

Avast PLC

10:13 14 Aug 2019

Avast ups targets amid strong growth for consumer desktop and secure browser

Avast PLC (LON:AVST) said it expects like-for-like revenue growth for 2019 to be at the upper end of its previous guidance of a high single-digit percentage.

In the first half of the year continuing billings grew 12.5% to US\$454.6mln and continuing revenues 9.2% to US\$422mln as growth accelerated in the second quarter, beating the consensus forecasts of US\$437mln and US\$414mln respectively.

The direct-to-consumer direct grew revenue 11.6%, indirect business surged 29% compared to the 6.6% seen this time last year, with a strong performance by the Avast Secure Browser, while small and medium-sized business sales fell 0.9% compared to the -11.3% decline seen a year ago.

Underlying earnings (EBITDA) grew 7% to US\$237mln, versus an average forecast of US\$229mln, with margins inching up to 55.4%.

With cash flow improving, net debt was cut 15% to US\$1.1bn and Avast proposed an interim dividend of 4.4 cents per share, which was its first half-year dividend since listing in May last year.

Chief executive Ondrej Vlcek flagged the release of direct-to-consumer and carrier-based Internet of Things products, saying he was "very excited about the opportunity ahead".

Meanwhile, he said the first half was characterised by strong demand for value-added solutions, such as VPN, utilities and AntiTrack, which was accompanied by a resilient performance from the traditional anti-virus products.

"While the mobile carrier channel was below our expectations, elsewhere in the consumer business there was good momentum in both customer conversion and retention rates."

Avast shares were up 6% to 346.98p on Wednesday morning.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a

Price: 450

Market Cap: £4.54 billion

1 Year Share Price Graph



February 2019 August 2019 February 2020

Share Information

Code: AVST

Listing: LSE

52 week High Low
552 277.2

Sector: Tech

Website: www.avast.com

Company Synopsis:

Avast is one of the largest security companies in the world using next-gen technologies to fight cyber-attacks in real time.

action@proactiveinvestors.com

security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.