Datalex

Datalex plc Announces Interim Results For the six months ended 30 June 2012

Dublin, Ireland - 28 August, 2012 – Datalex Plc (ISE: DLE) today announces interim results for the six months ending 30 June 2012.

2012 Overview

Our business acheived a strong performance in the first six months of 2012, delivering continued growth in Revenue, EBITDA, and customers compared to the same period in 2011. Our customers continue to leverage Datalex's TDP platform to grow their revenues and enhance their retailing capabilities. With a strong new business pipeline, we look forward to the remainder of 2012 with confidence.

A summary of the results for the first six months of 2012 is set out below:

	Six Months Ended		
	30 June 2012	30 June 2011	% Change
	$M	$M	%
Total Revenue	15.7	13.3	+18%
Transaction revenue included in total revenue	7.2	6.0	+21%
Total cost of sales, selling & marketing costs and administrative expenses	15.9	15.3	+4%
- Development expenditure capitalised	1.7	1.4	+21%
- Amortisation of development expenditure	2.3	2.8	-18%
Total cost of sales, selling & marketing costs and administrative expenses before impact of product development	15.3	13.9	+10%
Loss before income tax	0.2	1.9	-90%
EBITDA	**2.6**	**1.0**	**+152%**
Cash and cash equivalents	**11.1**	**9.3**	**+19%**

H1 2012 Performance

Total revenue in the period grew by 18% to $15.7m (2011 H1: $13.3m). Transaction revenue in the period grew by 21% to $7.2m (2011 H1: $6.0m), reflecting the full impact of the customers that went live during 2011. Service revenue also experienced strong growth in the period, rising 30% to $6.9m (2011 H1: $5.3m) driven primarily by revenue associated with new customer deployments. Total costs before the impact of product development rose 10% over the period to $15.3m (2011 H1 $13.9), again driven primarily by the increase in services activity. EBITDA was $2.6m (2011 H1: 1.0m), and we remain on course for FY 2012 to match in growth terms the strong performance delivered in FY 2011.

Financial Position at 30 June 2012

Cash reserves were up 18% to $11.1m compared to the same period in 2011. Cash is down $1.4m from the beginning of 2012, as expected, reflecting the investment in working capital required to bring a number of new customers live on our platform over the coming months. We project that for FY2012, we will grow our cash reserves by more than 20%, and this will represent our third successive year of positive cash generation.

Working capital management remains an important focus for us, as we grow the business. Trade debtors at 30 June 2012 were $4.3m (30 June 2011: $4.2m, on a constant basis, i.e. excluding Flight Centre receivables), and accrued but unbilled income was $2.6m (30 June 2011: $2.9m).

Operational Review

From an operational perspective, TDP continues to perform extremely well. The product maturity and modular approach made possible by our investment to date ensures that TDP can now be deployed in an efficient and optimal manner.

Our platform has gone live and begun generating transaction revenues at a number of new customers so far in 2012, including Garuda Airlines of Indonesia and Air Pacific of Fiji. We have a number of significant go lives scheduled over the next number of months including:

- Delta Airlines, the world's largest carrier
- Westjet, the second largest airline in Canada
- The first tranche of SITA carriers

We will continue to invest in our product to deliver market-leading functionality, which is a cornerstone of our increased market share, and the industry recognition we have secured in recent years.

New Business Pipeline

Our new business pipeline remains very strong, and we remain on course to significantly increase our customer base this year. To date in 2012 we have secured some important new customers:

- In Q2 we reached agreement to deploy our product at two major carriers, in China and India, further enhancing our already strong presence in the Asian market, the world's fastest growing travel market. Deployment at these carriers is expected to commence in Q4 2012.
- A Middle Eastern carrier has selected TDP as their new Ecommerce solution. Deployment will commence in Q3 and we expect this customer to go live in early 2013.

We are in discussions with a number of other carriers, and expect to close additional deals during the remainder of 2012.

2012 Outlook

In 2011 we achieved 42% growth in EBITDA, increased our cash reserves and won 8 new customers. We projected that this momentum would continue into 2012, and we are pleased to report that the first six months of the year has indeed continued to build on this growth. We remain confident of meeting our FY 2012 objectives and market expectations.

We believe that the future is bright for Datalex; we have a market-leading product, a top class customer base made up of some of the world's largest and most innovative travel retailers, and we have a team equipped with unrivalled expertise and ambition that can and will continue to grow Datalex's business.

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' customers represent the elite of the travel industry and include Air China, United Airlines, Delta Airlines, Frontier Airlines, Aer Lingus, WestJet Airlines, STA Travel, South African Airways, 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). For more information, please visit the company's web site at www.datalex.com

This announcement 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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Datalex The World's Leading Travel Distribution Platform

Datalex plc

Interim Report
Condensed Consolidated Financial Information

For the six months ended 30 June 2012

Datalex plc
Chief Executive's Review
for the six months ended 30 June 2012

Summary

I am pleased to announce that the business has performed well in the first half of 2012, with continued growth in revenue, EBITDA and new customers compared to the same period in 2011. Our customers are using the Travel Distribution Platform (TDP) to enhance their retailing capabilities and grow their revenues, and with a strong new business pipeline, we look forward to the remainder of 2012 with confidence.

Key events

Our platform has gone live at a number of new customers so far in 2012, including Garuda of Indonesia and Air Pacific of Fiji.

We are currently deploying our platform at a number of new customers that will go live over the next number of months, including Delta Air Lines (the world's largest carrier), WestJet Airlines of Canada, and the first tranche of SITA carriers. These new customers will help drive continued growth in our transaction revenue.

Performance

Total revenue in the period was $15.7m, up 18% on the same period in 2011, with transaction revenue showing a 21% rise to $7.2m (2011 H1: $6.0m) reflecting the impact of the new customers that went live during 2011, including Air China and SITA. Service revenue also experienced strong growth in the period, rising 30% to $6.9m (2011 H1: $5.3m) driven primarily by revenue associated with new customer deployments. Total costs before the impact of product development rose 10% over the period to $15.3m (2012 H1 $13.9), again driven primarily by the increase in services activity. Our EBITDA in H1 2012 grew 152% to $2.6m (2011 H1: EBITDA $1.0m). Our Net Loss for the period has dropped 90% to $0.2m (2011 H1: $1.9m).

Balance Sheet

Cash at 30 June was $11.1m, up 18% on 30 June 2011. Cash reserves in 2012 are down $1.4m from the beginning of the year, as expected, reflecting the investment in working capital required to bring a number of new customers live on our platform.

Working capital management remains an important focus for us as we grow the business. Trade receivables at 30 June 2012 were $4.3m (30 June 2011: $4.2m on a comparable basis, i.e. excluding the Flight Centre receivable of $2.6m), and accrued but unbilled income was $2.6m (30 June 2011: $2.9m).

Gross spend on product development in H1 2012, capitalised in accordance with International Financial Reporting Standards was $1.4m (H1 2011:$1.4m). Amortisation of product development investment was $2.4m in the period (H1 2011: $2.6m), resulting in a net debit to the Income Statement in the period of $1m (H1 2011: net debit of $1.2m).

Principal risks and uncertainties

The principal risks and uncertainties faced by the Group for the remaining part of the year are outlined in note 17 to the condensed interim financial information.

Aidan Brogan
Interim Chief Executive Officer

28 August 2012

Datalex plc

Statement of Directors' Responsibility

The Directors are responsible for preparing this interim management report and the condensed interim financial information in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, the related Transparency Rules of the Irish Financial Services Regulatory Authority and with IAS 34, Interim Financial Reporting as adopted by the European Union.

The Directors confirm that, to the best of their knowledge:

- the condensed interim Group financial information for the half year ended 30 June 2012 has been prepared in accordance with the international accounting standard applicable to interim financial reporting, IAS 34, adopted pursuant to the procedure provided for under Article 6 of the Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

- the interim management report includes a fair review of the important events that have occurred during the first six months of the financial year, and their impact on the condensed interim Group financial information for the half year ended 30 June 2012, and a description of the principal risks and uncertainties for the remaining six months which has been provided in Note 17 of the consolidated interim financial information;

- the interim management report includes a fair review of related party transactions that have occurred during the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period, and any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The directors of Datalex plc as at 30 June 2012 are as listed in the group Annual Report for 2011, with the exception of Mr Simon Calver who retired from the board on 2 May 2012 and Mr Cormac M. Whelan, who resigned as executive director and CEO on 25 June 2012 and was replaced on that day by Mr Aidan Brogan.

On behalf of the Board

Paschal S. Taggart

Paschal Taggart
Director

David Kennedy

David Kennedy
Director

28 August 2012

Datalex plc

Condensed Consolidated Interim Balance Sheet
as at 30 June 2012 – unaudited

	Notes	30 June 2012 US $ '000	31 Dec 2011 US $ '000
ASSETS			
Non-current assets			
Property, plant and equipment		1,538	1,184
Intangible assets	12	14,166	14,735
Total non-current assets		**15,704**	**15,919**
Current Assets			
Trade and other receivables	7	8,935	8,350
Cash and cash equivalents		11,052	12,537
Total current assets		**19,987**	**20,887**
TOTAL ASSETS		**35,691**	**36,806**
EQUITY			
Capital and reserves attributable to the equity holders of the company			
Ordinary share capital		7,178	7,171
Other equity share capital		262	262
Other reserves		106,175	187,748
Retained deficit		(84,560)	(166,011)
TOTAL EQUITY		**29,055**	**29,170**
LIABILITIES			
Non-Current Liabilities			
Borrowings	8	517	538
Total non-current liabilities		**517**	**538**
Current liabilities			
Trade and other payables	9	5,516	6,588
Borrowings	8	594	430
Current income tax and liabilities		9	80
Total current liabilities		**6,119**	**7,098**
TOTAL EQUITY AND LIABILITIES		**35,691**	**36,806**

The accompanying notes on pages 8 to 17 form an integral part of the condensed interim financial information.

Datalex plc

Condensed Consolidated Interim Income Statement

for the six months ended 30 June 2012 – unaudited

	Notes	Six Months Ended		Year Ended
		30 Jun 2012	30 Jun 2011	31 Dec 2011
		US $ '000	US $ '000	US $ '000
Revenue	4	15,691	13,257	28,030
Cost of sales	5	(12,864)	(12,731)	(24,564)
GROSS PROFIT		**2,827**	**526**	**3,466**
Selling and marketing costs - excluding Exceptional items	5	(1,489)	(1,365)	(2,797)
Administrative expenses	5	(1,515)	(1,210)	(1,724)
Other gains/(losses)		19	108	(314)
OPERATING LOSS BEFORE EXCEPTIONAL ITEMS		**(158)**	**(1,941)**	**(1,369)**
Exceptional items		-	-	(2,523)
OPERATING LOSS AFTER EXCEPTIONAL ITEMS		**(158)**	**(1,941)**	**(3,892)**
Finance income		13	32	53
Finance costs		(36)	(20)	(60)
LOSS BEFORE INCOME TAX		**(181)**	**(1,929)**	**(3,899)**
Income tax charge	10	(9)	(29)	(46)
LOSS FOR THE PERIOD		**(190)**	**(1,958)**	**(3,945)**
LOSS PER SHARE (in US$ cents per share)				
Basic and diluted	11	(0.3)	(2.7)	(5.5)

The accompanying notes on pages 8 to 17 form an integral part of the condensed interim financial information.

Datalex plc

Condensed Consolidated Interim Statement of Comprehensive Income

for the six months ended 30 June 2012 – unaudited

	Six Months Ended		Year Ended
	30 June 2012	30 June 2011	31 Dec 2011
	US $ '000	US $ '000	US $ '000
Loss for the financial period	(190)	(1,958)	(3,945)
Other comprehensive income:			
Foreign currency translation adjustments	(19)	42	38
Comprehensive income and expense for the financial period	**(209)**	**(1,916)**	**(3,907)**

Condensed Consolidated Interim Statement of Changes in Equity

for the six months ended 30 June 2012 – unaudited

	Equity share capital	Other equity share capital	Other reserves	Retained earnings	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 January 2011	7,165	262	187,660	(162,066)	**33,021**
Total comprehensive income and expense for the period	-	-	42	(1,958)	**(1,916)**
Employee share option scheme charge	-	-	23	-	**23**
Issue of ordinary shares on exercise of options	3	-	3	-	**6**
Balance at 30 June 2011	**7,168**	**262**	**187,728**	**(164,024)**	**31,134**
Balance at 1 January 2011	7,165	262	187,660	(162,066)	**33,021**
Total comprehensive income and expense for the period	-	-	38	(3,945)	**(3,907)**
Employee share option scheme charge	-	-	46	-	**46**
Issue of ordinary shares on exercise of options	6	-	4	-	**10**
Balance at 31 December 2011	**7,171**	**262**	**187,748**	**(166,011)**	**29,170**
Balance at 1 January 2012	7,171	262	187,748	(166,011)	**29,170**
Total comprehensive income and expense for the period	-	-	(19)	(190)	**(209)**
Issue of ordinary shares on exercise of options	7	-	10	-	**17**
Employee share option scheme charge	-	-	31	-	**31**
Share Capital reduction (Note 16)	-	-	(81,595)	81,595	**-**
Net recovery of a loan through reserves under IAS 32	-	-	-	46	**46**
Balance at 30 June 2012	**7,178**	**262**	**106,175**	**(84,560)**	**29,055**

The accompanying notes on pages 8 to 17 form an integral part of the condensed interim financial information.

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Condensed Consolidated Interim Cash Flow Statement

for the six months ended 30 June 2012 – unaudited

	Notes	Six Months Ended		Year Ended
		30 June 2012	30 Jun 2011	31 Dec 2011
		US $ '000	US $ '000	US $ '000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash generated from operations	**14**	998	(138)	6,229
Income tax paid		(80)	(32)	(56)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**918**	**(170)**	**6,173**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(646)	(69)	(923)
Additions to Intangible assets	**12**	(1,902)	(1,561)	(4,215)
Interest received		13	32	53
Proceeds from the disposal of assets		-	-	9
NET CASH USED IN INVESTING ACTIVITIES		**(2,535)**	**(1,598)**	**(5,076)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of ordinary shares on exercise of options		16	6	10
Finance lease liabilities		143	(96)	600
Interest Paid		(36)	(20)	(60)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**123**	**(110)**	**550**
Net (decrease)/increase in cash and cash equivalents		(1,493)	(1,878)	1,647
Foreign Exchange gain/(loss) on cash and cash equivalents		8	88	(218)
Cash and cash equivalents at beginning of year		12,537	11,108	11,108
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**11,052**	**9,318**	**12,537**

The accompanying notes on pages 8 to 17 form an integral part of the condensed interim financial information.

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 by the Board of Directors on 28 August 2012.

2. Basis of preparation

The condensed interim Group financial information included in this report has been prepared in accordance with the Transparency (Directive 2004/109/EC) Regulations 2007, the related Transparency Rules of the Irish Financial Services Regulatory Authority and 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 2011 included in the group's 2011 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 2011 were approved by the Board of Directors on 29 March 2012 and contained an unqualified audit report and will be filed with the Irish Registrar of Companies in due course.

Some tables in this interim statement may not add correctly due to rounding.

Going Concern
The group meets its day-to-day working capital requirements through its cash reserves. The group's forecasts and projections, taking account of reasonably possible changes in trading performance and the group's management of its principal risks and uncertainties, as described in the notes to these interim financial statements, show that the group should be able to operate within the level of its current facilities and resources. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated interim financial statements.

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

3. Accounting policies

The accounting policies applied by the Group in the interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2011.

The adoption of other new standards and interpretations (as set out in the 2011 annual report) that became effective for the Group's financial statements for the year ended 31 December 2012 did not have any significant impact on the interim financial statements.

4. Segmental information

Management has determined the operating segments based on the reports reviewed by the executive management team that are used to make strategic decisions. The executive management team assesses the performance of the operating segments based on a measure of EBITDA.

The executive management team considers the business from a product perspective. Management considers the performance of E-business and Consulting as two separate reporting segments.

The reportable operating segments derive their revenue primarily from the sale of products and services associated with our suite of travel related technology and consulting revenue.

The segment information provided to the executive management team for the reportable segments for the financial period ended 30 June 2012 is as follows:

	Six Months Ended 30 Jun 2012			Six Months Ended 30 Jun 2011		
	E- business	**Consulting**	**Total**	**E- business**	**Consulting**	**Total**
	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000
Revenue	14,091	1,968	**16,059**	11,237	2,379	**13,616**
Inter-segment revenue		(368)	**(368)**	-	(359)	**(359)**
External Revenue	**14,091**	**1,600**	**15,691**	**11,237**	**2,020**	**13,257**
EBITDA	**2,459**	**147**	**2,606**	**761**	**274**	**1,035**
Depreciation	283	9	**292**	97	3	**100**
Amortisation	2,471	-	**2,471**	2,876	-	**2,876**
Operating (loss) / gain	**(296)**	**138**	**(158)**	**(2,212)**	**271**	**(1,941)**
Interest Payable			(36)			(20)
Finance income			13			32
Loss before income tax			**(181)**			**(1,929)**
Income tax charge			(9)			(29)
Loss after taxation			**(190)**			**(1,958)**

Sales between segments are carried out at arm's length. The revenue from external parties reported to the executive management team is measured in a manner consistent with that in the income statement.

A reconciliation of EBITDA to loss before income tax is provided as follows:

	Six Months Ended 30 Jun 2012 US $ '000	Six Months Ended 30 Jun 2011 US $ '000	Year Ended 31 Dec 2011 US $ '000
EBITDA	2,606	1,035	4,338
Exceptional items	-	-	(2,523)
Depreciation	(292)	(100)	(377)
Amortisation - Development Costs	(2,384)	(2,784)	(5,189)
Amortisation - Software	(88)	(92)	(141)
Finance income	13	32	53
Interest Payable	(36)	(20)	(60)
Loss before income tax	(181)	(1,929)	(3,899)

The amounts provided to the executive management team with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Total segment assets are as follows:

	30 Jun 2012 E- business US $ '000	30 Jun 2012 Consulting US $ '000	30 Jun 2012 Total US $ '000	31 Dec 2011 E- business US $ '000	31 Dec 2011 Consulting US $ '000	31 Dec 2011 Total US $ '000
Total segment assets	34,314	1,377	**35,691**	35,822	984	**36,806**

Revenues from external customers are derived from the sales of E-business products and services associated with our suite of travel related technology and consulting revenue.

Analysis of revenue by category	Six Months Ended 30 Jun 2012 US $ '000	Six Months Ended 30 Jun 2011 US $ '000	Year Ended 31 Dec 2011 US $ '000
Transaction revenue	7,202	5,952	13,181
Professional services	6,610	4,915	10,257
Consultancy	1,600	2,019	3,797
Other Revenue	279	371	795
Total Revenue	**15,691**	**13,257**	**28,030**

5. Expenses by Nature

	Six Months Ended		Year Ended
	30 Jun 2012	30 Jun 2011	31 Dec 2011
	US $ '000	US $ '000	US $ '000
Employee Benefit expense net of capitalised labour (Note 6)	7,483	6,601	12,912
Consultant and Contractor	3,026	2,218	4,978
Depreciation	291	100	377
Amortisation - Development Costs	2,384	2,784	5,189
Amortisation - Software	87	92	141
Hosting	471	717	1,099
Establishment costs	831	861	1,688
Professional fees	590	702	814
Third Party Services	73	239	498
Travel	398	378	732
Communication	146	140	285
Auditors remuneration	94	112	167
Expenses Capitalised	(705)	(209)	(751)
Other	699	571	956
Total cost of sales, selling and marketing costs and administrative expenses	**15,868**	**15,306**	**29,085**
Disclosed as:			
- Cost of sales	12,864	12,731	24,564
- Selling and marketing costs	1,489	1,365	2,797
- Administrative expenses	1,515	1,210	1,724
Total before Exceptional Item	**15,868**	**15,306**	**29,085**
Exceptional Items	-	-	2,523
Total Operating Costs	15,868	15,306	31,608

6. Employee benefit expense

	Six Months Ended		Year Ended
	30 Jun 2012	30 Jun 2011	31 Dec 2011
	US $ '000	US $ '000	US $ '000
Wages and salaries	7,478	6,801	14,017
Social security costs	756	679	1,451
Pension costs – defined contribution schemes	249	240	475
Employee benefit expense before capitalisation	**8,483**	**7,720**	**15,943**
Capitalised labour	(1,031)	(1,142)	(3,077)
	7,452	**6,578**	**12,866**
Share options granted to directors and employees	31	23	46
Total	**7,483**	**6,601**	**12,912**

7. Trade and other receivables

	30 Jun 2012 US $ '000	31 Dec 2011 US $ '000
Trade receivables	4,285	4,135
Less: provision for impairment	(504)	(419)
Trade receivables – Net	**3,781**	**3,716**
Other receivables	709	869
Prepayments	1,835	1,562
Accrued income	2,610	2,203
	8,935	**8,350**

The carrying amounts of the group's trade receivables are denominated in the following currencies:

US$	1,106	2,915
Euro	3,068	996
Sterling	111	224
	4,285	**4,135**

All amounts fall due within one year.

8. Borrowings

Financial Lease Liabilities	30 Jun 2012 US $ '000	31 Dec 2011 US $ '000
Current	517	538
Non-Current	594	430
Total Borrowings	**1,111**	**968**

9. Trade and other payables

	30 Jun 2012 US $ '000	31 Dec 2011 US $ '000
Trade payables	2,616	2,568
Other payables	-	1,044
Accruals	1,792	1,803
Deferred income	106	127
Pension contribution	137	121
Social security and other taxes	865	925
	5,516	**6,588**

The fair values of trade and other trade payables approximate to the values shown above.

9. Trade and other payables (continued)

The carrying amounts of the group's trade payables are denominated in the following currencies:

US$	1,802	1,664
Euro	676	582
Sterling	116	322
Australian Dollar	22	1,044
	2,616	**3,612**

10. Income tax

	Six Months Ended		Year Ended
	30 Jun 2012	30 Jun 2011	31 Dec 2011
	US $ '000	US $ '000	US $ '000
Current tax			
Income tax charge	9	29	46
Current tax expense for the period	**9**	**29**	**46**

11. Loss per share

	Six Months Ended		Year Ended
	30 Jun 2012	30 Jun 2011	31 Dec 2011
Basic and Diluted			
Loss attributable to ordinary shareholders (US$ '000)	(190)	(1,958)	(3,945)
Weighted average number of ordinary shares outstanding *	70,031,136	71,683,345	71,668,864
Basic and Diluted loss per share (in US$ cents)	(0.3)	(2.7)	(5.5)

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.

*

	Six Months Ended		Year Ended
	30 Jun 2012	30 Jun 2011	31 Dec 2011
Excludes Treasury Shares	1,700,000	-	-

12. Intangible assets

	Software	TDP Development	Total
	US$'000	US$'000	US$'000
Period to 30 June 2011			
Opening net book amount	671	32,258	**32,929**
Amortisation charge	(511)	(17,363)	**(17,874)**
Closing net book amount	**160**	**14,895**	**15,055**
Year Ended 31 December 2011			
Opening net book amount	106	16,118	**16,224**
Additions	387	3,828	**4,215**
Government grant assistance	-	(374)	**(374)**
Amortisation charge	(141)	(5,189)	**(5,330)**
Closing net book amount	**352**	**14,383**	**14,735**
At 31 December 2011			
Cost	912	34,151	**35,063**
Accumulated Amortisation	(560)	(19,768)	**(20,328)**
Closing net book amount	**352**	**14,383**	**14,735**
Period to 30 June 2012			
Opening net book amount	352	14,383	**14,735**
Additions	182	1,720	**1,902**
Amortisation charge	(87)	(2,384)	**(2,471)**
Closing net book amount	**447**	**13,719**	**14,166**
At 30 June 2012			
Cost	828	35,434	**36,262**
Accumulated Amortisation	(381)	(21,715)	**(22,096)**
Closing net book amount	**447**	**13,719**	**14,166**

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.

13. Share Capital

During the period to 30 June 2012, 80,250 ordinary shares were issued upon the exercise of employee share options into ordinary share capital.

14. Cash generated from / (used in) operations

	Six Months Ended 30 Jun 2012 US $ '000	Six Months Ended 30 Jun 2011 US $ '000	Year Ended 31 Dec 2011 US $ '000
Loss before Income Tax	(181)	(1,929)	(3,899)
Adjustments for:			
Interest received	(13)	(32)	(53)
Interest paid	36	20	60
Depreciation	292	100	377
Amortisation	2,472	2,876	5,330
Employee share option amortisation	31	23	46
Profit on disposal of fixed assets	-	-	(9)
Foreign Currency (losses) / gains on operating activities	(140)	(123)	244
Fixed Asset reclass to Expense	-	45	-
Exceptional item	-	-	2,523
Changes in Working Capital:			
Trade and other receivables (Increase)	(553)	(1,293)	(735)
Trade and other Payables (Decrease)/Increase	(946)	175	2,345
Cash generated from/ (used in) operations	**998**	**(138)**	**6,229**

15. Related party transactions

The following transactions were carried out with related parties:

(a) Key management personnel include the two executive directors and eight members of the senior management team. Key management compensation :

	Six Months Ended 30 Jun 2012 US $ '000	Six Months Ended 30 Jun 2011 US $ '000
Salaries and other short-term employee benefits	1,279	1,102
Post employment benefits	41	41
Share based payments (Note 16)	20	-
	1,340	**1,143**

(b) The remuneration of and transactions with all non-executive directors:

	Six Months Ended 30 Jun 2012 US $ '000	Six Months Ended 30 Jun 2011 US $ '000
Basic Salaries and Fees	**137**	**138**

Details of related party transactions in respect of the year ended 31 December 2011 are contained in Note 22 of our annual report. The Group continued to enter into transactions in the normal course of business with its related parties during the period. There were no transactions with related parties in the first half of 2012 or changes to transactions with related parties disclosed in the 2011 financial statements that had a material effect on the financial position or performance of the Group.

16. Changes in equity

(1) Share Capital reduction

On February 6th 2012 the shareholders of the Company approved the reduction in share capital by the cancellation of $319.3m standing to the credit of the Company Share Premium Account and to offset this amount against the deficit in the Profit and Loss Account. The reduction of share capital took legal effect on 4th April 2012.

(2) New Share Option plan

On February 6th 2012 a new share option plan (the "2012 Plan") was implemented, replacing the original 2000 plan which expired on its 10th anniversary in August 2010. Under the 2012 Plan, share options can only vest after three years from date of award. Option awards will be subject to the satisfaction of challenging performance conditions which will determine the proportion (if any) of the option which will vest at the end of a performance period. The Remuneration Committee will ensure that performance conditions are both sufficiently stretching and challenging and are appropriate for the Group and the prevailing market. Performance conditions will relate to earnings per share, cash and/or EBITDA targets for the Group, or other measures of shareholder value as the Remuneration Committee may consider appropriate. If performance conditions are not met, the options will not vest, and will lapse.

No options may be granted under the 2012 Plan which would cause the number of shares issued or issuable in the preceding ten years to exceed 10% of the ordinary shares capital of the Company in issue at that time. As a further restriction, the Remuneration Committee proposes that no options will ordinarily be granted under the 2012 Plan which would cause the number of shares issued or issuable in the preceding ten years to exceed 7.5% of the ordinary share capital of the Company in issue at that time, but on the basis that the Remuneration Committee may resolve to grant additional options up to the overall 10% limit if it determines either that the Group's underlying financial performance and/or growth in shareholder value would merit such further dilution or that vesting of any additional such options would be subject to exceptional performance. The basis for any such determination by the Remuneration Committee would be described in the Annual Report and Accounts.

(3) Management share purchase scheme

A new management share purchase scheme was approved by the board of directors subsequent to the year end. The scheme, which uses existing issued shares, is intended to incentivise senior management in the company (excluding executive directors) towards the achievement of challenging performance targets for EBITDA and cash generation over the next two years. Subject to meeting the performance criteria, shares will vest under the scheme in two equal tranches, on 31 December 2012 and 2013 or on the change of ownership of the company. The Remuneration Committee will include a detailed report each year in the remuneration report on the performance of the scheme.

17. Principal risks and uncertainties

(a) Principal risks

The principal risks faced by the Group include the impact of general economic pressures on the airline industry, foreign exchange risk on currency exposures arising in the normal course of business, credit risk on outstanding receivables, and litigation risk (see below). 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.

(b) Litigation and disputes

There has been no material change in our contingent liabilities in the period ended 30 June 2012 since the approval of our statutory financial statements for the year ended 31 December 2011.

18. Seasonality

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

19. 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.

20. Distribution of interim report

The interim report is available on the Group's website www.datalex.com. Copies are also available to the public from the Company's registered office at Block U, East Point Business Park, Clontarf, Dublin 3, Ireland.