

Chairman's Statement

I am pleased to report that MVT performed well in what has been a very difficult year for the financial sector. Financial market turbulence has influenced and postponed buying decisions, and this has caused many servicing the sector to cut costs and services. The MVT business model however has proven resilient and the Board are pleased to report that Turnover and Profits, though flat, have not been significantly affected. The overall investment in our strategy will continue as planned without any disruption to our service. The strong recurring revenue element of our business model and corresponding cost structure has provided the platform to do this, helping us to provide continuity and shield our service from the direct impact of the market turmoil.

Innovation for smaller societies is recognised by the Board as a key component in their ability to compete and the management and customers have agreed a bold roadmap, which MVT are now prosecuting. Simplifying processes, developing safe innovative systems and infrastructure and driving down costs for their customers will continue to be the mantra and MVT's on going mission.

Unlike our competitors, MVT's business model is not reliant on new business sales to survive, however we have continued to win new customers and supporters despite the uncertain times. Many societies are beginning to see the benefit of having a partner with the same mutual credentials and culture.

A strong platform is being built to win in the building society market place and more generally for other new sectors as MVT looks forward to enjoying the benefits of being the safe IT partner of choice in the industry.

Ashvin Pathak
Chairman