

Tracsis in final stages of negotiating several large multi-year software contract opportunities

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The Chief Executive Officer of a leading provider of software and services for the rail, traffic data and wider transport industries, says its rail technology and services business currently remains resilient despite the COVID-19 crisis.

Chris Barnes, from Tracsis, has also said they are in the final stages of negotiating several large multi-year software and hardware contract opportunities.

The comments come as the company announces its unaudited interim results for the six months ended 31st January 2020.

Financial Highlights:

- Revenue increased 41% to £26.4m (2019: £18.8m)
- Cash balances of £26.0m (31 July 2019: £24.1m, 31 January 2019: £18.7m)
- Interim dividend deferred, pending a further review later in the year

Operational Highlights:

- Strong H1 performance from all parts of the Group especially our Traffic and Data division which had a strong start to the year
- Acquired businesses in 2019, Compass Informatics, CTM and Bellvedi all performed well with integration and synergy savings already being realised
- Continued investment in technology base across all areas of the business
- Several large tenders in the final stages of negotiation across our Rail Technology division

Post period end Highlights:

- Acquisition of iBlocks Limited in March 2020 which adds new capabilities and products to our Rail Technology product offering especially in the areas of smart ticketing
- Important initial contract win for OnTrac (our risk and safety management software business) which is expected to result later this year in a multi-year enterprise wide licence deployment
- Covid-19 has had an immediate impact on our Events and Traffic Data business units and as a result we have taken a series of immediate actions to mitigate the impact as much as possible

Chris Barnes, Chief Executive Officer, commented: “We are pleased with the first half performance which was in line with expectations. All of the acquisitions from 2019 performed well, and we were also delighted in March to have completed the iBlocks acquisition which increases our rail technology product portfolio and takes us into exciting new areas of the rail industry.

“Despite the recent Covid-19, crisis our Rail Technology & Services business currently remains resilient and we are in the final stages of negotiating several large multi-year software and hardware contract opportunities.

“Our Traffic & Data Services division is however being majorly impacted by Covid-19 and as a result we have taken a series of actions to mitigate the impact on the business as much as possible, with the full year outcome currently under review. The Group continues to have substantial cash balances and strong cash flow.”

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