

Osirium Technologies

Increasing adoption of PxM

Contract wins

Software & comp services

27 February 2019

A flurry of contract announcements highlight that Osirium is seeing increasing adoption of its software across a wide variety of use cases and verticals. As market awareness of the need for privileged access management grows, Osirium's subscription licensing model provides a flexible way for customers to secure their privileged accounts against internal and external threats.

Year end	Revenue (£m)	EBITDA* (£m)	EPS* (p)	DPS (p)	P/E (x)	EV/sales (x)
12/16**	0.48	(1.14)	(12.4)	0.0	N/A	31.9
12/17	0.65	(1.61)	(18.1)	0.0	N/A	23.5
12/18e	0.92	(2.00)	(18.4)	0.0	N/A	16.5
12/19e	1.41	(1.82)	(17.4)	0.0	N/A	10.8

Note: *EBITDA and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. **14-month period ended 31 December 2016.

Osirium has announced two contract wins, one of which displaced a competitor. For the first contract, Osirium is licensing its full PxM platform to a large UK transport and travel services provider to secure 500 devices over 12 months. The customer is using PxM to manage and control access from third-party privileged users into complex environments comprising Linux, Windows and network infrastructure devices. The second customer is a UK division of a global financial services provider. Osirium has licensed its PxM platform for 150 devices for 12 months as well as providing consultancy, training and support. Again, the customer is keen to control access by third parties; in addition, it wants to demonstrate compliance with SWIFT regulations and protect internal staff against potential security breaches. These contract wins and the contract announced earlier this month to secure 250 devices for 12 months for a UK provider of software and IT services to the public sector highlight the increasing diversity of use cases and verticals adopting Osirium's software. With these contract wins supporting our bookings growth forecasts, we make no change to estimates.

Price 120p

Market cap £16m

Net cash (£m) at end FY18 2.3

Shares in issue 13.6m

Free float 92%

Code OSI

Primary exchange AIM

Secondary exchange N/A

Share price performance



Business description

UK-based Osirium Technologies designs and supplies subscription-based cyber security software for privileged access management. Its cloud-based products protect critical IT assets, infrastructure and devices by preventing targeted cyber-attacks from directly accessing privileged accounts.

Analysts

Katherine Thompson +44 (0)20 3077 5730

Dan Ridsdale +44 (0)20 3077 5729

tech@edisongroup.com

[Edison profile page](#)

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