

Altium announces final, audited results for year to 30 June 2011 Encouraging increase in paid subscription sales

Sydney, Australia - 30 August 2011 - Electronics design software company Altium Limited (ASX:ALU) has announced its final, audited financial results for the financial year ending 30 June 2011.

Fourth-quarter and second-half summaries

Sales for the three months ending 30 June 2011 grew 14% to US\$17.2 million, compared to the corresponding period a year ago.

In the second half of the financial year, sales increased by 9% to US\$28.5 million compared to the corresponding period a year ago.

Financial year summary

For the financial year overall, sales were US\$50.6 million, up 9% from the corresponding period a year ago. The adjusted operating result was a profit of US\$2.1 million, and the reported loss after income tax was US\$7.1 million. Details are as follows:

	Year Ending 30 June 2011 (US\$ millions)	Year Ending 30 June 2010 (US\$ millions)
Sales to customers	50.6	46.5
Operating cash expenses	(47.0)	(46.3)
Depreciation	(1.5)	(1.4)
Adjusted operating result	2.1	(1.2)
Restructuring costs	(1.2)	-
Other non-cash items [^]	(7.2)	(5.3)
Loss before income tax	(6.3)	(6.5)
Income tax expense [*]	(0.8)	(3.9)
Loss after income tax	(7.1)	(10.4)

[^] Non-cash items include net adjustment for deferred revenue recognition, amortization, share based payments expense, capitalization of research and development, employee costs and foreign exchange translation differences.

^{*} For FY10 Income Tax Expense includes a non-cash accounting adjustment of US\$5.9 million relating to the derecognition of deferred tax asset.

Revenue was up 8% to US\$48.5 million. The cash balance as at 30 June 2011 increased from US\$4.8 million the previous year to US\$6.6 million.

Comments from Nick Martin, CEO

"The fiscal year ended 30 June 2011 saw Altium achieve 9% increase in total Sales with a solid swing towards subscription sales, an area the company has been focusing heavily on. Subscription sales represented 40% of total sales value, up from 27% last year. At the end of the year there were approximately 18,000 licenses on active paid subscriptions, an increase of around 70% from previous financial year. This contributed to consecutive year-on-year improvement to both cash and deferred revenue balances.

All regions other than Asia Pacific achieved sales growth. In particular, China achieved 32% growth for the year and 67% growth for the last six months. Results we hope to enhance with the recent move of the Altium Group executive management team and core software development activities to China."

Comments from Richard Leon, CFO

"The depreciation of the US dollar during the year, especially against the Australian dollar by 24% and Euro by 18%, has had a significant impact on expenses when presented in US dollars. The impact of the US dollar value during the year ended 30 June 2011 compared to the exchange rates at 30 June 2010 has resulted in total expenses being approximately US\$5.2m higher when presented in US dollars. It is expected that the impact of such movements in foreign exchange rates on amounts presented in US dollars will reduce as a result of the relocation of Group activities to China and a shift away from Australian dollar denominated expenditure. Notwithstanding, costs and working capital continue to be managed carefully as demonstrated with cash balances up 37% from previous year."

Detailed financial summaries are below.

Financial performance for the 6 months ending 30 June 2011

	6 months ending 30 June 2011 (US\$'000s)	6 months ending 30 June 2010 (US\$'000s)	Change
Worldwide sales	28,510	26,165	9%
Regional sales	(local currencies, '000s)	(local currencies, '000s)	
Americas (US\$)	11,891	11,800	1%
EMEA (€)	7,804	6,988	12%
Greater China (US\$)	3,059	1,831	67%
APAC excluding Greater China (US\$)	2,531	2,974	-15%
Consulting services (€)	21	331	-94%

Financial performance for the financial year ending 30 June 2011

	12 months ending 30 June 2011 (US\$'000s)	12 months ending 30 June 2010 (US\$'000s)	Change
Worldwide sales	50,590	46,541	9%
Worldwide revenue	48,457	45,008	8%
Worldwide loss after tax	(7,129)	(10,353)	31%
Regional sales	(local currencies, '000s)	(local currencies, '000s)	
Americas (US\$)	19,852	19,060	4%
EMEA (€)	14,573	12,432	17%
Greater China (US\$)	5,851	4,448	32%
APAC excluding Greater China (US\$)	4,634	5,313	-13%
Consulting services (€)	183	457	-60%

EMEA means Europe, the Middle East and Africa. Greater China means the PRC, Hong Kong and Taiwan.

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About Altium

Altium Limited (ASX:ALU) creates electronics design software based on the belief that anyone who wants to create electronic products that make a difference should be able to do so. Altium's unified electronics design environment links all aspects of electronics product design in a single application that is priced to be as affordable as possible. This helps electronics designers break down barriers to innovation, harness the latest devices and technologies, manage their projects across broad design 'ecosystems', and create connected, intelligent designs.

Founded in 1985, Altium operates worldwide. For more information, visit www.altium.com.

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