

scisys

Firmly



ON

TRACK

September 2009

What we do and who we work for

scisys



ENVIRONMENT
AGENCY



MINISTRY OF DEFENCE



Transport
for London



Deutschlandfunk

QinetiQ



Deutschlandradio Kultur



The
COAL
AUTHORITY



WDR

Lifeboats

LBRO

Local Better Regulation Office



We never forget who we're working for™

arqiva



The National Archives



buying
solutions
supplier

Headlines

- On track to meet Broker's guidance
 - ⇒ Adjusted operating profit £1.3m
 - ⇒ Sales £38.2m

- Solid order book and good opening position for 2010
 - ⇒ Total orders won in period £30m underlying value
 - ⇒ BBC AEP Framework - up to £15m
 - ⇒ EA CRC £3.5m+
 - ⇒ Post period end contract wins
 - ⇒ RNLi £1m+
 - ⇒ Coal Authority £5m+
 - ⇒ ESA Gaia Simulator £1m+

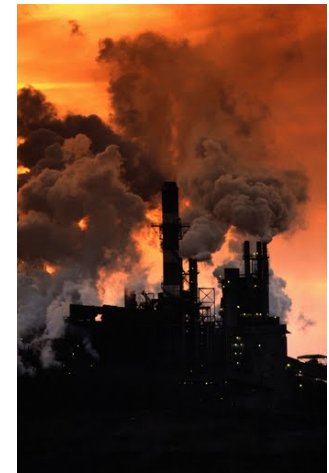
- Net cash £1.3m

- Reintroduction of Dividend



SciSys Wins Key UK Government Climate Change Project

- Web based solution to manage Carbon Reduction Commitment (CRC) Scheme
- Tackling climate change using domestic 'cap and trade' approach
- Reducing energy usage from large private & public sector organisations
- 15 month development phase with opportunity for up to 4 years support
- Good positioning for other trading systems



Media & Broadcast Division to be sole provider to BBC for AEP Solutions



Single scalable, joined-up, pan-BBC Audio Editing & Playout solution that integrates with other systems to create a multimedia production environment

Premier reference site for dira!® product set:

Government Division to Supply Electronic Architecture for New RNLI Fast Carriage Boats

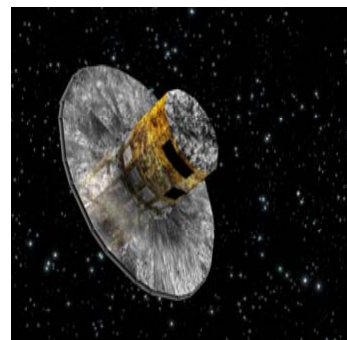


- FCB2 replaces Mersey class all weather lifeboat
- Upwards of 30 vessels planned over next 10 years
- Solution provides crew integrated view of all boat systems
- Opportunity to support system across lifetime of fleet
- Transfer of technology, IP and skills between business domains



Space Division Selected by ESA to Develop the Gaia Operations Simulator

- Mission to survey positions of the known stars, galaxies, nebulae with unprecedented accuracy
- First use of operations simulator to test orbit and attitude control ground software and procedures
- Simulator
 - uses SciSys QERx processor emulator technology to run much faster than real-time
 - used to test ground software systems, train operations teams & validate procedures
 - continues SciSys strength in this field

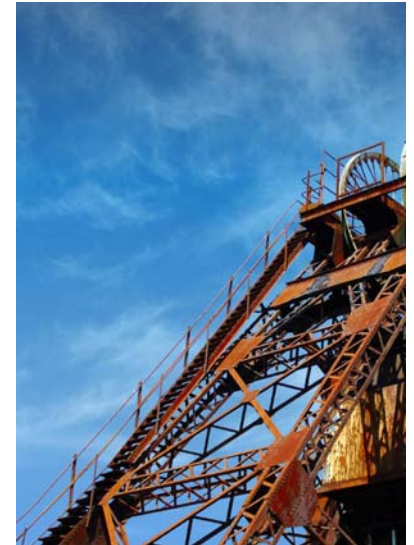


© ESA



Government Division to Build new System for Coal Authority

- New geographic management information system to replace current Mining Reports and Surface Damage System
- incorporates data and functionality from a number of existing systems
- used in management of public safety & subsidence issues, planning, licensing & permissions activity, environmental projects & provision of information services
- includes provision of ongoing Services
 - support and maintenance
 - technology refreshes
 - future enhancements to system
- solution based on Service Oriented Architecture, GIS and workflow technologies



Headline Numbers

- Revenue up 5% to £20.3m (June 2008: £19.4m)
- Adj. op. profit up 100% to £0.6m (June 2008: £0.3m)
- Profit before tax of £0.1m (June 2008: £0.5m loss)
- Adj. basic EPS up 31% to 2.1p (June 2008: 1.6p)
- Basic EPS of 0.5p (June 2008: 0.6p loss)
- Net cash £1.3m (30 June 2008: £1.0m net debt)
- Working capital facilities headroom of £4.3m
- Interim dividend declared of 0.3p per share



Progress against market guidance

	2007	2008	2009 Full year guidance	2009 H1
Total revenues	£25.6m	£38.1m	£38.2m	£20.3m
Adjusted EBITA	£(1.4)m	£0.9m	£1.3m	£0.6m
Operating (loss)/profit	£(2.7)m	£(1.8)m	£0.2m	£0.1m
Pre-tax (loss)/profit	£(2.6)m	£(1.2)m	£0.2m	£0.1m
Basic (loss)/earnings per share	(12.5)p	(3.1)p	0.3p	0.5p

Divisional highlights H1 '09

- Revenues and contribution ahead of H1 '08
- Government division bounces back
- Space division down on 2008
- Margins under pressure in MBS and Support divisions

£m							
		Space	Govt	MBS	Support	Other	Total
H1 2009	Total sales	7.8	7.2	3.6	1.5	0.2	20.3
	Contribution	1.1	1.9	0.6	0.2	-	3.8
H1 2008	Total sales	8.7	5.5	3.2	1.6	0.4	19.4
	Contribution	2.0	0.5	0.7	0.5	-	3.7

Divisional analysis

- Government ahead of budget

⇒ Delivery incentives earned, order book boosted

£m		H1/08	H2/08	H1/09
Sales*				
	Actual	4.9	6.2	6.1
	Budget	5.1	5.6	5.2
Contribution				
	Actual	0.5	0.6	1.9
	Budget	1.5	2.1	1.3

* Professional fees

Divisional analysis

- Government ahead of budget
- **MBS on budget**
 - ⇒ Delayed order intake, Dec 08 licence fees

£m		H1/08	H2/08	H1/09
Sales*				
	Actual	3.1	3.7	3.4
	Budget	4.4	3.9	3.0
Contribution				
	Actual	0.7	0.9	0.6
	Budget	1.3	1.0	0.6

* Professional fees

Divisional analysis

- Government ahead of budget
- MBS on budget
- **Support Group marginally behind budget**
 - ⇒ Pricing pressure on renewals

£m		H1/08	H2/08	H1/09
Sales*				
	Actual	1.6	1.6	1.4
	Budget	1.6	1.5	1.6
Contribution				
	Actual	0.5	0.2	0.2
	Budget	0.5	0.3	0.3

* Professional fees

Divisional analysis

- Government ahead of budget
- MBS on budget
- Support Group marginally behind budget
- **Space behind budget**
 - ⇒ FX losses, CCNs in negotiation to offset provisions

£m		H1/08	H2/08	H1/09
Sales*				
	Actual	6.9	6.4	6.0
	Budget	6.5	6.2	6.3
Contribution				
	Actual	2.0	0.9	1.1
	Budget	1.4	0.8	1.6

* Professional fees

Divisional analysis

- Government ahead of budget
- MBS on budget
- Support Group marginally behind budget
- Space behind budget

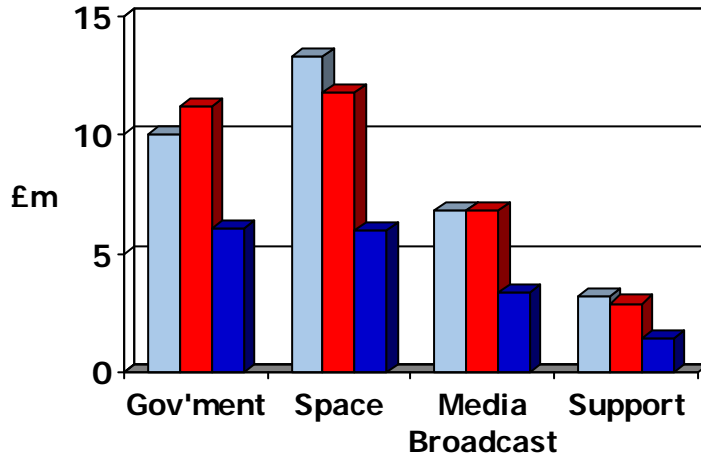
- **Group: on track to meet market expectations**

		£m
Sales		
	Actual H1	20.3
	Full year guidance	38.2
Operating profit		
	Actual H1	0.1
	Full year guidance	0.2

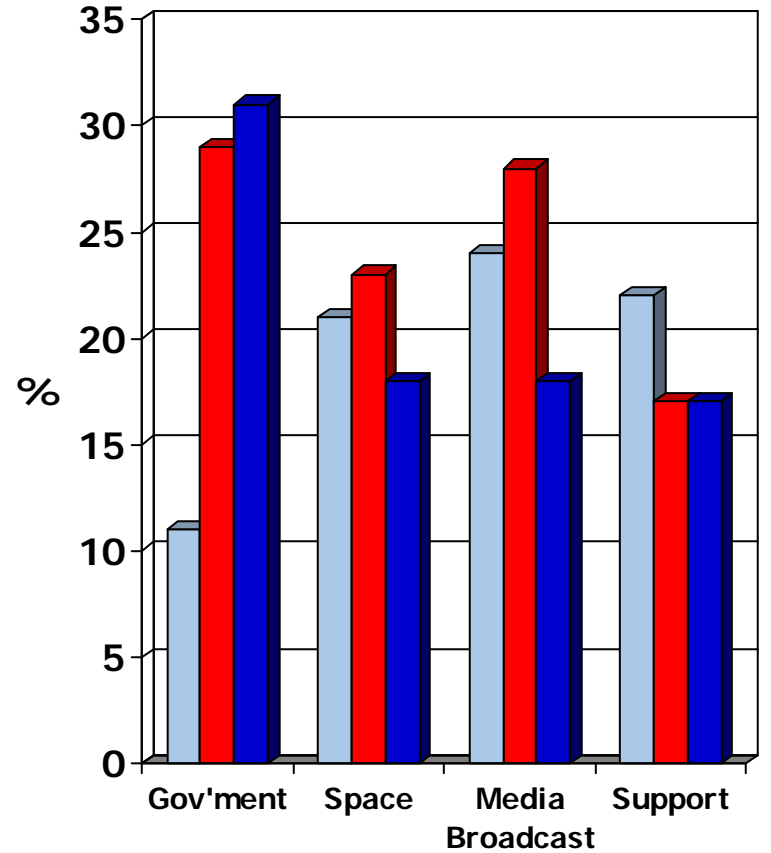
2009 – continued focus on margins



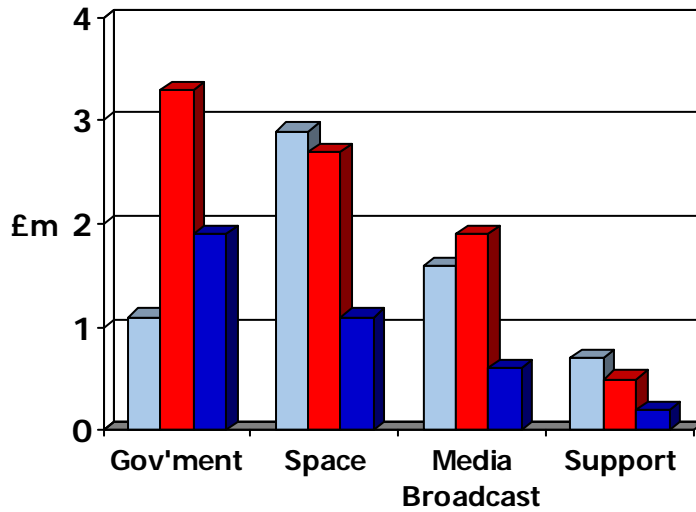
Professional fees



Contribution margins



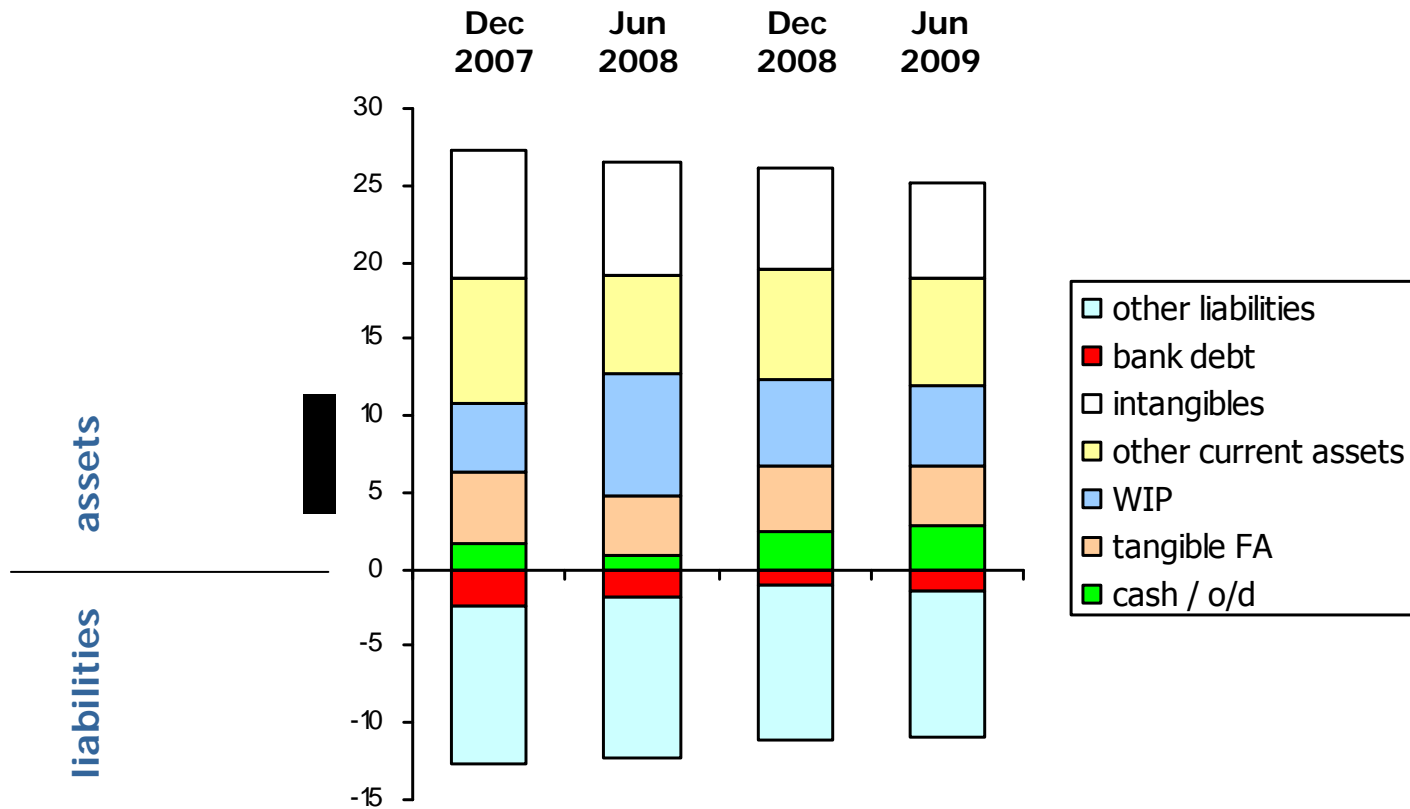
Contribution



■ 2008
 ■ 2009 guidance
 ■ H1 2009

Investor, customer and bank confidence

Balance sheets



Prime longer term strategic challenges

- Position SciSys as leading independent supplier IT solutions
- Develop clear differentiators in each of our sectors
- Shift the balance of revenues to the sub sectors on which we can make good returns
- Sharpen the disciplines and controls to do what we do better and more profitably
- Build a senior and middle management team capable of delivering and sustaining the business

without compromising our core values.



2009 targets and plan

Building on 2008 advances:

- Position SciSys as leading independent ✓ supplier in its key markets
 - ⇒ Space ✓
 - ⇒ Defence ✓
 - ⇒ Environment ✓
 - ⇒ Media & Broadcast ✓
 - ⇒ Government ✓
- Optimise cash generation ✓
- Build order book for Q4/09 and 2010 ✓
- Convert pipeline opportunities ✓ & drive operating margins
- Widen customer base ✓
- Develop depth of management team
- Consolidate quality procedures



Plc Board



Mike Love
Chairman



David Jones
Executive Director



Steve Brignall
Technical Director



Chris Cheetham
Financial Director



Klaus Meng
Non-Executive
Director



Ulrich Reimers
Non-Executive Director



Peter Murden
Company Secretary



Exec Board



Steve Brignall
Technical Director



Mike Love
Chairman



Chris Cheetham
Financial Director



David Jones
Director
Government
Division



Horst Wulf
Director Space
Division



Roger Hughes
Director Support
Division



Klaus Heidrich
Director Media &
Broadcast Division



Summary

- Recovery has been consolidated
- Starting to be reflected in share price
- Solid order book position to start 2010
- Prime issue is margins
- Still plenty to achieve

