

YouGov

Trading update

Good momentum continues

The pre-close update for the six months to end January indicates a good H1, driven by continued progress in Data Products & Services (dominated by BrandIndex and Profiles) and margin improvement in Custom Research. FY19e results are now likely to come in 'slightly ahead' of market expectations. The group has a CMD scheduled for 6 February and will report interim figures on 2 April. The share price puts YouGov on a rating well ahead of sector peers, but considerably below the listed SaaS subscription businesses with which it has increasing commonality.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	EV/EBITDA (x)	P/E (x)	Yield (%)
07/17	107.0	17.9	10.5	2.0	25.2	41.6	0.5
07/18	116.6	26.9	15.6	3.0	17.5	28.0	0.7
07/19e	132.0	27.5	17.2	3.5	17.0	25.5	0.8
07/20e	141.0	29.5	18.3	4.0	15.8	23.9	0.9

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

The trading update is relatively brief but outlines a strong first half performance. The expectation that the full year result to July will now be slightly ahead of the market implies a sensible degree of circumspection over the short-term market outlook. The group continues to invest in its technology and product development as it shifts its business model towards a real-time data analytics business and grows its subscription revenue base. This is coming through in the core growth – we have revenue growth forecasts of 13% for FY19 and a relatively cautious 7% for FY20 currently, before any adjustment to reflect this trading update. The group has also made two small acquisitions that extend its capabilities and reach, although these are unlikely to have made any meaningful dent in the net cash, which we currently forecast at £30.1m at end July 2019.

Media

31 January 2019

Price **437.5p**
Market cap **£462m**

Net cash (£m) at end July 2018	30.6
Shares in issue	105.5m
Free float	73.7%
Code	YOU
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



Business description

YouGov is an international market research and data and analytics group offering a data-led suite of products and services including YouGov BrandIndex, YouGov Profiles, YouGov Omnibus and custom research.

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