COMPANY RESEARCH

WORKPLACE SYSTEMS INTL PLC

SaaS inflection point

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Workplace Systems International Plc is a research client of IS Research Ltd

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Contents	Page

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Company background

Based in Milton Keynes, Workplace Systems was founded in 1986 by Ian Lenagan and Tim Westaway to develop, sell and implement standard solutions in the newly-emerging markets for Workforce Management software.

In August 2000, WorkPlace listed on the main market of the London Stock Exchange under the name TeleWork Systems plc to reflect the additional software company founded by Ian Lenagan in 1991 - TeleWare - which developed and sold computer telephony software products.

With the decline in the telecoms sector in 2002/03 and in order to focus solely on the Workforce Management market, TeleWare was sold off to its management in 2003 and the public company name was changed to WorkPlace Systems International plc. In September 2005, WorkPlace acquired Labour Systems International Inc (LSI), a US consultancy firm specialising in Retail Consultancy.

Products & service overview

WorkPlace software modules address all areas of staff planning and staff tracking together with all aspects of planning and tracking of the work done by staff including resources required for most industry sectors. Application modules cover: Labour Budgeting, Workload Demand Forecasting, Task Management, Staff Scheduling, Roster Management, Time and Attendance, Work Planning and Tracking, Performance and Productivity, Mobile Working.

Executive management

Ian Lenagan, Chairman

Ian founded Workplace Systems plc in 1986. He has more than 25 years experience in the computer software business. Prior to founding Workplace, he worked for Burroughs Corporation (now Unisys) for 10 years and was then Managing Director of Ring Electrical Limited, Banbury Homes & Gardens Limited and Digico Limited over a period of a further 7 years. Ian Lenagan owns 47% of the shares.

Bernard Quinn, Chief Executive

Barney has over 30 years experience in application software IT companies including in North America. For 13 years Barney was a Main Board Director of Sherwood International plc, a provider of software and services to the insurance industry. Barney set up and ran for three years the Sherwood North American operation. Latterly, Barney became Director of Worldwide Operations/Chief Operating Officer of Sherwood from 2001 to 2004.

Paul Wright, Chief Financial Officer

Since qualifying with KPMG in London, Paul has worked as Finance Director of a number of quoted and privately owned companies including 10 years as the Group Finance Director of three technology organisations: Vocalis Group plc, CWB Systems Services plc and Rolfe & Nolan plc. Paul joined the Board of WorkPlace Systems in September 2008.

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Company basics

RIC	WSI
Share price £	0.07
Market cap £m	10.3
Net cash £m	2.1
Enterprise value £m	8.2

Workplace has had a difficult couple of years as the recession has significantly impacted demand for its products. However, with the launch and initial success of its new SaaS solution WorkPlace OnLine, Workplace could be on the verge of a period of rapid growth. Our peer group valuation analysis suggests that Workplace is undervalued against the peer group although this is perhaps understandable given the recent financial performance. However, we would argue that this situation could change very quickly as the prospects for the SaaS product develop. Investors early into the stock therefore stand to reap substantial rewards but, with this new phase of development for Workplace still in its formative stages, risks are also relatively high.

Estimates and valuation

	Financials					Valuation			
Year end Mar	Rev £m	Adj PBT £m	Adj EPS p	DPS p	Net cash £m	EV/ sales x	EV/ NOPAT x	PER x	Yield
2009 A	9.6	-0.3	-0.1	0.0	2.4	0.8	-32.7	-63.1	0.0%
2010 A	9.1	0.0	0.1	0.0	2.1	0.9	75.4	101.9	0.0%
2011 E	10.8	1.4	0.7	0.0	3.5	0.6	6.3	10.6	0.0%
2012 E	12.5	2.4	1.1	0.0	5.5	0.4	2.9	6.6	0.0%

Source: ISR, Workplace System Int'l Plc, Morningstar

Market Opportunity

Workforce Management Solutions (WMS) form a significant global niche within the broader retail IT market and Workplace Systems enjoys a healthy share of this market in Europe. Along with many other areas of the enterprise software market, demand for WMS have come under pressure over the last couple of years. Moreover, we believe that the recession has masked a more fundamental shift in demand patterns within the WMS market.

As we emerge from recession we expect demand for large on-premise enterprise software implementations to remain relatively subdued. However, we do expect strong growth in the market for SaaS applications which can fairly claim a much higher ROI. More specifically, we expect this demand to be focussed on those retailers with smaller store format which have typically not been able to take advantage of WMS in the past because they are too small to support the required IT infrastructure for an on-premise solution.

Strategy & estimates

Against this market background, we believe that Workplace is increasingly well placed with the recent launch and early success of its SaaS product WorkPlace OnLine. Whilst Staffplanner remains an important product for Workplace, the company will focus its business development effort in WorkPlace OnLine both in the UK and the US. Also, in addition to the retail sector, there are several other segments with a small store format where the SaaS solution would be highly appropriate and we understand that Workplace is actively pursuing prospects in these adjacent markets.

The recession has negatively impacted Workplace's financial performance and 2010 results provide further evidence of this. However, we expect a much stronger performance going forward driven by the SaaS product. Our estimates assume a flat performance from the underlying business but strong growth from the SaaS product underpinned by a full year of new customers won in 2010 and new customers derived from a highly visible pipeline.

Risk factors

Our revenue estimates for Workplace are predicated on the closure of a small number of substantial contracts over the next 18 months. Investors should be aware that, even in the context of a recurring revenue model, the timing of these contracts could impact performance against estimates. Also, the SaaS business model requires upfront investment in infrastructure which may not be fully covered by increased revenues in the short term.

Market opportunity

A global niche market

The global market for retail IT solutions is estimated to be worth around $10bn per annum and, within that, software application revenue is some $2.5bn. However, Workforce Management Solutions (WMS) represent a relatively small niche within the broader retail IT market and we would estimate the total annual market to be worth less than $200m.

Workforce Management Solutions enable retailers to optimise the use of their workforce through better planning, scheduling and time & attendance. There are really two main elements to any WMS; corporate level solutions and store based solutions. The planning and optimisation element of the solutions is generally handled at the centre whilst the scheduling and time & attendance element is done in the branch or store. As we discuss below, this distinction is increasingly important as SaaS solutions gain greater acceptance.

For most retailers, especially the larger ones, the case for investing in WMS is compelling as they enable:

- **Revenue maximisation** through alignment of staffing levels with peaks and troughs in footfall by store and by department.
- **Cost control** results from reduced staffing levels during quiet period and enabling closer fit of work done to payroll.
- **Increased transparency** enables more active employee management and, potentially, lower staff turnover.

These attractive dynamics have resulted in a wide adoption of WMS in the retail sector over the last ten years, in line with adoption of ERP solutions.

Growth dynamics

Having enjoyed a period of strong growth, along with most other segments of the enterprise software market, demand for WMS has come under pressure over the last two years. However, we also believe that the recession has partially disguised a more structural shift in demand patterns for WMS applications. As we emerge from recession, we expect large enterprises to focus their IT investment on projects which deliver highly tangible and rapid ROI.

Against this background, even as we emerge from recession, it remains tough so sell large enterprise systems which can take years to implement and have indeterminate ROI. Conversely, Software as a Service (SaaS) applications, which are hosted by the software vendor and are accessed by the user organisation via the Internet, lend themselves perfectly to this kind of business imperative because:

- Implementation times are generally significantly shorter for SaaS applications than traditional on-premise solutions.
- SaaS applications typically require little or no new infrastructure investment and are charged on a per user per month basis. Consequently, the ROI is generally significantly higher for SaaS applications.
- Because SaaS applications are implemented quickly and in standardised format, there is much lower risk of a 'bad' implementation.

As a result of these dynamics, we expect higher demand for SaaS applications than for traditional on premise systems going forward. Moreover we expect this demand to be focussed on those retailers with smaller store format which have typically not been able to take advantage of WMS in the past because they are too small to support the required IT infrastructure for an on-premise solution.

Market Opportunity

SaaS inflection point

Over the last few years, Staffplanner was the mainstay of Workplace's portfolio. Staffplanner is a fully functioned enterprise level WMS product with which Workplace has had significant success, particularly in Europe, over the last decade. However, as we discussed above, the market for large scale WMS applications will increasingly be characterised as a replacement market, in our view.

In 2007 Workplace made an investment in an Australian software vendor called WorkBuddy which came with the rights to sell Workbuddy's SaaS application in Europe and the US. Workbuddy subsequently became the core of a new SaaS based application for Workplace called WorkPlace OnLine. This new SaaS application has now essentially become Workplace's scheduling and time & attendance module which works seamlessly with the corporate modules (planning, optimisation, etc) within Staffplanner which remain on-premise solutions. As we examine in more detail below, we believe that WorkPlace Online places Workplace extremely well in the context of changing WMS market dynamics.

Competitive landscape

As we discovered above, the retail WMS market globally is a relatively small niche and the competitive landscape has become fairly settled over the last few years. We would highlight three main competitors to Workplace.

- Red Prairie (www.redprairie.com) is a broadly based workforce, inventory and warehouse management solution company. Red Prairie is based in Wisconsin, USA, but has a significant presence in the Europe and Asia.
- Kronos (www.kronos.com) is a specialist in time & attendance systems across multiple vertical markets. Kronos is also based in the US but has a substantial global presence.
- Private equity backed enterprise software roll up Infor (www.infor.com) entered the workforce management market with its 2007 acquisition of Workbrain for $227m. Being focussed almost exclusively on workforce management solutions, Workbrain was arguably Workplace's closest competitor prior to its acquisition by Infor.

Competitive differentiation

Following the acquisition of Workbrain by Infor, Workplace is arguably now one of the only pure play multinational WMS vendors of scale for the retail and hospitality segment in the US and Europe. We see this specialisation as a competitive advantage in the right situations but the company's relatively small scale has made it difficult to build its presence in the US. Indeed, prior to the release of WorkPlace OnLine, Workplace had largely exited the US market.

However, it is becoming increasingly clear that WorkPlace Online is a potential game changer for Workplace. In a very short space of time since its launch, WorkPlace OnLine has secured the bluest of blue chip reference customers and looks poised to sign further major customers over the coming months.

In an attempt to respond to the increased threat from Workplace, the key competitors have made their scheduling and time & attendance applications available on a hosted basis. However, this half-way house between an on-premise solution and a pure SaaS solution has performed poorly against WorkPlace OnLine in a number of trial situations. Whilst there are some signs of emerging competition from pure play start ups (e.g. Dayforce), these are not yet gaining any significant traction in the market. However, it seems reasonable to assume that, as SaaS becomes more widely deployed, competition for WorkPlace OnLine with rise.

Customers & Strategy

As a company, Workplace has over three hundred customers but there are two groups of customers which generate the bulk of the revenue and growth. Staffplanner has 20 customers using the solution and these customers are responsible for the majority of licence sales generated by Workplace in 2010. Key customers in this group include H&M, which was the last major customer to be added to the list and German retailer Metro which is the largest customer for Staffplanner.

The second main group of customers, of which there are over 100 already, are users of Workplace Online. Arguably the most significant event for Workplace in 2010 was the signing and rapid implementation of WorkPlace OnLine in the pharmacies business of one of the US's largest retailers. Following an 8 week pilot in 99 stores, this customer implemented WorkPlace in 4,000 stores in just 12 weeks bringing some 30,000 users onto the system in the process.

It is difficult to understate the importance of this successful implementation for Workplace and its ability to assist in the drive for new customer acquisition for the new SaaS product. In addition to providing Workplace with a high profile reference site, it gives the company:

- Clear differentiation in terms of implementation time and cost of implementation between pure its SaaS and a hosted or on premise solutions being offered by competitors.
- The whole concept of SaaS is one which is still unfamiliar many CIOs and this remains a barrier to adoption. However, the fact that such a respected retailer has implemented a SaaS solution in its core business will undoubtedly help to overcome confidence issues in SaaS as an enterprise level platform.

From this platform, we expect Workplace to be able to grow revenues significantly over the coming years – we look at the implications of this on the estimates later on in the note.

Product roadmap

From a product development perspective, Workplace OnLine should not require any significant further development although, Workplace is about to kick off a programme to make the product multilingual so that it can be sold into the European market.

The Forecasting & Optimisation elements of Staffplanner will take a more measured transition to SaaS. They are currently being developed such that they can be offered on a hosted basis and will probably be available in pure SaaS form in due course.

At the other end of the spectrum, Workplace is starting to retire some of its legacy products. Whilst this will lead to some attrition in the support and maintenance revenue line, we see it as a positive move that will focus both management time and investor relations interest on the growing areas of the business.

Focussed business development

Whilst Staffplanner remains an important product for Workplace, the company will focus its business development effort in WorkPlace OnLine both in the UK and the US. Looking at the market for groups with 200+ small stores, Workplace believes that there are some 250such targets in the UK and we would guestimate that there could be 10x that number in the US. In short, a substantial market opportunity for Workplace.

Whilst the pipeline is currently drawn from the retail and hospitality sector, there are several other segments with a small store format where the SaaS solution would be highly appropriate. These areas include pharmacies, care homes, contract labour (e.g. large venues), and retail banks. We understand that Workplace is actively pursuing prospects in these adjacent markets.

Results analysis

Results overview

Results for the year to March 2010 reflected another difficult year for Workplace and the company warned in March that it would not make original expectations for the year. That said, whilst it doesn't necessarily show in the financial results, Workplace made substantial strategic progress during the year which was starting to show through by the end of the year; H2 revenues were actually up 11% year on year. Group revenues for the year were down 5% to £9.1m but, following cost realignment during the latter part of fiscal 2009, the company returned to profitability, albeit modestly.

The most obvious sign of more difficult market conditions for Workplace has been the decline in licence revenue. Licence sales fell 20% in the year and have now fallen by over a third in the last two years reflecting the decline in large new licence sales. However, if we look deeper into the licence revenue line, we can see evidence of the emerging importance of the SaaS product. Whilst licence sales from the on-premise portfolio were actually down to £2.0m, WorkPlace OnLine contributed £0.4m to licence sales in the year.

Changing gross margin profile

Looking below the revenue line, there was a significant reduction in gross margin in 2010 reflecting the beginning of an important shift in Workplace's cost structure. One of the main costs of providing a SaaS solution is the hosting costs and this was the main reason for a £0.5m jump in costs of sale in the year.

Table 1: P&L summary

Year ended Mar	FY-08 A £m	FY-09 A £m	FY-10 A £m	*2010 Change*
Revenue				
Software licences	3.7	3.1	2.4	*-20.3%*
Recurring revenues	4.1	3.9	4.0	*+0.9%*
Consultancy	2.8	2.4	2.2	*-9.7%*
Other	0.3	0.1	0.5	*n/a*
Group revenue	10.8	9.6	9.1	*-5.2%*
Cost of sales	(0.3)	(0.3)	(0.8)	*+204.0%*
Gross profit	10.5	9.3	8.2	*-11.4%*
Gross margin	*97.2%*	*97.1%*	*90.7%*	
Underlying operating costs	(9.3)	(9.6)	(8.1)	*-16.2%*
Group adjusted EBIT	1.2	(0.3)	0.2	-
Margin	*11.5%*	-	*2.1%*	
Interest	0.1	0.1	0.0	-
Adjusted PBT	1.3	(0.3)	0.2	-
Adjusted EPS p	0.6	(0.1)	0.1	-
Net dividend p	0.2	0.0	0.0	-

Source: Workplace Systems International, I S Research Ltd

Operating costs reflect realignment programme

Whilst costs of sales were rising, operating costs reduced substantially in the year reflecting the cost reduction programme, mainly in the US, in 2009. Underlying opex dropped by £1.5m to £8.1m in the year and total costs reduced by £1m to £8.9m.

Understandably, Workplace passed on the dividend in 2010 and we do not anticipate a return to the dividend list within the forecast period.

Results analysis

Cash flow & balance sheet

Workplace has retained its cash well during the recession. Even in fiscal 2009 when the company reported a loss, net cash outflow was restricted to £0.3m. In 2010, despite the return to profit, the company did experience a modest cash outflow primarily due to capitalised investment in WorkPlace OnLine. As a result, net cash slipped by £0.3m to £2.1m.

Table 2: Results summary

Year ended Mar	FY-08 A £m	FY-09 A £m	FY-10 A £m	*2010 Change*
Operating cash flow	0.0	0.8	0.2	*-79.4%-*
Net cash flow	0.8	(0.2)	(0.3)	-
Equity financing	0.0	0.0	0.0	-
Net cash / (debt)	2.7	2.4	2.1	

Source: Workplace Systems International, I S Research

Current trading

Whilst we have seen some easing of IT budgets in recent months, overall trading conditions within the retail and hospitality segment remain tough. Moreover, for the reasons outlined earlier in this note, we do not expect an early return to growth for large scale WMS implementation.

However, with the SaaS product, it seems clear that Workplace is well positioned for growth over the next few years. As noted above, the successful implementation of WorkPlace OnLine at the large US retailer has acted as a catalyst for the development of a substantial pipeline of opportunities. Workplace is currently involved in several significant competitive pilots in the US and Europe and is also hopeful that the successful implementation of the product at the large US retailer will generate significant follow-on business over the next 12 months. We will look at the implication of this strong current trading on our estimates in the next section.

Analysis of estimates

Revenue assumptions

As we have already seen, the impact of the recession on Workplace's revenues has been marked with a 17% reduction over the last two years. However, with the release and nascent success of WorkPlace OnLine, Workplace seems to have regained the ability to control its own destiny and our revenue forecasts reflect this.

Our estimates assume that revenues from the underlying product portfolio remain flat on 2010 levels and that essentially all of the growth is generated from the SaaS product. Underlying licence sales in 2010 were £2.0m with another £0.4m from WorkPlace OnLine. Therefore, our 2011 licence sales estimate of £3.2m assumes underlying licence sales of £2.0m and £1.2m from the SaaS solution. There is also a similar dynamic with recurring revenue. Whilst it may seem that this assumption is aggressive, especially in the context of continuing tough markets, we believe that the forecast is well underpinned by a full year of new 2010 SaaS customer and highly visible pipeline opportunities.

Table 3: Revenue assumptions

	Mar-10 A £m	Mar-11 E £m	Mar-12 E £m
Software licences	2.4	3.2	3.8
Growth	*-20.3%*	*30.0%*	*20.0%*
Recurring revenues	4.0	4.8	5.7
Growth	*0.9%*	*22.0%*	*20.0%*
Consultancy	2.2	2.4	2.5
Growth	*-9.7%*	*10.0%*	*5.0%*
Other	0.5	0.5	0.5
Growth	*226.1%*	*0.0%*	*0.0%*
Group revenue	9.1	10.8	12.6
Growth	*-5.2%*	*19.2%*	*15.8%*

Source: I S Research Ltd, Workplace Systems International Plc

Costs and margins

As noted above, operating costs have been significantly cut back over the last two years. However, as the SaaS product starts to restore growth to the top line, Workplace will need to invest in infrastructure and sales and marketing resource to manage the growth. Indeed, there is an element of 'pump priming' this year, particularly in hosting. We therefore expect total costs (being costs of goods sold and opex) to rise from a base of of £8.9m in 2010 to £9.3m in 2011 and £10.1m 2012.

Cash flow

Whilst cash flow has been muted by poor profitability over the last couple of years, as margins rise again from this year, we expect cash flow to largely follow profits. Workplace has been capitalising around £0.3m of R&D cost per annum related to WorkPlace OnLine and this is likely to continue for the forecast period although the amortisation should balance this out by 2011.

Other cash flow items are modest as Workplace is currently paying no corporation tax and, as a result, we expect net cash balances to rise to £3.5m by the end of 2011 and £5.5m by the end of the following year.

Analysis of estimates

Risk factors

Our revenue estimates for Workplace are predicated on the closure of a number of substantial contracts over the next 18 months. Investors should be aware that, even in the context of a recurring revenue model, the timing of these contracts could materially impact performance against estimates.

In order to properly capitalise on the growth opportunity presented by WorkPlace Online, Workplace will need to invest in infrastructure and human resource. However, by its very nature, the SaaS business model generates less upfront revenue than the traditional licence model and so there is a chance that costs will rise more rapidly than revenues in the formative period for the SaaS product.

Table 4: Summary of estimates

Profit & Loss	Mar-08 A £m	Mar-09 A £m	Mar-10 A £m	Mar-11 E £m	Mar-12 E £m
Revenue £m	10.8	9.6	9.1	10.8	12.5
Adj EBITDA £m	1.2	-0.1	0.5	1.9	2.9
Adj EBIT £m	1.2	-0.3	0.2	1.5	2.4
Reported PBT	1.3	-2.4	0.0	1.4	2.4
PBT before excepts and AAG	1.2	-0.4	0.0	1.4	2.4
Fully adj PBT	1.3	-0.3	0.2	1.5	2.5
NOPAT £m	0.9	-0.2	0.1	1.1	1.7
Reported EPS	0.9	-1.4	0.0	0.9	1.4
EPS before excepts and AAG	0.5	-0.2	0.0	0.6	1.0
Fully adjusted EPS p	0.6	-0.1	0.1	0.7	1.1
Dividend per share p	0.2	0.0	0.0	0.0	0.0
Cash flow & Balance sheet					
Operating cash flow	0.0	0.8	0.2	1.9	2.4
Free Cash Flow	0.4	0.7	-0.2	1.5	2.0
FCF per share p	0.2	0.5	-0.1	0.9	1.2
Capex	0.6	-0.6	-0.5	-0.5	-0.5
Acquisitions	-0.1	-0.2	0.1	0.0	0.0
Net cash flow	0.8	-0.2	-0.3	1.4	2.0
Shares issued	0.0	0.0	0.0	0.0	0.0
Net cash	2.7	2.4	2.1	3.5	5.5
Metrics					
Revenue growth	*23.1%*	*-11.8%*	*-5.2%*	*19.2%*	*15.8%*
Adj EBITDA growth	*-185.5%*	*-111.1%*	*-460.9%*	*288.8%*	*48.2%*
Adj EBIT growth	*-177.7%*	*-127.9%*	*-145.0%*	*884.6%*	*54.3%*
Adj PBT growth	*-188.5%*	*-119.3%*	*-162.3%*	*860.0%*	*60.8%*
Adj EPS growth	*-180.1%*	*-118.8%*	*-161.9%*	*860.0%*	*60.8%*
Dividend growth	*na*	*na*	*na*	*na*	*na*
Adj EBIT margins	*11.5%*	*-3.6%*	*1.7%*	*14.2%*	*18.9%*
Operating cash conversion	2%	-563%	32%	100%	83%
Capex/Depreciation	na	308%	145%	125%	100%

Source: I S Research Ltd, Workplace Systems Plc

Valuation discussion

After an initial rally when the Barney Quinn took over as CEO in 2007, the shares fell back to below 4p when the recession started to impact trading performance. Given the decline in revenue and profits over the last two years, the poor share price performance has perhaps been understandable. However, as we have seen in this note, the SaaS product has the potential to transform Workplace's prospects and this factor has already started to have an impact on the share price which has doubled from its low, even in the face of the recent profit warning.

Peer group valuation

Given the current pace of change at Workplace, valuing the company is not a straightforward task. However, as a starting point we rely on our usual peer group technique. In choosing our peer group we have looked for software vendors of a similar size to Workplace whose growth is being driven largely by SaaS products. The valuation of the companies chosen are summarised in table 5.

Table 5: Workplace peer group valuation

	EV/sales x	EV/EBITDA x	PER x
Intelligent Environments	1.5	5.5	9.4
Brady	1.5	7.7	11.8
Ffastfill	1.7	6.3	12.2
SmartFOCUS	0.8	9.2	20.0
Average	1.4	7.2	13.4
Workplace Systems	0.6	3.5	10.6

Source: ISR, Workplace Systems International Plc

Valuation catalysts

The analysis suggests that Workplace shares are currently undervalued relative to the peers, especially on an EV/EBITDA basis, although this is perhaps justified on the short term given the recent financial performance. However, we would argue that this situation could change very quickly as the prospects for the SaaS product develop. Specifically, we see a number of valuation catalysts as follow:

- Further evidence of commercial success for WorkPlace Online and stabilisation of the underlying business.
- Increasing investor awareness of the prospects for the SaaS product
- Improved profitability

In addition to these trading related catalysts, we also believe that an increase in the free float would have a positive impact on the share price. Greater institutional representation on the shareholder register resulting from a partial sell down of a founder stake (currently 50%) could generate substantial momentum, in our view.

In conclusion, investor confidence that Workplace is transforming from a low growth enterprise software vendor into a high growth SaaS play has the potential to generate a significant re-rating. Consequently, investors early into the stock stand to reap substantial rewards but, with this new phase of development for Workplace still in its formative stages, risks are also relatively high at this stage.

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About I S Research

I S Research was founded by Ian Spence in 2007. Ian has been involved in researching and advising companies in the UK technology sector for over 15 years and was voted TechMARK analyst of the year in 2004 and again in 2008 making him the only analyst to win twice and the only independent analyst to be recognised in this way.

The business was founded on Megabuyte. Originally a free blog, our market intelligence service is now available to subscribers only and is now read daily by many of the sector's leading CEOs, investors and advisers.

From this firm foundation we went on to launch our Equity Research service. Our blend of high quality, genuinely independent research combined with intelligent distribution has led to rapid growth for this element of the business.

Our tight customer relationships have also enabled us to provide a range of complementary consulting services including investor relations, transaction support services and peer group analysis.

Disclaimer

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