

Avisen PLC - Avisen PLC - Disposal of Inca

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**Avisen plc (AIM: AVI)**  
**("Avisen", the "Company" or together with its subsidiaries the "Group")**

**Disposal of Inca Software Limited**

The board of Directors of Avisen (the "Board") is pleased to announce that, on 16 March 2011, Inca Holdings Limited ("IHL"), its indirect and wholly owned subsidiary, entered into a binding sale and purchase agreement relating to the proposed disposal of the Company's wholly owned subsidiary, Inca Software Limited ("Inca") (the "Transaction"). Inca is the largest UK IBM Cognos partner, providing customers with the full suite of IBM business analytics products, and is to be acquired by Logicalis UK Limited ("Logicalis").

Completion of the Transaction, which is subject to the provision of certain standard documents by IHL and Logicalis, is scheduled to take place on 1 April 2011 ("Completion").

The total consideration received by the Group in respect of the Transaction will be £8.65 million, consisting of cash of £7.3 million and the assumption by Logicalis of the net liabilities of Inca as at the time of Completion, subject to a maximum of £1.35 million. The cash consideration will be settled in two stages:

- £6.0 million payable at Completion;
- An additional £1.3 million payable 12 months after Completion.

The Group intends to use the proceeds from the sale of Inca to further invest in the Group's remaining business divisions, in particular to aid the launch of its next generation SaaS Storage Analytics solution. The Board also intends to continually monitor the performance improvement sector generally and, following Completion, will have additional flexibility to pursue suitable opportunities which may arise. It is the Board's intention to seek to accelerate the growth of the Group through complimentary acquisitions, in addition to the anticipated organic growth in the business divisions which remain following Completion.

The interim results for the six month period ended 31 July 2010 showed revenues and a pre-tax profit for Inca of £4.36 million and £0.3 million respectively. Inca had unaudited net liabilities of £2.5 million as at 31 July 2010.

**Marcus Hanke, Chief Executive of Avisen, commented:**

"I am delighted to be able to announce the details of the Transaction, which I believe represent an excellent return on investment from the Group's perspective. The consideration the Group will receive, which represents 62 per cent of Avisen's current market capitalisation, will provide the

Group with an excellent platform from which we will be able to create significant long term shareholder value.

"I would like to thank the senior management team of Inca for their help in growing the business to this stage and I look forward to providing further positive announcements as we seek to implement our ongoing growth strategy."

END

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