

imaginatik

FINAL RESULTS 2009

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Overview

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- Collaboration software provider
- Leader in the enterprise market for:
 - Innovation management
 - Collaborative problem solving
- Blue-chip customer base
- Award winning software
- Significant recurring revenue base
- Positioned for accelerated growth

Financial Highlights FY09

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- Turnover increased 45% to £4.58m (2008: £3.16m)
- Maiden operating profit* of £0.13m (2008: Operating loss* £0.07m)
- EBITDA* increased to £238,000 (2008: £34,000)
- Annual recurring revenues increased 82% to £3.29m (2008: £1.81m)
- Cash and cash equivalents of £1.14m (2008: £1.09m)

* before share option charges

Corporate Highlights FY09

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- Added 11 new customers on annual contracts (FY08: 9) bringing total to 40 (FY08: 36)
 - Including Reed Elsevier, Chubb, Novartis and Bombardier Aerospace
- First annual contract signed through IBM global reseller agreement
- Increased investment into sales and marketing operations
- Release of Idea Central Version 9 with new features and functionality

Profit and Loss Account

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	2009 £'000	2008 £'000
Revenue	4,581	3,159
Staff costs	(2,410)	(1,956)
Depreciation	(66)	(57)
Amortisation	(43)	(34)
Other external charges	(312)	(172)
Other operating charges	(1,621)	(996)
Operating profit/(loss) before share option costs	129	(56)
Share options costs	(233)	(74)
Finance costs	2	9
Loss before tax	(102)	(139)

- Operational costs, before share option charges, increased 38% to £4.45m (2008: £3.22m)
- Average Headcount 31 (2008: 30)
- Rebasing of share options to 4.0p per option resulted in charge of £233,000 (2008: £74,000)
- Foreign exchange: Average rate 1.7 (2008: 2.01).
 - High 1.98, Low 1.41, Year end rate:1.41 (2008: 2.00)

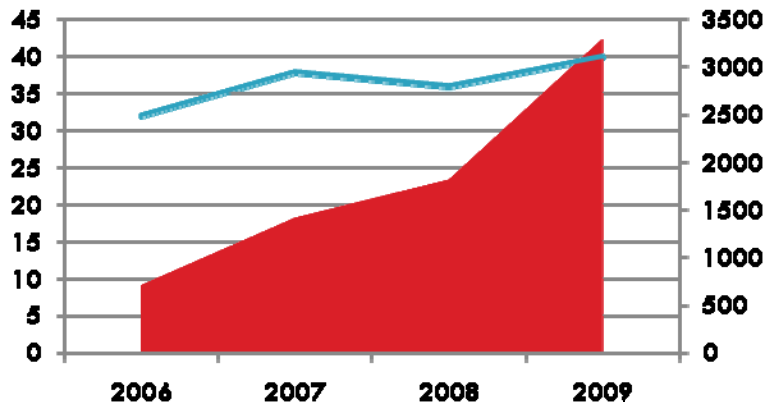
Key Metrics

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Recurring Revenues and Customer Numbers

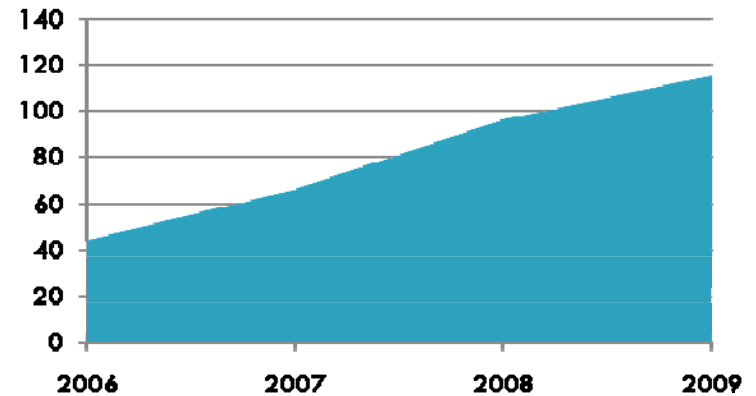
Customer numbers

£'000



Average contract value

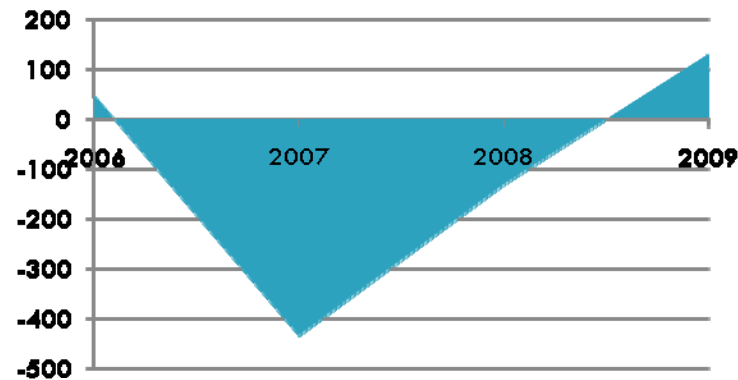
£'000



£'000

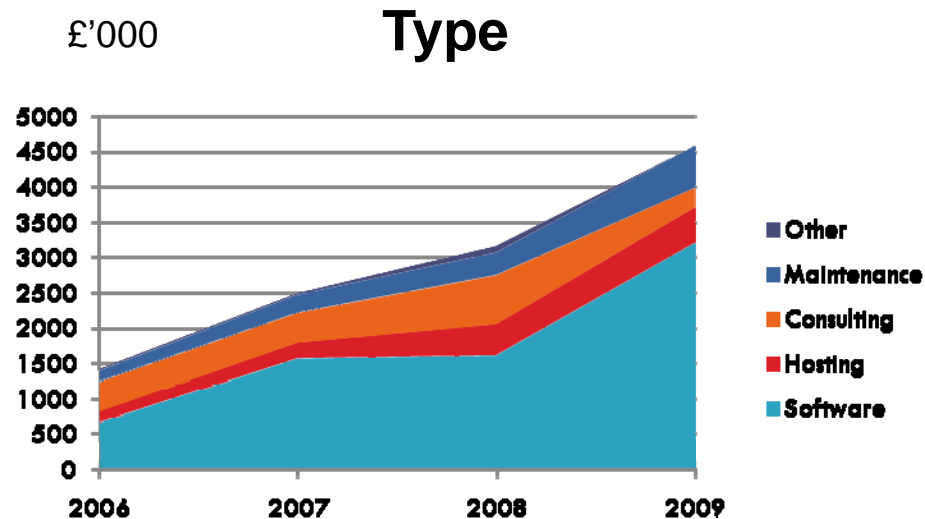
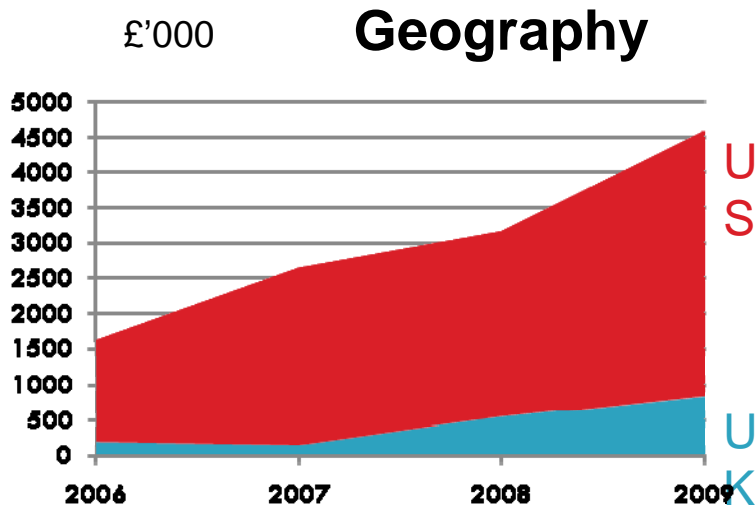
Profitability

Before share option charges



Revenue Analysis

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- Second half seasonal weighting – 61% second half (2008 H2: 62%)
- Revenue split: 18% up-sell into existing customers, 33%: new clients, 49% recurring business (2008 %: 20:52:28)
- Gross margin: typically 93%

Balance Sheet

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As at 31 st March	2009 £'000	2008 £'000
Fixed Assets	91	60
Intangible assets	154	100
Trade receivables	1,551	885
Cash	1,136	1,090
Trade payables	(680)	(664)
Deferred income	(801)	(415)
Shareholders Equity	1,451	1,056

- Placing in September 2008 raised £223,000 before expenses
- Increase in trade receivables reflects strong sales in Q4

Cash Flow Statement

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As at 31 st March		2009 £'000		2008 £'000
Cash flow from operating activities		1		(210)
Fixed assets	(97)		(25)	
Intangible assets	(98)		-	
Net cash used in investing activities		(195)		(25)
Net proceeds from share issue	264		485	
Repayment of debt	(25)		(22)	
Net cash generated from financing		240		463
Opening cash		1,090		862
Closing cash		1,136		1,090

Idea Central in Action

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□ Kellogg's demo

The screenshot displays the Kellogg's Idea Central website. At the top, there is a navigation bar with the Kellogg's logo, a search bar, and links for 'Contact Us/FAQs', 'Where to Buy', and 'My Account'. Below the navigation bar, the main content area is divided into several sections. On the left, there is a large graphic with the text 'GR-R-REAT IDEAS!' and 'Ideas or innovations? Team up with Kellogg.' Below this, there is a hand holding a glowing lightbulb. To the right of the hand, there are two main sections: 'Have a Big Idea?' and 'Have a Great Innovation?'. Each section has a brief description and a 'Learn more' link. Below these sections, there is a section titled 'Ideas and Innovations That Came to Life' which features a small image of 'Printed Fun Pop-Tarts' and a brief description of the product. On the right side of the screenshot, there is a smaller inset showing a woman in a factory setting, with the text 'Donating a Day's Worth of Cereal Production' and images of cereal boxes like Rice Krispies, Raisin Bran, and Crispix. Below this, there are logos for various Kellogg's brands like Cheez-It, Mornin' Star, and Famous Amos. At the bottom of the inset, there are links for 'Nutrition', 'Recipes', and 'Promotions'.

Have a Big Idea?
Do you have a new product or promotion idea, a recipe idea or a suggestion for improving the food or packaging performance of a current Kellogg product? If so, please share your *Big Idea* with us here. [Learn more](#)

Have a Great Innovation?
Do you have a new product that's partially or fully developed and could be ready to launch quickly? A business collaboration to propose? A patented food, packaging or processing technology or other intellectual property that may have application for Kellogg? If so, tell us about your *Great Innovation* here. [Learn more](#)

Ideas and Innovations That Came to Life
Printing images on birthday cakes is tough enough. Imagine printing 2,000 per minute. Working collaboratively with a high-speed printing expert, our *Pop-Tarts*® team gave a new look to an all-time favorite.

Donating a Day's Worth of Cereal Production

Nutrition
Fast foods to look to us for information that althy lifestyle.

Recipes
We serve up great-tasting recipes for all occasions. From appetizers to desserts, you'll find recipes that are right for you. [learn more](#)

Promotions
We're excited to offer fun promotions related to our products. Get the information you need about all of our promotions, sweepstakes and special offers. [learn more](#)

Case Study:



CHUBB GROUP
OF INSURANCE COMPANIES

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Chubb engages its employees to chart a path to future business growth

- The Company
11th largest property and casualty insurer in the US
- The Goal
Within three months, identify viable new revenue opportunities from all parts and levels of the organisation
- The Results
35% of Chubb's 10,000 employees participated, generating significant new revenue opportunities

"Given the wide range of business issues we face, the flexibility of the Idea Central solution suits our needs and helps us get the most from our employees."

- Jon Bidwell, SVP of Innovation, Chubb

Case Study:

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CSC relies on collaborative problem solving to get closer to customers

“We see Idea Central as a perfect complement to our approach of working closely and collaboratively with customers.”

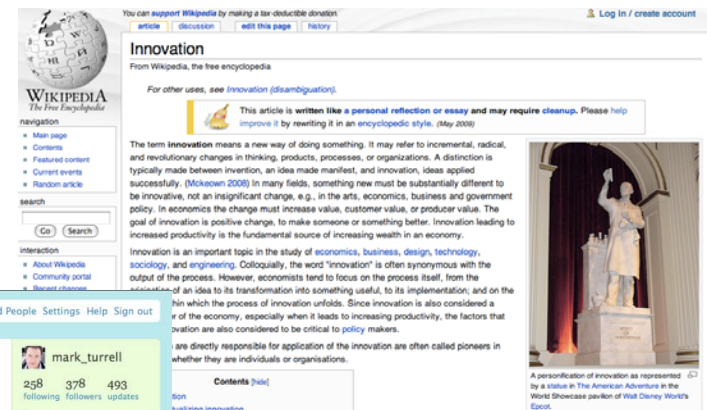
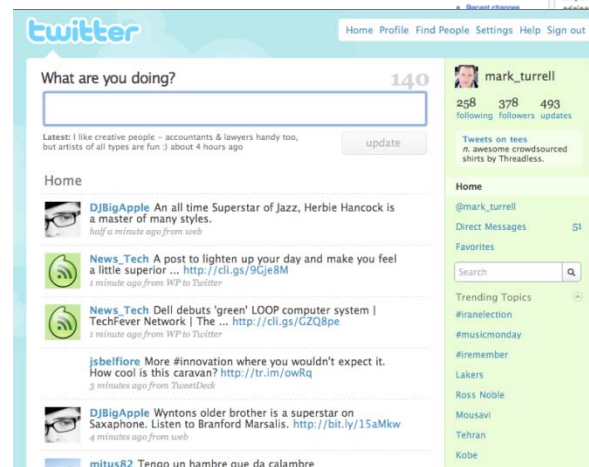
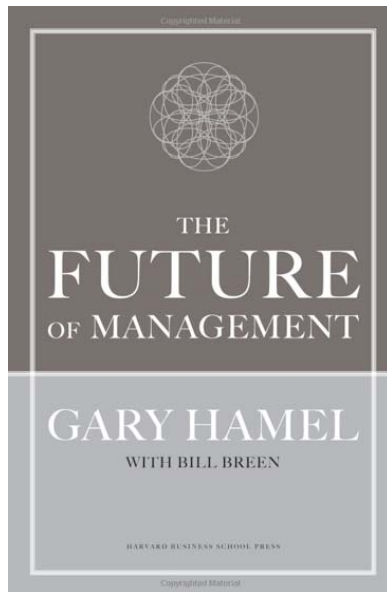
- Howard Smith, Global Lead for CSC Collective Intelligence, CTO for CSC Europe

- The Company
A leading consulting, systems and integration and outsourcing company
- The Goal
Create a platform to bring together the company's best ideas and make them a reality
- The Results
Closer, faster and more fruitful collaboration across account teams and business units

Collaboration Software Market

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- “Enterprise Crowd Sourcing”
- *Wikipedia, Facebook, Twitter*
- “Aggregate intelligence”



Product Development

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- Version 9 Idea Central
 - ▣ Opened up APIs
 - ▣ More support for Web 2.0 standards
 - ▣ Increased data integration
 - ▣ Enterprise tool-set for regulated industries
- Q2 planned launch of enhanced front-end
- Development of additional application modules in conjunction with industry partners

Marketing Initiatives

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- Increased marketing activity begun in FY09
 - ▣ Appointment of VP of Marketing
 - ▣ Initiated telemarketing activities
 - ▣ Focused marketing campaigns:
 - Q4 “Cost Reduction” aimed at Fortune 500
 - ▣ Published white papers
 - ▣ Engaging with technology analysts: Forrester Research
 - New players emerging, validating the market
 - ▣ UK and European User Forums, next initiative in October 2009
 - ▣ Co-marketing with industry specialists
 - ▣ Website re-launch scheduled for Summer 2009
 - ▣ Launching trade PR in the US

Outlook

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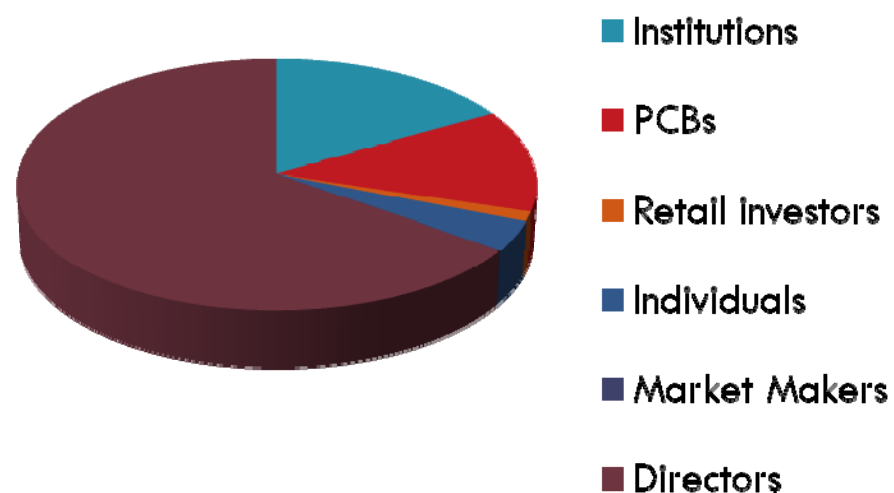
- Strong foundations for growth
- Achieving critical mass
- Healthy financial position
 - ▣ £1.1m cash
 - ▣ Growing recurring revenue base
- Increasing marketing spend to capitalise on market leading position
- Strong pipeline of opportunities
- Confident in the future

Appendix 1: Shareholder Register

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Name	%
Mark Turrell	59.00
Williams de Broe	7.10
Pfizer	6.06
Artemis	6.03
Octopus	3.48
Wills & Co	2.59
Allan Wainwright	2.35
Howard Marshall	2.87
Paul Morland	1.06
Andrew Wainwright	1.04
Shawn Taylor	1.00

% Shareholding



Appendix 2: Selection of Clients

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- Bombardier Aerospace
- Cargill
- Chevron
- Chubb
- CSC
- Dow
- GE
- Grace
- IBM
- Mayo Clinic
- Merck
- Pfizer
- Reed Elsevier
- Royal Mail
- Solvay
- UCB
- Weyerhaeuser
- Whirlpool
- Xerox