



Ebix Beats on Both Top and Bottom Lines

<http://www.fool.com/investing/general/2012/03/14/ebix-beats-on-both-top-and-bottom-lines.aspx>

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Ebix (Nasdaq: [EBIX](#)) reported earnings yesterday. Here are the numbers you need to know.

The 10-second takeaway

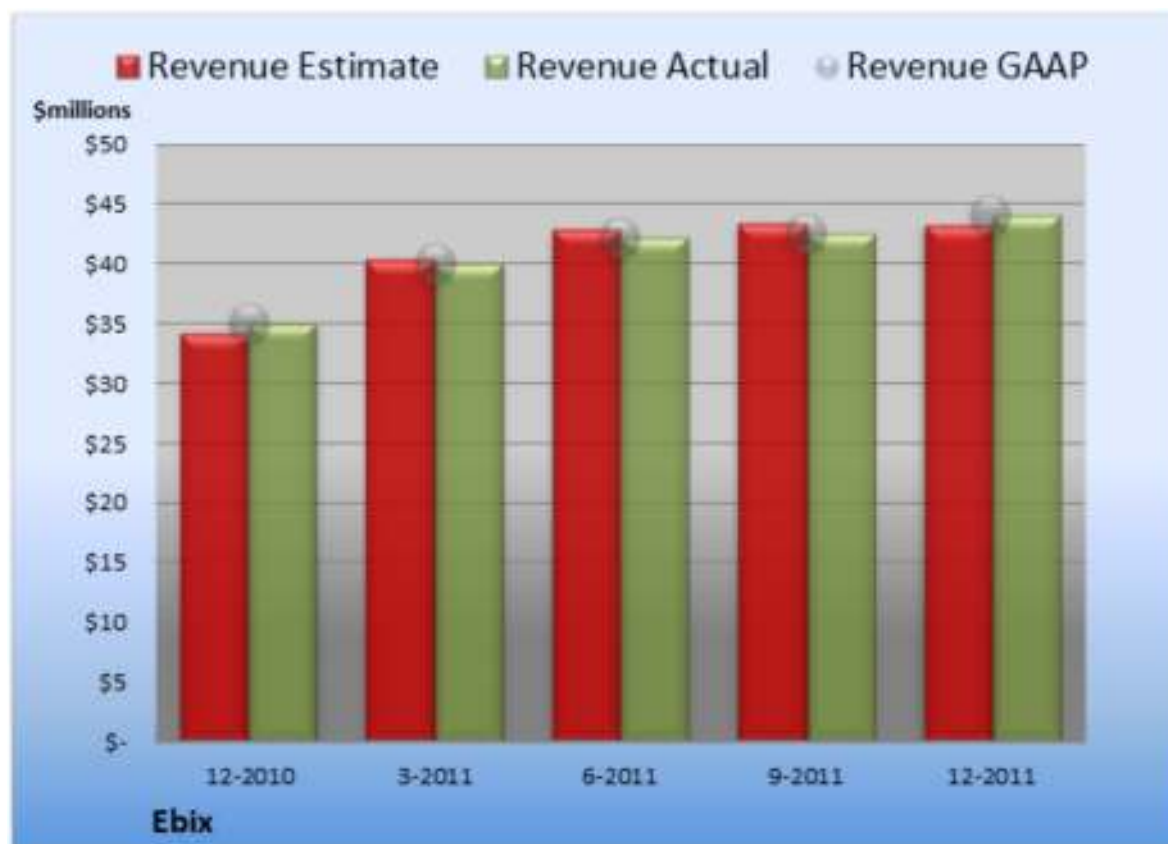
For the quarter ended Dec. 31 (Q4), Ebix beat slightly on revenues and beat expectations on earnings per share.

Compared to the prior-year quarter, revenue expanded significantly, and GAAP earnings per share expanded.

Gross margins increased, operating margins expanded, and net margins contracted.

Revenue details

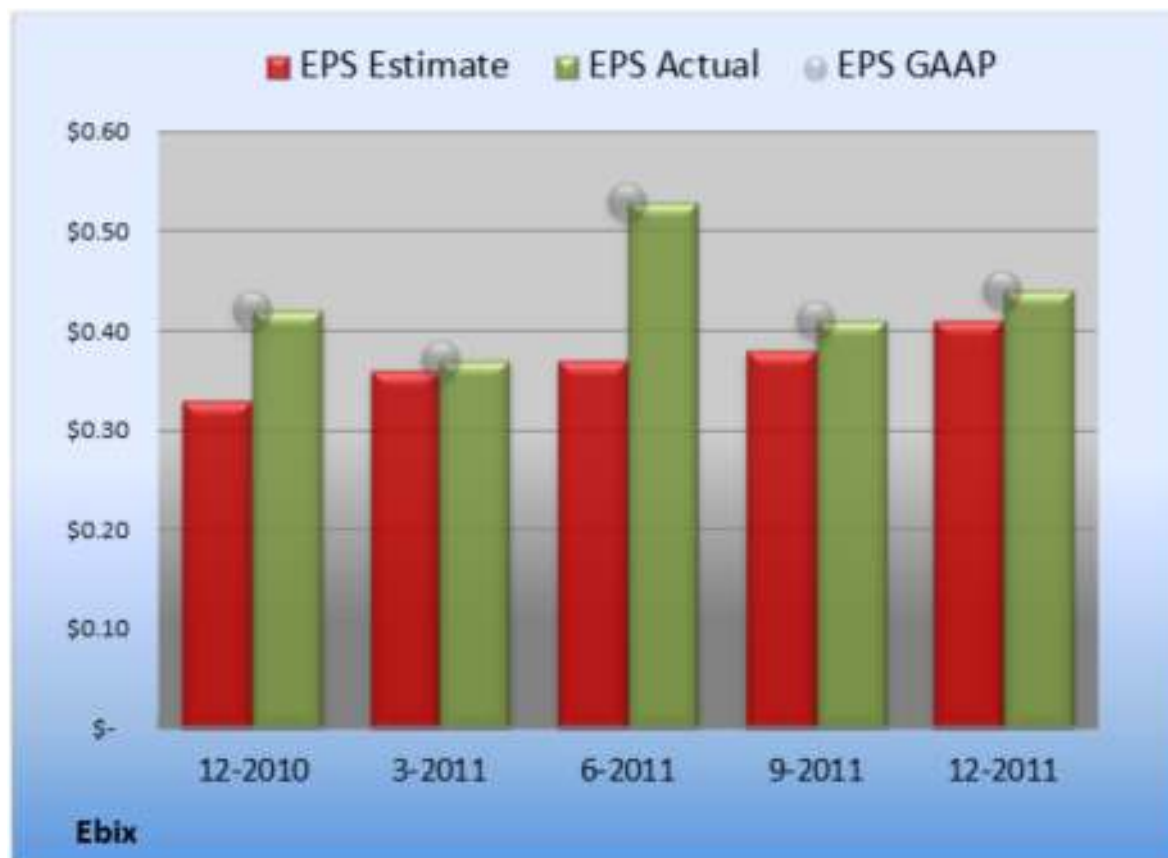
Ebix reported revenue of \$44.1 million. The two analysts polled by S&P Capital IQ looked for a top line of \$43.3 million on the same basis. GAAP reported sales were 26% higher than the prior-year quarter's \$35.1 million.



Source: S&P Capital IQ. Quarterly periods. Dollar amounts in millions. Non-GAAP figures may vary to maintain comparability with estimates.

EPS details

EPS came in at \$0.44. The two earnings estimates compiled by S&P Capital IQ forecast \$0.41 per share. GAAP EPS of \$0.44 for Q4 were 4.8% higher than the prior-year quarter's \$0.42 per share.



Source: S&P Capital IQ. Quarterly periods. Non-GAAP figures may vary to maintain comparability with estimates.

Margin details

For the quarter, gross margin was 80.3%, 220 basis points better than the prior-year quarter. Operating margin was 37.6%, 300 basis points better than the prior-year quarter. Net margin was 39.3%, 610 basis points worse than the prior-year quarter.

Looking ahead

Next quarter's average estimate for revenue is \$44.4 million. On the bottom line, the average EPS estimate is \$0.40.

Next year's average estimate for revenue is \$183.7 million. The average EPS estimate is \$1.64.

Investor sentiment

The stock has a five-star rating (out of five) at Motley Fool CAPS, with 1,458 members rating the stock outperform and 41 members rating it underperform. Among 382 CAPS All-Star picks (recommendations by the highest-ranked CAPS members), 374 give Ebix a green thumbs-up, and eight give it a red thumbs-down.

Of Wall Street recommendations tracked by S&P Capital IQ, the average opinion on Ebix is buy, with an average price target of \$29.

New technology paradigms and mobile devices are driving the next wave of computing. Many older companies won't survive the change, while fortunes will be made by the first movers in the field. Where does Ebix fit in? What's the fortune-making change? Check out "The Two Words Bill Gates Doesn't Want You to Hear." [Click here for instant access to this free report.](#)

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