

The following replaces the announcement released on 13 January 2015 at 07.00 under RNS number 9682B and restates the correct percentage calculations in Annualised Recurring Revenue for Q4 2014 and 2014 to 36% and 247%, respectively; the percentage calculations in the No of End Users for Q4 2014 and 2014 to 25% and 188%, respectively; and the percentage calculation in the No of Licenses for Q4 2014 to 37%. The full amended text appears below.

All other details remain unchanged.

13 January 2015

SYNETY Group plc
(“the Group” or “the Company”)

Key performance indicators (KPIs) update for Q4 2014
Trading update for the 12 months ending 31st December 2014
Calendar for 2015 KPI updates

- **The underlying performance metrics which underpin the business model continue to improve**
- **Annualised recurring revenue (“ARR”) up by over 36% to £3.02m, a more than threefold increase on a year-on-year basis**
- **End users up by over 25% to 7,705**
- **Recurring revenue per user (“RRPU”) up 26%, now over £30 for the first time**
- **Year-end financials:-**
 - **Adjusted Profit Before Tax (“PBT”) in line with market expectations**
 - **Revenue broadly inline with market expectations**
- **The Board remains very confident that the size of the sales opportunity in the USA is significant**

KPI UPDATE Q4 2014

The Group is pleased to report that Q4 2014 was its strongest quarter to date for orders received, with a net increase of over 5,000 licences resulting in an increase of 36% in ARR, equating to £800,000 taking ARR above the £3m mark. In addition, due to the acceleration in growth of orders received, RRPU pushed through £30 per user for the first time, compared to just over £24 as at the end of Q4 2013.

	31 Dec 2013	Q1 31 Mar 2014	Q2 30 Jun 2014	Q3 30 Sep 2014	Q4 31 Dec 2014	Growth Q4 %	Growth 2014 %
ARR - Annualised Recurring Revenue	£0.87m	£1.28m	£1.72m	£2.22m	£3.02m	36%	247%
No of End Users	2,678	3,866	4,834	6,156	7,705	25%	188%
RRPU - Recurring Revenue per User	£24.10	£25.04	£26.31	£29.59	£30.48	3%	26%

Average New Users per Month	224	396	359	386	419	9%	87%
No of Licences	5,160	7,836	10,702	14,025	19,221	37%	272%
Average Users per Customer	10.1	11.3	11.8	12.0	11.7	-3%	16%
For full KPI definitions please see below							

During the last quarter, the Group announced an integration with HubSolv CRM, a significant customer win with e-Careers Limited.

Additionally, the Group announced the launch of CloudCall Chrome – a click-to-call capability that works from any web page and simplifies the integration process for any web based CRM hence increasing SYNETY's addressable market through reducing dependence on CRM platforms.

TRADING STATEMENT FOR THE 12 MONTHS ENDING 31ST DECEMBER 2014

SYNETY is pleased to provide an update on trading following the end of its financial year on 31 December 2014. The Group has now entered into a close period, ahead of its annual results announcement for year ending 31st December 2014, scheduled to be released in late February 2015.

Financial Performance

The Group's adjusted PBT is expected to be in line with market expectations. The Group's closing cash position is also expected to be in line with market expectations, taking into account a delayed R&D tax credit rebate for the 2014 financial period, expected to be approximately £200,000 and due to be received this month. Full year revenues are expected to be broadly in line with market expectations.

Outlook

The Company continues to see strong demand for its products and services domestically in the UK, and is pleased to see larger and more sophisticated customers being drawn to its products as the feature set expands and their confidence in the service and the underlying technology increases. As the Company's Sales Team strengthen their knowledge base and CRM partner relationships continue to deepen, the Board remains confident of growing the Company's UK customer base.

In the US market, the Company has been selling actively for just over 6 months and, during that time, orders received have exceeded management's initial expectations with December being the best sales month to date. As was the case in the UK, the average customer size is initially smaller, but the Board fully expects increasingly strong sales growth in the US, including an uplift in average customer size.

As the Sales Team in the US continues to develop, the Board remains confident and excited at the scale of the opportunity in a market which it believes significantly outweighs the UK.

Simon Cleaver, SYNETY's Executive Chairman, commented:

"The Board is pleased with the results from the fourth quarter of 2014. It is particularly encouraging that we continued to see growth in orders received month-on-month during the quarter which bodes well for 2015.

The Board remains very excited for the future of SYNETY and we remain confident of growing the business at a sustainably healthy rate, both domestically in the UK and, increasingly, in the US."

CALENDAR FOR 2015 KPI UPDATES

The Group plans to release its 2015 quarterly KPI trading updates on the following dates:-

Q1	Q2	Q3	Q4
28 th April 2015	21 st July 2015	20 th October 2015	19 th January 2016

- Ends -

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Key Performance Indicators Definitions

Annualised Recurring Revenue (ARR)

ARR is a forward looking number based on products sold to date. To calculate the ARR, we strip out any one-off invoices such as set-up, hardware sales or professional fees and simply take the ongoing monthly recurring licence fees customers have subscribed for and add in the projected telecommunications income (average daily telecommunications spend X working days in an average month). This figure is then multiplied by 12 to give the expected annual recurring revenue.

The Board believes that this is the clearest way of expressing the underlying annualised recurring revenue as it levels out inconsistencies that may be caused by how many working days there are in any particular month– telecoms revenues that are not included in any calling package, are particularly sensitive to these fluctuations. It further removes any anomalies that may be introduced by large customers coming on-stream partway through the month which lower the ARPU since they are only billed for a partial month.

No of Users

Number of End Users (sometimes denoted as 'seats') is defined as the actual number of individual users licenced to access the CloudCall platform.

Recurring Revenue per End User (per month) (RRPU)

This figure is not simply the ARR divided by the number of End Users. RRPU is calculated by combining the actual billed subscription revenue with the monthly subscription fees ordered, together with an estimate of the related telecommunications spend (eliminating any one-off billings) and dividing by number of End Users. To reduce the effects of monthly variations, RRPU published is the average RRPU of the preceding three months.

Average New Users per Month

The average monthly increase in users (after taking into consideration all new subscribed users and any losses) since the start of the year.

Number of Licences

A licence is a customer agreement to pay monthly fees (occasionally annually) for the use of a Synety package or service. Example of licences include; CloudCall Click, Unlimited UK landlines calls package,

extended call recoding (7 year option) etc. An 'End User' may purchase multiple licences depending upon the services that they subscribe to.

Average Users per Customer (AUPC)

This is simply the average customer size calculated as the number of End Users divided by the number of customers.

About SYNETY

SYNETY is a leading cloud-based software and communications business based in Leicester, UK and Boston MA, US.

The company develops and provides a suite of cloud-based software products and services known as CloudCall which are aimed at enabling organisations to use their communications more effectively. The CloudCall suite of products allows companies to fully integrate their telephony systems into their existing software, enabling calls to be made, recorded, logged, categorised and detailed reports easily generated.

Since 2011 SYNETY has grown rapidly, seeing considerable increases in both the number of end users and in the number of CRM companies integrated with its software.

For additional information about SYNETY please visit www.synety.com