

# AMINO TECHNOLOGIES

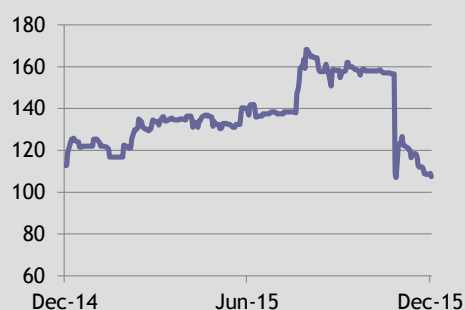
## TECHNOLOGY HARDWARE AND EQUIPMENT

### AMO.L

107.5p

Market Cap: £76.6m

### SHARE PRICE (p)



12m high/low

168p/107p

Source: LSE Data

### KEY INFORMATION

Enterprise value	£79.2m
Index/market	FTSE AIM
Next news	FY15 results, Feb-16
Gearing	n/a
Interest cover	n/a

 AMINO IS A RESEARCH CLIENT OF  
 PROGRESSIVE

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## Trading in line

Following the cautious trading statement in October, Amino's update provides encouragement in a number of areas. Management has confirmed that the business is performing in line with revised market expectations. Detail of actions taken to address sales execution issues previously flagged will be widely welcomed. Finally, integration of the recent Entone and Booxmedia acquisitions is progressing well and the re-iteration of the progressive dividend growth policy is a further positive.

- Trading in line with revised market expectations:** With consensus FY14/15 estimates reduced following the October trading statement, management has confirmed the FY14/15 revenues and profits are in line with the revised expectations.
- Sales force changes:** Management has taken concrete action to address the unsatisfactory sales execution flagged in October. Steve McKay, the former CEO of Entone, will head up an integrated sales effort. Steve has a strong track record in sales having led Entone's international expansion and secured a number of key Tier-2 customers. In addition, the overall sales effort has been re-focused, with dedicated teams for Latin America and Europe, with a combined sales force for North America.
- Acquisition updates:** Recent acquisitions Entone and Booxmedia are integrating well. Entone has strengthened Amino's market position with Tier 2 operators in the USA and brings additional presence amongst Tier 2 operators in Europe. The business is expected to drive significant cost synergies, with integration of teams and product lines on schedule. Booxmedia has recently secured two major customer wins - Delta in Holland and RTL in Belgium for end-to-end cloud VOD platforms.
- Progressive dividend policy maintained:** Amino has again confirmed its commitment to a progressive annual dividend growth policy of no less than 10% up to and including FY15/16.

Coming two days after the financial year end, today's update reassures on the FY15 outcome. Amino's concrete efforts to address the challenges revealed in the October trading statement will be widely welcomed, as will positive news flow on the acquisitions and confirmation of the progressive dividend policy. Overall, an encouraging release that should improve the somewhat impaired sentiment towards the Amino growth story.

FYE NOV	2012	2013	2014	2015E	2016E
Revenue (£m)	41.7	35.9	36.2	41.1	68.6
Adjusted EBITDA (£m)	6.2	6.0	6.7	7.5	12.8
Adjusted PBT (£m)	2.9	3.4	4.2	4.3	8.0
Adjusted EPS (p)	5.6	6.3	7.8	7.1	9.3
EV/ Adj EBITDA	12.7x	13.1x	11.8x	10.6x	6.2x
P/E	19.2x	17.0x	13.8x	15.1x	11.6x
Dividend yield (%)	2.8%	3.2%	4.7%	5.1%	5.6%

Source: Company Information and Progressive Equity Research estimates

## AMINO - FINANCIALS

Year ended November	FY-11	FY-12	FY-13	FY-14	FY-15	FY-16
	£m	£m	£m	£m	£m	£m
<b>Profit &amp; Loss</b>	<b>Act</b>	<b>Act</b>	<b>Act</b>	<b>Act</b>	<b>Est</b>	<b>Est</b>
Revenue £m	51.8	41.7	35.9	36.2	41.1	68.6
Adj EBITDA £m	4.5	6.2	6.0	6.7	7.5	12.8
Adj EBIT £m	1.8	2.9	3.3	4.1	4.3	8.0
Reported PBT	(0.6)	2.9	4.2	4.0	5.0	8.0
PBT before exceptionals and AAG	1.7	2.9	3.4	4.0	5.0	8.0
Fully adj PBT	1.8	2.9	3.4	4.2	4.3	8.0
NOPAT	1.8	2.9	3.3	4.1	4.3	8.0
Reported EPS	(0.4)	5.4	7.8	7.6	8.3	9.3
EPS before exceptionals and AAG	3.1	5.5	6.4	7.5	8.3	9.3
Fully adj EPS	3.3	5.6	6.3	7.8	7.1	9.3
Dividend per share p	2.0	3.0	3.5	5.0	5.5	6.1
<b>Cash flow &amp; Balance sheet</b>						
Operating cash flow	13.7	6.0	7.1	7.2	6.8	8.5
Free Cash flow £m	11.6	3.0	4.4	4.7	3.7	3.7
FCF per share p	21.4	5.7	8.3	8.7	6.1	5.4
Capex	(2.7)	(2.3)	(2.9)	(2.5)	(2.3)	(3.5)
Acquisitions	0.0	0.0	0.0	0.0	(46.1)	(3.6)
Net cash flow	11.6	3.0	2.1	1.5	(44.3)	(2.4)
Shares issued	(1.1)	0.0	0.3	0.0	21.0	0.0
Net cash/(debt)	14.1	17.1	19.5	20.8	(2.6)	(4.9)
<b>Metrics</b>	<b>FY-11</b>	<b>FY-12</b>	<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>
Revenue growth	17.8%	-19.5%	-14.0%	0.9%	13.5%	67.0%
Adj EBITDA growth	496.7%	40.0%	-3.2%	11.1%	11.3%	70.9%
Adj EBIT growth	69.2%	63.9%	14.8%	24.1%	4.1%	86.5%
Adj PBT growth	67.8%	66.3%	16.4%	22.6%	2.2%	86.1%
Adj EPS growth	75.6%	72.0%	12.8%	23.6%	-9.0%	30.6%
Dividend growth		50.0%	15.0%	44.9%	10.3%	9.9%
Adj EBIT margins	3.4%	6.9%	9.2%	11.4%	10.4%	11.6%
Operating cash conversion	308.1%	95.5%	116.7%	106.5%	91.2%	66.4%
Capex/Depreciation	99%	67%	106%	95%	73%	73%
<b>Valuation</b>	<b>FY-11</b>	<b>FY-12</b>	<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>
EV/sales	1.5	1.9	2.2	2.2	1.9	1.2
EV/EBITDA	17.7	12.7	13.1	11.8	10.6	6.2
EV/NOPAT	45.0	27.4	23.9	19.3	18.5	9.9
PER	33.1	19.2	17.0	13.8	15.1	11.6
Dividend yield	1.9%	2.8%	3.2%	4.7%	5.1%	5.6%
FCF yield	19.9%	5.3%	7.7%	8.1%	5.6%	5.0%

Source: Company Data and Progressive Equity Research estimates.

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