Datalex plc Announces Interim Results
For the six months ended 30 June 2009

27 August 2009

Dublin, Ireland/27 August, 2009 – Datalex Plc (ISE: DLE; OTC: DLEXY) today announced its interim results for the six months ended 30 June 2009.

Overview

Despite an extremely difficult six months for the global travel industry, the proven ability of our product platform to generate incremental revenue for our customers, and in doing so to drive additional transaction revenue for our business, has again been highlighted to date in 2009. Transaction revenue in the first half of 2009 is up 40% on the same period last year.

Travel industry companies have responded to current market conditions with inevitable cuts in IT investment and service spending, and while this has had a dampening impact on our professional services revenue, the steps we have taken to create a flexible business model that can dynamically adjust to changing market conditions has meant that we have been able to reduce our costs to counteract this. The result is that EBITDA (Earnings before interest, tax, depreciation and amortisation) has actually increased by 30% to $0.8m in the period.

A summary of the results is set out below:

	H1 2009	H1 2008	Change
Revenue:	**$'m**	**$'m**	**%**
▪ E-business revenue	11.9	13.3	-11%
Transaction revenue included in E-business: $7.0m (H1 2008: $5.0m)			+40%
▪ TPF consulting revenue	2.4	2.9	-17%
Total Revenue (rounded)	**14.4**	**16.2**	**-11%**
Gross Profit	0.7	2.8	-75%
Cost of Sales includes:			
Product development expenditure capitalised	(2.5)	(3.9)	-36%
Amortisation of capitalised development expenditure	2.0	1.1	82%
Net cost of sales impact of product development	(0.5)	(2.8)	-82%
Operating expenses	2.7	4.1	-34%
Total cost base	16.4	17.5	-6%
Loss for the period	1.5	0.8	+88%
EBITDA	**0.8**	**0.6**	**+30%**
Cash reserves	11.1	15.4	-28%
Trade debtors & accrued income	11.2	13.1	-15%

Revenue

Total revenue in H1 2009 was $14.4m, down 11% on the same period in 2008. However if constant exchange rates are used, the underlying decline is less than 3%. This dampening effect caused by the relative strengthening of the dollar against Sterling / Euro in H1 2009 compared to the same period last year can also be seen on the cost base below.

E-business revenue, comprising transaction revenue and professional services activities was $11.9m, down 11% from the same period in 2008. Within E-business, the strong growth in transaction revenue has continued in 2009, with a 40% increase to $7.0m in H1 2009. Of particular note is the fact that on a like for like basis, H1 2009 transaction revenue from the same customers shows an increase of 11% to $5.5m, compared to 2008. This reflects the ability of our TDP product suite to enable our customers to grow their on-line revenue, which generates incremental transaction revenue for Datalex. The growth in transaction revenue to date in 2009 is expected to continue through to year end, with our latest customer, Copa Airlines of Panama, having gone live on TDP v1.3 on 17 August last. The decline in professional services revenue is mainly due to the impact of the difficult economic conditions on our customers, which has resulted in reductions in spending and deferral of IT investment across the travel industry, as airlines struggle to cope with declining revenue and demand. As in 2008 when oil prices spiked, airlines typically defer non-critical spending until they have better visibility on full year revenue and costs.

Cost base / gross profit

The impact of the decline in professional services revenue outlined above has been substantially mitigated by the changes we have made in our own business over the last number of years, together with the impact of the stronger dollar in the period.

Since 2006, Datalex has evolved its operating model from a position where all professional services and product development resources were in-house, to the current position where over 50% of resource requirements in these areas are provided by our two outsource partners. As a result, we retain a strong ability to quickly flex our resource base to meet customer demand for services.

In addition, in April of this year we implemented a cost savings plan to further streamline the business cost base. As a result of these factors, our total cost base in H1 2009 is down 6% compared to H1 2008, and by over 12% when the increase in net amortisation of capitalised development expenditure in the current period is excluded. This trend is expected to continue through H2 as further cost savings are realised.

Gross profit for the period has declined to $0.7m (H1 2008: $2.8m), mainly as a result of the increase in amortisation of capitalised development expenditure during the period to $2.0m (H1 2008: $1.1m) together with the shortfall in services revenue. It is anticipated that gross profit will increase in H2 as additional customers go live on TDP, coupled with the continued delivery of cost savings.

Product development

Gross spend on product development in H1 2009 was $2.5m (H1 2008: $3.9m), as we completed our new-to-market multi-GDS/CRS 'TDP Agent' product, which is targeted at off-line channels such as retail points of sale and call centre. This product complements our successful on-line platform. In Q4 2009 we will also deploy a new 'TDP Ancillary' product, with South African Airlines as the launch customer. This product represents a pioneering approach to the integration of car / hotel / insurance shopping into the airline flight booking path, enabling enhanced upsell/cross sell and customer service, which will help grow the ancillary revenue of our airline customers.

With the launch of the TDP Agent and TDP Ancillary products, expenditure on product development is expected to decline from H2 2009 onwards.

Amortisation of capitalised product development investment was $2.0m in the period (2008 H1: $1.1m) reflecting the go live of our latest on-line product platform, TDP 1.3 in November 2008.

Operating loss / EBITDA

The net loss of $1.5m (2008 H1 loss: $0.8m) was largely driven by the increase in amortisation charges, coupled with the decline in professional services activity in the period. Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 30% to $0.8m in the period.

Cash reserves

Cash reserves at 30 June were $11.1m, down from $14.8m at 31 December 2008. The two main drivers behind this decline are our product development investment in our new to market TDP Agent product, and our working capital investment in a number of current projects.,

New Business Pipeline

One of the symptoms of the current economic climate is that the new business lifecycle has undoubtedly slowed down, as capital-constrained travel companies take longer to approve investments in infrastructure and new IT systems. However in parallel, it has become clear to airlines that current market conditions require a different response than simply cutting costs, and many of them are looking at ways to enhance their pricing and revenue management capabilities. These are areas in which our TDP product suite can help deliver a significant improvement in performance, and as a result, we are currently pursuing a number of opportunities.

During H1 2009 we concluded new contracts with a number of current customers, including Philippine Airlines, to upgrade them to the latest TDP 1.3 platform, and to deploy our new TDP Agent product in their call centre, and with South African Airlines, to deploy our new TDP Ancillary product.

About Datalex

Datalex is a leading provider of travel distribution software and solutions which enable global travel industry suppliers and distributors deliver increased content and choice to their customers across multiple sales channels, while enabling significant reductions in distribution costs. Datalex's customers represent the elite of the travel industry and include United Airlines, Scandinavian Airline Systems, Frontier Airlines, Aer Lingus, Flight Centre, STA Travel and Copa Airlines.

Founded in 1985, the company is headquartered in Dublin, Ireland, and maintains offices across Europe, the USA and Asia-Pacific. Datalex is a publicly held company traded on the Irish Stock Exchange (symbol: DLE, and also OTC: DLEXY). For more information, please visit the company's web site at www.datalex.com

This press release contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results

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The Travel Distribution Platform

Datalex plc

Interim Report

Consolidated Financial Information

For the six months ended 30 June 2009

Datalex plc

Chief Executive's Review
for the six months ended 30 June 2009

Summary

I am pleased to announce that despite the extremely difficult market conditions facing the travel industry, Datalex has delivered an increased a 30% increase in EBITDA to $0.8m for the first half of 2009 compared to the same period last year.

Key events

During the period Datalex completed the deployment of TDP to Copa Airlines of Panama, which went live on 17 August 2009. We have also begun to deploy TDP Agent as a call centre solution to supplement our on-line channel at our existing customer Philippine Airlines, scheduled to go live in Q1 2010.

Work is also underway on the deployment of our new 'TDP Ancillary' product, which will integrate car / hotel / insurance booking into the flight booking path. This product is scheduled to go live in Q4 2009 at South African Airlines.

Performance

Total revenue was $14.4m in the period, down 11% on H1 2008, mainly due to reduced demand for professional services as a result of economic pressures on our airline customers. However, if constant exchange rates are used, the underlying decline is less than 3%.

E-business revenue, comprising transaction revenue and professional services activities, was $11.9m in the period (H1 2008: $13.3m). Within E-business, the strong growth in transaction revenue has continued in 2009, with a 40% increase to $7.0m in the period (H1 2008: $5.0m).

Gross profit for the period of $0.7m (H1 2008: $2.8m) and the net loss of $1.5m (H1 2008: $0.8m), reflected the increase in amortisation charges during the period to $2.0m (H1 2008: $1.1m) together with the shortfall in professional services revenue. The changes we have made to our business over the last number of years have greatly increased our operating flexibility, and we have been able to reduce our total cost base to $16.4m (H1 2008: $17.5m), even after an increase of $0.9m in amortisation costs.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased 30% to $0.8m (H1 2008: $0.6m)

Balance sheet

Gross spend on product development in H1 2009, capitalised in accordance with International Financial Reporting Standards, was $2.5m (H1 2008: $3.9m), as we completed our new to market 'TDP Agent' product, which is targeted at off-line channels such as retail points of sale and call centres. Amortisation of product development investment was $2.0m in the period (2008 H1: $1.1m), resulting in an net credit to the Income Statement in the period of $0.5m (2008 H1: $2.8m)

Cash reserves at 30 June were $11.1m, down $3.7m from the beginning of the year. The two main drivers behind this decline are our product development investment in our new to market 'TDP Agent' product, and our working capital investment in a number of deliverables, including the Flight Centre project outlined above. These positions are expected to unwind in H2 upon project completion.

Trade debtors (including accrued income) at 30 June 2009 were $11.2m (31 December 2008: $10.2m). This increase reflects the working capital investment in a number of major projects scheduled to go live in H2 2009.

Principal Risks

The principal risks faced by the group include the impact of oil price volatility and general economic pressures on the airline industry, foreign exchange risk on currency exposures arising in the normal course of business and credit risk on outstanding receivables. The risk to the business as a result of oil price volatility has reduced substantially in 2009 compared to 2008, and the impact of general economic conditions is mitigated by the geographic and market spread of our customer base. Foreign exchange risk is managed through the use of forward contracts to hedge net foreign currency risk. Credit risk on receivables is managed through ongoing external customer credit risk monitoring together with the use of credit limits on customer balances.

Cormac Whelan
Chief Executive Officer
27 August 2009

Datalex plc

Statement of Directors' Responsibility

The directors' confirm that to the best of our knowledge, in accordance with Transparency (Directive 2004/109/EC) Regulations 2007 (TR) and the Transparency Rules of the Financial Regulator:

- this condensed consolidated interim financial information has been prepared in accordance with IAS 34 'Interim Financial Reporting', and that the interim management report includes a fair review of the following:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year;

- and material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The directors of Datalex plc are listed in the group Annual Report for 31 December 2008.

On behalf of the Board

Michael Quinn	**Cormac Whelan**	
Director	**Director**	**27 August 2009**

Datalex plc

Consolidated Balance Sheet

as at 30 June 2009 - unaudited

	Notes	30 June 2009 US$'000	30 June 2008 US$'000	31 December 2008 US$'000
Assets				
Non-current assets				
Property, plant and equipment		649	1,005	789
Intangible assets	9	19,169	16,669	18,586
		19,818	17,674	19,375
Current assets				
Trade and other receivables	10	12,293	14,964	11,285
Derivative financial instrument		240	-	443
Cash and cash equivalents		11,108	15,368	14,816
		23,641	30,332	26,544
Total Assets		**43,459**	**48,006**	**45,919**
Equity				
Capital and reserves attributable to the equity holders of the company				
Ordinary share capital	11	7,165	7,165	7,165
Other equity share capital		262	262	262
Other reserves		187,794	187,468	187,787
Retained earnings		(156,624)	(154,398)	(155,094)
Total Equity		38,597	40,497	40,120
Liabilities				
Current liabilities				
Trade and other payables		4,862	7,509	5,799
Total equity and liabilities		**43,459**	**48,006**	**45,919**

(*) The accompanying notes on pages 13 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Income Statement

for the six months ended 30 June 2009 – unaudited

	Notes	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Revenue	4	14,363	16,191	33,039
Cost of sales	5	(13,667)	(13,382)	(27,679)
Gross profit		696	2,809	5,360
Other gains/(losses)		421	214	(726)
Selling and marketing costs	5	(945)	(1,934)	(2,735)
Administrative expenses	5	(1,754)	(2,156)	(3,648)
Operating loss		(1,582)	(1,067)	(1,749)
Finance income		56	264	339
Loss before income tax		(1,526)	(803)	(1,410)
Income tax charge	7	(4)	(9)	(98)
Loss for the period		(1,530)	(812)	(1,508)
Loss per share for the period (in US$ cents per share)				
Basic and diluted	8	(0.021)	(0.011)	(0.021)

(*) The accompanying notes on pages 13 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2009 – unaudited

	Six months ended 30 June 2009	Six months ended 30 June 2008	Year ended 31 December 2008
	US$'000	US$'000	US$'000
Loss for the period	(1,530)	(812)	(1,508)
Other comprehensive income:			
Foreign currency translation adjustments	(32)	(188)	155
Comprehensive income and expense for the period	**(1,562)**	**(1,000)**	**(1,353)**

(*) The accompanying notes on pages 13 to 20 form an integral part of the condensed interim financial information

Datalex plc

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2009 – unaudited

	Equity share capital US$'000	Other equity share capital US$'000	Retained earnings US$'000	Other reserves US$'000	Total Equity US$'000
Balance at 1 January 2008	7,165	262	(153,586)	187,588	**41,429**
Total comprehensive income and expense for the period	-	-	(812)	(188)	**(1,000)**
Employee share option scheme charge	-	-	-	68	**68**
Balance at 30 June 2008	7,165	262	(154,398)	187,468	**40,497**
Total comprehensive income and expense for the period	-	-	(696)	343	**(353)**
Issue of ordinary shares on exercise of options	-	-	-	1	**1**
Employee share option scheme charge	-	-	-	(25)	**(25)**
Balance at 31 December 2008	7,165	262	(155,094)	187,787	40,120
Balance at 1 January 2009	7,165	262	(155,094)	187,787	**40,120**
Total comprehensive income and expense for the period	-	-	(1,530)	(32)	**(1,562)**
Employee share option scheme charge	-	-	-	39	**39**
Balance at 30 June 2009	7,165	262	(156,624)	187,794	**38,597**

(*) The accompanying notes on pages 13 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Cash Flow Statement

for the six months ended 30 June 2009 – unaudited

	Notes	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash used in operations	12	(1,639)	(291)	4,093
Income tax paid		(4)	(9)	(98)
NET CASH USED IN OPERATING ACTIVITIES		(1,643)	(300)	3,995
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(132)	(136)	(201)
Development of Intangible assets and purchase of software		(2,714)	(3,898)	(7,588)
Interest received		56	264	339
NET CASH USED IN INVESTING ACTIVITIES		(2,790)	(3,770)	(7,450)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital		-	-	1
NET CASH GEBERATED FROM FINANCIAL ACTIVITIES		-	-	1
Net decrease in cash and cash equivalents		(4,433)	(4,070)	(3,454)
Foreign Exchange gain/(loss) on cash and cash equivalents		725	232	(936)
Cash and cash equivalents at beginning of period		14,816	19,206	19,206
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**11,108**	**15,368**	**14,816**

(*) The accompanying notes on pages 13 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Notes to the Interim Financial Information

at 30 June 2009– unaudited

1. General Information

The principal activity of Datalex plc is the development and sale of a variety of information technology products and services, including hardware, software and IT services, largely to the airline and travel industries.

The company is a public limited company incorporated and domiciled in Ireland and is listed on the Irish Stock Exchange.

This condensed consolidated interim financial information was approved for issue on 27 August 2009.

2. Basis of preparation

This condensed interim consolidated financial information for the six months ended 30 June 2009 has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ('IAS 34') as adopted by the European Union. This report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2008 included in the group's 2008 annual report.

This condensed interim financial information does not comprise statutory accounts within the meaning of Section 19 of the Companies (Amendment) Act 1986. The statutory accounts for the financial year ended 31 December 2008 were approved by the Board of Directors on 19 March 2009 and contained an unqualified audit report and will be filed with the Companies Office before 30 September 2009.

The group's auditors have not audited or reviewed the interim group financial information contained in this report.

3. Accounting policies

The accounting policies and methods of computation and presentation adopted in the preparation of the interim group financial information are consistent with those applied in the annual report for the financial year ended 31 December 2008 and are described in those financial statements with the exception of the application of the standards described below.

IFRS 8 'Operating Segments', replaces IAS 14 'Segment Reporting' and is mandatory for the group for the current financial year. IFRS 8 sets out the requirements for disclosure of financial and descriptive information about the group's operating segments which we operate. This new standard changes the requirements for identification of reporting segments. IFRS 8 is a disclosure standard and does not affect the measurement of the group's reported financial position or financial performance.

IAS 1 'Presentation of Financial Statements', is effective for the current financial year and requires the presentation of all owner changes in equity in a statement of changes in equity. In addition all non-owner changes in equity (or comprehensive income) may be presented either in one statement of comprehensive income or, in two statements – a separate income statement and a statement of comprehensive income. The group has elected the two statement option. IAS 1 does not change the recognition, measurement or disclosure of specific transactions and other events required by other IFRS's.

The following new standards, amendments to standards and interpretations became effective in the current financial year, however, they do not have a material effect on the group's financial statements or are not currently relevant to the group:

- IFRS 2 (amendment), Share-based payment;
- IAS 32 (amendment), Financial instruments: Presentation;
- IAS 41 (amendment), Agriculture;
- IAS 19 (amendment), Employee Benefits;
- IAS 29 (amendment), Reporting in Hyperinflationary Economies;
- IFRIC 13, Customer loyalty programmes;
- IFRIC 15, Agreements for the construction or real estate; and
- IFRIC 16, Hedges of a net investment in a foreign operation.

The following new or amended standards will become effective for the group from 1 January 2010. It is expected that these amendments will not have a material effect on the group's financial statements.

- IFRS 3 (revision), Business Combinations;
- IAS 39 (amendment), Financial instruments: Recognition and measurement;
- IFRIC 17, Distributions of Non-cash Assets to Owners; and
- IFRIC 18, Transfers of Assets from Customers. This interpretation was issued in 2009 and is effective for transfers of assets received on or after 1 July 2009. It is not expected to have a material effect on the group financial statements.

The condensed interim group financial information includes all adjustments that management considers necessary for a fair presentation of such financial information. All such adjustments are of a normal recurring nature.

4. Segmental information

Operating segments

The group is organised on a worldwide basis into two main operating segments: E-business products and services associated with our suite of travel related technology, and consulting revenue, consisting primarily of revenue generated from our consulting activities.

Period ended 30 June 2009

	E-Business US$'000	Consulting US$'000	Total US$'000
Total Revenue	11,938	2,824	14,762
Inter-segment revenue	-	(399)	(399)
External Revenue	11,938	2,425	14,363
Operating (loss)/profit for the period	**(2,093)**	**511**	**(1,582)**

Period ended 30 June 2008

	E Business US$'000	Consulting US$'000	Total US$'000
Total Revenue	13,323	3,201	16,524
Inter-segment revenue	-	(333)	(333)
External Revenue	**13,323**	**2,868**	**16,191**
Operating (loss)/profit for the period	**(1,323)**	**256**	**(1,067)**

Year ended 31 December 2008

	E Business US$'000	Consulting US$'000	Total US$'000
Total Revenue	27,305	6,553	33,858
Inter-segment revenue	-	(819)	(819)
External Revenue	**27,305**	**5,734**	**33,039**
Operating (loss)/profit for the year	**(2,050)**	**301**	**(1,749)**

5. Expenses by Nature

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Employee Benefit expense (Note 6)	7,772	8,001	16,216
Consultant and Contractor	2,793	3,478	6,155
Depreciation	272	302	569
Amortisation	2,131	1,397	3,170
Hosting	963	726	1,636
Rent and rates	641	612	1,413
Professional Expenses	289	485	717
Third Party Services	624	635	874
Travel	221	460	1,080
Auditors remuneration			
- audit work	92	81	152
- non audit work	-	-	5
- tax advisory services	-	-	79
Other	568	1,295	1,996
Total cost of sales, selling and marketing costs and administrative expenses	**16,366**	**17,472**	**34,062**
Disclosed as:			
- Cost of sales	13,667	13,382	27,679
- Selling and marketing costs	945	1,934	2,735
- Administrative expenses	1,754	2,156	3,648
Total	**16,366**	**17,472**	**34,062**

6. Employee benefit expense

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Wages and salaries	8,323	10,259	19,749
Social security costs	841	775	1,600
Pension costs – defined contribution schemes	238	311	656
Employee benefit expense before capitalisation	9,402	11,345	22,005
Capitalised labour	(1,669)	(3,412)	(5,832)
	7,733	7,933	16,173
Share options granted to directors and employees	39	68	43
Total	**7,772**	**8,001**	**16,216**

7. Income tax

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Current tax			
Corporation tax on loss for period	4	9	98
Current tax expense for the period	4	9	98

8. Loss per share

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Basic and Diluted			
Loss attributable to ordinary shareholders	(1,530)	(812)	(1,508)
Weighted average number of ordinary shares	71,651,678	71,648,346	71,651,359
Adjustments for share options	-	-	-
Basic and Diluted loss per share (in US$ cents)	(0.021)	(0.011)	(0.021)

Basic loss per share is calculated by dividing the loss for the period after taxation attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The categories of dilutive potential ordinary shares of the group are employee share options and the 'B' convertible redeemable shares. A calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The effects of anti-dilutive potential ordinary shares have been ignored in calculating diluted loss per share.

9. Intangible assets

	Software	Development Costs	Total
	US$'000	US$'000	US$'000
Period ended 30 June 2008			
Opening net book amount	323	13,845	**14,168**
Additions	14	3,884	**3,898**
Amortisation Charge	(70)	(1,327)	**(1,397)**
Closing net book amount	**267**	**16,402**	**16,669**
Year ended 31 December 2008			
Opening net book amount	323	13,845	**14,168**
Additions	79	7,509	**7,588**
Amortisation Charge	(167)	(3,003)	**(3,170)**
Closing net book amount	**235**	**18,351**	**18,586**
Period ended 30 June 2009			
Opening net book amount	235	18,351	**18,586**
Additions	199	2,515	**2,714**
Amortisation Charge	(99)	(2,032)	**(2,131)**
Closing net book amount	**335**	**18,834**	**19,169**

Intangible assets consist of capitalised development costs and software. These intangibles have finite useful lives and are valued based on actual costs incurred.

Capitalised development costs are amortised over a period of five years commencing from the product being generally available for use.

10. Trade and other receivables

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Current			
Trade receivables	8,014	11,773	7,872
Less: provision for impairment of receivables	(527)	(623)	(527)
Trade receivables – Net	7,487	11,150	7,345
Prepayments	849	1,398	828
Accrued income	3,709	1,958	2,864
Other receivables	248	458	248
	12,293	14,964	11,285

All amounts fall due within one year.

11. Share Capital

During the period to 30 June 2009, no ordinary shares were issued upon the conversion of employee share options into ordinary share capital.

12. Cash (used in)/generated from operations

	Six months ended 30 June 2009 US$'000	Six months ended 30 June 2008 US$'000	Year ended 31 December 2008 US$'000
Loss for the period	(1,530)	(812)	(1,508)
Adjustments for:			
Interest receivable	(56)	(264)	(339)
Depreciation	272	302	569
Amortisation	2,131	1,397	3,170
Employee share option amortisation	39	68	43
Foreign Currency (gains)/losses on operating activities	(314)	(425)	1,168
Fair value (gains)/losses on derivative financial instrument	(241)	78	(442)
Trade and other receivables	(1,008)	(1,467)	2,212
Trade and other payables	(932)	(832)	(780)
Cash (used in)/generated from operations	(1,639)	(291)	4,093

13. Related party transactions

Key management compensation

Key management personnel are deemed to be the directors of the company, as only the directors have authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly.

	Six months ended 30 June 2009 US$'000	**Six months ended 30 June 2008** US$'000	**Year ended 31 December 2008** US$'000
Salaries and other short-term employee benefits*	480	345	858

* David Kennedy was appointed to the Board on 15 December 2008.

14. Contingent liabilities

There has been no material change in our contingent liabilities in the period ended 30 June 2009 since the approval of our statutory financial statements for the year ended 31 December 2008.

15. Seasonality

Management do not believe that seasonality has a material impact on the business of the group.

16. Events occurring after the balance sheet date

There have been no material events subsequent to the period end, which have not been reflected in the interim financial information.

17. Information

The interim report is being sent by post to all registered shareholders. Copies are also available to the public from the Company's registered office at Block U, Eastpoint Business Park, Clontarf, Dublin 3, Ireland.