b>	<b>33.3</b>	<b>33.6</b>	<b>(1%)</b>	<b>3%</b>
<b>Gross profit</b>	<b>17.7</b>	<b>18.0</b>	<b>(2%)</b>	<b>-</b>
<b>Gross profit margin</b>	<b>53.2%</b>	<b>53.5%</b>	<b>-</b>	<b>-</b>
<b>Adj. operating profit</b>	<b>0.6</b>	<b>1.2</b>	<b>(50%)</b>	<b>-</b>
<b>Operating profit margin</b>	<b>1.8%</b>	<b>3.7%</b>	<b>-</b>	<b>-</b>

# P&L Summary

three months to 30 September 2006



- Slow sales of Transformation products after very strong q4
- Continued strong growth of SW maintenance
- Good growth for third party products
- Operating expenses down 11% compared to q4 fy06
- Currency impact
- Net funds of £27.4m (compared to £29.7m as per 30 June 2006)

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# Operations & Market Development

# Highlights



- Q1 contract wins include: Countrywide Property Lawyers, significant win with large Italian Energy provider, National Australia Bank
- Continued investment in technology
  - Document Scan Server
  - Ascent Xtrata Pro
- Document Scan Server recognised as trend-setting product of 2006 by industry magazine, KMWorld
- 10th annual partner conference Transform 06 held in Prague to familiarise over 300 Certified Solution Providers and partners with our new technologies.

- Ascent Xtrata Pro is a Powerful Classification and Extraction Add-on for Ascent Capture
- Can extract information from:
  - Structured Documents (Shipping Form, Survey, Cheque)
  - Semi Structured Documents (e.g. Invoices)
  - Unstructured Documents (e.g. correspondence)
- Easy to Setup

- Boy Scouts of America (BSA), one of the US leading youth organisations
- Suite of offerings with:
  - Document Scan Server
  - Ascent Capture® technology
- Customer benefits:
  - Increased efficiency in processing the 26.000+ application forms a day, resulting in:
    - Automated processing of application forms
    - No need for additional software at the remote location
    - Improved level of customer satisfaction

## Corporates:

- Want solutions that can accelerate access to information to increase efficiency and customer satisfaction
- M&A and corporate expansion has led to business unit silos - CIOs mandated to integrate disparate systems and reduce cost
- As competition increases, businesses look to gain fresh strategic advantage though increased agility & responsiveness
- Compliance increasingly an everyday business procedure

## Market changes:

- Overall ECM/Infrastructure market consolidating
- Capture relevance and value add increasing
- Partners need additional differentiation and to increase ASPs and margins
- Line of business ISVs, SIs and infrastructure providers will dominate BPA deployments

## Sales:

- Fully-leveraged channel business model
- Empower the channel
- Unequaled global presence (pre & post sales)

## Product:

- Lead through innovation
- Unparalleled product portfolio breadth and depth

## Focus:

- Three key areas of capture, transformation and communication

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# Outlook and Summary

# Current Trading and Outlook



- BPA and compliance driving additional opportunity
- Move to be even more market centric
- Continued investment in product development
- Pipeline significantly ahead of the comparable period of last year
- Well positioned for increased top line and profitability growth

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