

NEWS

Results put Tangent in the clear and on the acquisition trail – by Darryl Danielli

TANGENT RESULTS	
Ongoing turnover	£6.6m (2005: 5.3m)
EBITDA*	up 390% to £896,000
Operating profit*	£626,000 (2005: 32,000 loss)
Pre-tax profits	£131,000 (2005: £20,000)
Net Cash	£801,000 (2005: net debt £24,000)
Administrative expenses*	down 15%
*before goodwill and exceptional items	
Source: Tangent Communications	



Tangent Communications has released its year-end results, which show a 24% increase in turnover and more than a six-fold increase in pre-tax profits.

"We've been successful in winning more business by talking to our clients and getting them to focus on how print can add value to the marketing mix and not just be seen as a mass commodity-based medium," said joint chief executive Nicholas Green.

The one-to-one marketing group's ongoing turnover increased to £6.6m for the year ending 28 February 2006, up from £5.3m in 2005. Operating profit (before goodwill and exceptional items) soared from a £32,000 loss last year to a £626,000 profit this year. Pre-tax profits increased from £20,000 in 2005 to £131,000.

The figures include seven months' worth of revenues from last summer's reverse takeover of Documedia by Tangent-owned London Digital Printing Group, creating Tangent Communications.

According to Nick Green, London-based Tangent, one of the few remaining print plcs, is cash positive and generating cash from its ongoing

operations, putting it in a strong acquisitive position.

"We continue to look at opportunities, and I believe we will be announcing acquisitions, in the next six months," said Green. "The deals we will look at will be to A: increase our services, and B: take us into new areas."

As well as print, the group is looking to expand its data, mobile and email capabilities.

"Print is a medium to be really proud of," said Green. "And it is still a huge percentage of what we do, but we don't focus our business that way. Tangent is positioned with data at the heart of it, creating a medium that focuses on added value.

"We're not interested in the traditional scatter-gun approach [to direct mail] of putting out 10m mailers.

"Our investments in technology in the past six months have been to ensure we can move into the multi-platform messaging area."