



INFORMATION BULLETIN

IPO of SMART TECHNOLOGIES Inc.

Ticker (Exchange): SMT (NASDAQ)

Sector: Information Technologies

Industry: Computer Hardware

Описание:

SMART Technologies is established in 1987 in Alberta, Canada and designs, develops and sells interactive technology products and solutions that enhance learning and enable people to collaborate in innovative and effective ways. In 1991 SMART Technologies introduced its first interactive whiteboard, which is very pleasant educational tool at schools and enable business and people to collaborate in innovative and effective ways. Since then the company has sold 1.6 millions interactive whiteboards worldwide, as the price is in the range of 3 and 5 thousand dollars. The main markets of SMART Technologies are USA, Great Britain and Canada. The company is also producing computer hardware and peripherals.

Коментар:

- On 28.06.2010 SMART Technologies has filed in SEC for an IPO, which is expected to take place at 14.07.2010. The company will offer a total of 35.3 million common shares (Class A), each with one voting right. The company is offering 8.8 millions of its own shares and the remaining 26.5 millions belong to old investors, who will offer them also (Intel, Apax Partners and IFF Holdings). The price range is between 16 and 18 dollars per share, and that would bring SMART's market cap to over \$2 billions. The company will make a double listing at Toronto Stock exchange also with ticker SMA.
- Total amount from the IPO is expected to reach \$600.1 mln. with average price of \$17, as the company will get \$135 mln. \$59 mln will be distributed to pay out old debt of SMART Technologies, the rest will be for corporate expansions, including mergers.
- The sales of the company doubled since 2007 r. mainly due to heavy selling in USA, as revenues for fiscal 2010 is \$648 mln. And for fiscal 2009 r. were \$468.2 mln. Net income for 2010, ending at 31 of March, is \$142 mln., compared to 2008 when the company's net loss was \$106.6 mln, mainly due to currency revaluation. Now 85% form the revenues come from educational institutions and only 15% are from governments. The main future goal of the company is to increase the share of sales to governments.

A potential risk for the company and for the stock price could be the following: slowing economy, decreasing revenues, lower cash flows, decreasing recommendations of analysts and others. Due to a great number of factors reaching the target price is not guaranteed, all data are based on the expectations for the company development.

Addition information:

Net income (fiscal 2010): \$142 mln.

Revenue (fiscal. 2010): \$648 mln

- **Ticker: SMT (Nasdaq)**
- **Price range IPO: 16-18 USD, defining the IPO price – the week starting at 12.07.2010; Trading on Nasdaq at 15.07.2010**



- Offered stocks: 35.3 mln, Main underwriters: Morgan Stanley, BoA Merrill Lynch, Deutsche Bank Securities, RBC Capital Markets, Credit Suisse.

Main competitors and related companies:

Last change: 06.07.10z.

Information sources: <http://www.sec.gov>, www.smarttech.com, www.bloomberg.com, www.reuters.com, www.yahoo.com;

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