

Team17 Group PLC

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Team17 surges after levelling up full-year forecasts

Team17 Group PLC (LON:TM17) shares jumped on Tuesday after it upped its earnings and revenue forecasts for the current year following a strong first half performance.

In a trading update, the AIM 100 video games developer said that strong customer traction from both its new and established games since that start of 2019 meant adjusted underlying earnings (EBITDA) and revenues for the full year would now be "ahead of market expectations".

READ: Team17 shares level up following strong performance in maiden interims

The company said its first half had been boosted by strong sales across its back catalogue of games, which include titles such as Worms and Overcooked, a solid performance from an array of new release titles including My Time at Portia and Hell Let Loose and a higher proportion of revenues from its license income and subscription services.

For the rest of the year, the company said an indie kitchen puzzle game, Automachef, developed in partnership with Hermes Interactive was scheduled for release in the summer while two other titles, Yooka-Laylee and the Impossible Lair and Blasphemous, were expected to launch before the end of 2019.

The company's first half results are expected to be delivered in September.

Liberum ups target price

In a note, analysts at Liberum hiked their target price for Team17 to 290p from 255p and maintained their 'buy' rating, saying the firm's upgraded forecasts represented its ability to publish games with reduced investment and low risk.

Meanwhile, Peel Hunt said they had upgraded their full-year revenue and EBITDA forecasts for the group by 10% on the back of the update, maintaining their 'buy' rating and 325p target price on the stock.

Team 17 shares were up 13.8% at 281.1p in mid-afternoon trading.

--Adds Liberum target change and updates share price--

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Price: 349

Market Cap: £458.2 m

1 Year Share Price Graph



Share Information

Code: TM17

Listing: AIM

52 week	High	Low
	360	175

Sector: Tech

Website: www.team17.com

Company Synopsis:

Established in 1990, Team17 is an independent developer and games label for premium games. We collaborate with fellow developers around the globe sharing our expertise from creation to launch across PC, console and mobile devices. We are proud of our longstanding heritage and passion to create quality gaming experiences for audiences worldwide.

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