

Date: Embargoed until 07.00am, Wednesday 1 July 2009

Contact: Chris Havemann (Chief Executive Officer)
Nathan Runnicles (Chief Financial Officer)

Research Now

Tel: +44 (0)20 7921 2400

Corporate Website: www.researchnow.co.uk

Alistair Mackinnon-Musson

Nathan Field

Hudson Sandler

Tel: +44 (0)20 7796 4133

Email: rn@hspr.com

Mark Williams

Henry Fitzgerald-O'Connor

Canaccord Adams

Tel: + 44 (0)20 7050 6500

Research Now plc

INTERIM STATEMENT

for the six months ended 30 April 2009

Research Now plc (AIM: RNOW), the international online fieldwork provider and panel specialist to the market research industry, is pleased to announce its Interim Statement for the six months ended 30 April 2009.

Highlights

- Revenues up 24% to £23.6 million (2008: £19.1m)
- Growth in all markets
 - Repeat business generating 92% of revenue
 - Continued new account wins with 237 new clients added in the period
- Operating profit up 46% to £4.0 million (2008: £2.7 million)
- Operating margin increased to 16.9% (2008: 14.3%)
- Reported profit before tax up 43% to £3.5 million (2008: £2.4 million)
- Basic EPS up 33% to 12.5p (2008: 9.4p per share)
- Strong balance sheet with net cash of £6.0 million (April 2008: £5.0 million)

Chris Havemann, Chief Executive, said:

"Our first half results are excellent, especially as they were achieved against such a weak economic backdrop. We have benefitted from the combination of our global network, a high level of repeat business and tight cost control".

"Looking forward, we remain positive that 2009 will be another year of profitable growth. We're nimble enough to react to toughening conditions, yet our global spread affords protection and the dynamics of our marketplace remain exciting. We have terrific opportunities ahead of us".

Interim Statement

Overview

During a period of pronounced economic turbulence the Group achieved excellent first half results. Revenues grew by 23.5% and operating profits by 46.1%, demonstrating both the inherent strength of the Group and its global market leadership position.

Group revenue in the six months to 30 April 2009 was £23.6m (2008: £19.1m) with all markets showing underlying growth. It is particularly pleasing that the operating margin also showed a strong increase; first half profits of £4.0m (2008: £2.7m) represented a margin of 16.9% compared to 14.3% in the same period last year. The Group had £6.0m of net cash at the end of the period (2008: £5.0m).

Managing through economic uncertainty

Few businesses have been immune to the effects of the current global recession. Our response has been two-fold: firstly to focus on the more complex full-service projects which are less exposed to price pressure (because they require more value-added services from us) and secondly, to keep a tight control over discretionary costs, carefully balanced with our continuing investment in people, panels and technology to ensure that we deliver on the next stage of growth. The success of this strategy is evident in the increase in revenues and operating margin.

Strong market position

We continue to benefit from being able to offer a co-ordinated global service to all our clients. At the time of writing, we have proprietary online panels in 36 countries and five project management centres, each in a different time zone. Our global reach, combined with our reputation for quality, puts us in pole position to gain preferred supplier status for larger clients and to offer smaller clients multi-country research studies.

We remain strong European market leaders, with first half revenues of £11.3m and an underlying growth rate of 14.1%. Whilst we have seen some recent softening of business in the UK and Germany post the period end, reflecting reduced client budgets and competitor pricing in certain segments, we see many opportunities to continue to grow our European business. Online penetration of fieldwork remains relatively low on the Continent. As an example, during the second half, we will open new offices in Italy and Spain where the local markets are only now beginning to develop. We are also working on new products, such as online advertising effectiveness testing, for which we see significant demand.

Our North American business saw underlying growth of 8.7% in the six months and we continue to benefit from our position as a high quality player with global panel reach. During the period we opened an office in Dallas, bringing the number of offices we have in this region to six. Our Canadian business completed its first period trading under the Research Now brand and has continued to trade strongly. We have integrated the sales and trading functions in the US and Canada under one regional leadership team and our unified structure is already proving successful in terms of both optimising sales opportunities and increasing operational efficiency.

The Asia-Pacific region has performed very strongly with underlying sales growth in the period of 26.8%. Our business in Australia is the clear leader in its local market and operates as our hub for delivering projects to Asia. We are now seeing the benefits of our recently established offices in New Zealand and Singapore. Our joint venture in China is now underway, selling into the local market and we have also begun to implement plans to enter Japan. With Asia's rate of substitution from offline to online data collection starting to gather pace, we intend to invest in our regional presence to ensure we benefit from this structural transition.

Clients

Clients are the bedrock of our business. Delivering high quality client service is at the core of everything we do and is why we constantly monitor client satisfaction feedback on completed projects at the Board level. Client service remained consistently high during the period and the success of our approach is yet again evidenced by our repeat business statistics, with 91.8% of first-half revenues coming from clients served in prior periods. We continue to develop new relationships recording 237 new account wins in the first half. Our largest single client accounted for 12.0% of revenue and our ten largest accounts represented 42.5% of revenue.

Revenues from each of our four market segments continued to grow in the period. Our largest client grouping remains the small and medium size market research agencies, which accounted for 52.2% of Group revenues in the six months. Sales to large agencies, which have their own in-house panels, were 28.6% of total sales, reflecting the attractiveness of our global capabilities to these clients. Sales to other types of agencies, such as strategy consultants, advertising agencies and media buyers, were 14.0% of sales in the period and the balance comprised sales to companies that have their own internal resources to analyse market research data.

People

We currently have 419 full-time employees working in 17 offices across seven countries. We have a continual programme of staff training, development and secondment to ensure that all our people are imbued with the Research Now culture and our way of working. We would again like to pay tribute to the first class efforts of all our people whose contribution is key to our success.

Our new management structure, announced a year ago alongside our 2008 Interim results and which came into effect on 1 November 2008, is producing the expected benefits of greater transparency and accountability. As noted in our 2008 Annual Report, the missing gap in our Senior Management Team was filled in March 2009, when Miles Worne joined us as Managing Director, Business Development from a senior role at Cadbury. Miles has global responsibility for a number of key investment areas including panels, new product development and marketing. We are fortunate to have in place a very capable and experienced leadership team to deliver the Group's future growth objectives.

Outlook

After an excellent first six months and a positive end to the first half, the start to our second half has seen evidence that the recessionary pressures on end client budgets are flowing from the Americas into our European markets. Nevertheless, the Group is nimble enough to seize profitable opportunities to gain new clients, enter new markets and launch new products. We are also benefiting from the global spread of our business, as stronger performing markets help to offset those experiencing short term weakness.

Accordingly, we remain positive that 2009 will be another year of profitable growth. Furthermore, in the medium term, the market dynamics are as strong as ever and combined with our positioning as the leading high quality global business in our sector, we believe there remain substantial opportunities ahead for the Group.

Geoff Westmore
Chairman
1 July 2009

Chris Havemann
Chief Executive Officer

Research Now plc

Chief Financial Officer's Review for the six months ended 30 April 2009

Reporting basis

The Group's unaudited financial statements for the six month period ended 30 April 2009 have been prepared in accordance with International Financial Reporting Standards (IFRS).

Revenue

Reported revenue increased by 23.5% to £23.6m. Underlying revenue growth, calculated by taking the increase in 2009 over 2008 proforma revenue at constant exchange rates, was 12.5%.

European revenues were up 18.0% on a reported basis and by 14.1% on an underlying basis, as each of the Group's markets performed strongly during the first half.

The Americas' reported revenue was up 28.9% and by 8.7% on an underlying basis. The region had a good start to the year given the US, which accounts for approximately two-thirds of Americas' revenue, was one of the first of the global economies to enter recession. Revenue visibility is limited in all the Group's markets, but this is particularly so in the Americas where month to month trading is more reliant on ad-hoc project demand.

Asia Pacific had an excellent first half with reported revenue growth of 29.0% and 26.8% on an underlying basis. The market leading Australian business continued to perform strongly and the recently established offices in New Zealand and Singapore made a positive contribution to the region.

Gross profit and margin

The reported gross profit increased 29.9% to £18.5 million (2008: £14.2 million). The gross margin increased to 78.4% (2008: 74.5%) as the Group's use of third party panels decreased to 8.1% of revenue (2008: 13.1%). The two primary drivers of this reduction were the increased utilisation of the Group's proprietary own panel network, branded Valued Opinions, particularly the US and Asian panels, and reduced purchases of third party healthcare fieldwork in the Americas (as specialist sample panels are not currently supported by Valued Opinions).

Operating profit and margin

Operating profit increased by 46.1% to £4.0 million (2008: £2.7 million). The operating margin increased to 16.9% (2008: 14.3%) reflecting the benefit of the gross margin improvement which has enabled the Group to continue to invest in its operations, albeit at a more cautious rate.

Staff costs as a percentage of revenue increased to 43.4% (2008: 41.5%) as the average number of employees grew to 424 (2008: 324). The growth in headcount reflects the build-out of teams in the latter months of 2008 to support the Group's objectives in key markets such as the USA, together with the investments made across 2008 to develop the management teams in each region. At 30 April 2009 the Group had 415 employees, a marginal increase on the 411 employees at year end.

Variable staff costs during the first half, defined as performance linked compensation and contractors, decreased to 15.0% of total staff costs (2008: 24.7%). Other staff costs in the period were £0.1 million for employee share option schemes and £0.1 million in respect of severance charges.

The Group's charge in relation to the amortisation of its panel investment was £1.4 million (2008: £1.0 million). The restatement under IAS21 of foreign currency denominated intercompany loans led to an exchange gain in the period of £0.3 million (2008: £0.2 million).

Adjusted results

To assist the understanding of the underlying performance of the Group in the period, profit before tax and earnings per share are also disclosed prior to the impact of interest accretion and the accounting treatment for contingent consideration liabilities (2009: £0.5 million charge/2008: £0.1 million charge).

Finance costs

The Group's net finance costs amounted to £0.5 million (2008: £0.3 million), consisting of a charge of £0.4 million attributable to the foreign currency translation adjustment on the final contingent consideration that was paid in February 2009 (2008: £0.1 million credit), plus interest accretion and debt amortisation fees of £0.1 million (2008: £0.2 million).

Profit before tax

Adjusted profit before tax increased by 54.0% to £4.0 million (2008: £2.6 million). Reported profit before tax was £3.5 million (2008: £2.4 million).

Taxation

The reported tax charge for the period was £1.2 million based on an estimated full year effective tax rate of 35.7% on reported profit before taxation. The full year effective tax rate in the year ended 31 October 2008 was 35.2%.

Earnings per share

On a weighted average basis of 17.9 million shares, adjusted earnings per share were 15.0 pence (2008: 10.1 pence) an increase of 48.5%. Basic earnings per share were 12.5 pence (2008: 9.4 pence). On a fully diluted weighted average basis of 18.6 million shares, adjusted fully diluted earnings per share were 14.5 pence (2008: 9.3 pence), an increase of 55.9%.

Cash flow

Net cash inflow from operating activities for the period was £2.4 million (2008: £4.7 million) as the Group increased its investment in working capital by £1.8 million (2008: £1.0 million inflow). To date the Group has incurred minimal bad debt expense and its ageing profile remains consistent with that at 31 October 2008. There is significant internal focus on debtor and accrued income positions to ensure recoverability risks are identified and managed accordingly.

Capital expenditure, inclusive of finance lease payments, was £0.3 million (2008: £0.2 million) and the Group's cash investment in maintaining the Valued Opinions panel network increased to £1.5 million (2008: £1.1 million). Free cash flow, being net cash inflow from operating activities less capital expenditure and payments to acquire intangible assets, was £0.8 million (2008: £3.3 million).

Tax payments increased significantly during the first half to £1.4 million (2008: £0.2 million) as the Group is now required to make payments on account in a number of markets, which totalled £0.6 million in the first half.

In February 2009, the Group paid £5.4 million in respect of the final contingent consideration payment due to the vendors of OpenVenue. The consideration was satisfied by a cash payment of £2.7 million and the issuance of 1,003,562 ordinary shares.

Treasury, funding and exchange risk

Net cash, defined as cash and cash equivalents less bank borrowings (net of arrangement fees), other debt arrangements and obligations under finance leases, was £6.0 million at 30 April 2009 (30 April 2008: £5.0 million). The Group's undrawn revolving credit facility currently has a limit of £2.0 million.

Dividend

The Board has not declared an Interim dividend in respect of the first half.

Nathan Runnicles

Chief Financial Officer

1 July 2009

Research Now plc

Interim Consolidated Income Statement

for the six months ended 30 April 2009

		Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	Notes	2009 £'000	2008 £'000	2008 £'000
Revenue	3	23,562	19,086	41,163
Cost of sales		(5,083)	(4,862)	(9,867)
Gross profit		18,479	14,224	31,296
Administrative expenses		(14,503)	(11,502)	(24,993)
Operating profit		3,976	2,722	6,303
Finance revenue		40	153	156
Finance costs		(535)	(442)	(771)
Profit before taxation		3,481	2,433	5,688
Tax expense	4	(1,244)	(912)	(2,000)
Profit for the period attributable to equity holders of the parent		2,237	1,521	3,688
Earnings per share (pence)				
Basic earnings per ordinary share	5	12.5p	9.4p	21.8p
Diluted earnings per ordinary share	5	12.0p	8.5p	20.0p
Adjusted earnings per share* (pence)				
Basic earnings per ordinary share	5	15.0p	10.1p	23.9p
Diluted earnings per ordinary share	5	14.5p	9.3p	21.9p

All income and expenses relate to continuing activities.

* Adjusted for interest accretion and foreign currency translation adjustment on contingent consideration.

Research Now plc

Interim Consolidated Balance Sheet

at 30 April 2009

	Notes	Unaudited at 30 April		Audited at 31 October
		2009 £'000	2008 £'000	2008 £'000
Non-current assets				
Property, plant and equipment		1,503	954	1,510
Intangible asset - goodwill		21,304	18,695	19,060
Intangible assets - other		1,578	1,327	1,815
Deferred tax assets		324	397	261
		24,709	21,373	22,646
Current assets				
Trade and other receivables	6	11,650	9,274	11,310
Inventories		341	-	329
Financial assets		42	40	35
Cash and cash equivalents		5,913	5,646	7,773
		17,946	14,960	19,447
Total assets		42,655	36,333	42,093
Current liabilities				
Trade and other payables		(7,270)	(7,072)	(9,096)
Other financial liabilities	7	(80)	(648)	(331)
Income tax payable		(1,518)	(758)	(1,684)
Provisions	8	(1,317)	(5,392)	(6,172)
		(10,185)	(13,870)	(17,283)
Total liabilities		(10,185)	(13,870)	(17,283)
Net assets		32,470	22,463	24,810
Capital and reserves				
Equity share capital	9	372	350	351
Share premium account	9	11,399	10,732	8,612
Merger reserve	9	6,970	4,802	6,970
Exchange reserve	9	5,257	2,664	2,792
Other reserves	9	(65)	(65)	(65)
Retained earnings	9	8,537	3,980	6,150
Equity attributable to shareholders of the parent		32,470	22,463	24,810

Research Now plc

Interim Consolidated Statement of Recognised Income and Expense for the six months ended 30 April 2009

	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	2009 £'000	2008 £'000	2008 £'000
Income and expense recognised directly in equity			
Current tax relief from items not charged to income statement	-	5	77
Deferred tax on share options	39	5	(144)
Transfer to income statement on cash flow hedge – Administrative expenses	-	-	(2)
Exchange differences on retranslation of foreign operations	220	59	(5)
Exchange differences on retranslation of goodwill	2,245	(341)	(149)
Profit for the period	2,237	1,521	3,688
Total recognised income and expense for the period	4,741	1,249	3,465

Research Now plc

Interim Consolidated Cash Flow Statement

for the six months ended 30 April 2009

	Notes	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
		2009 £'000	2008 £'000	2008 £'000
Cash generated from operations	10	3,798	4,940	10,209
Taxation paid		(1,435)	(225)	(329)
Net cash flow from operating activities		2,363	4,715	9,880
Investing activities				
Interest received		34	62	156
Payments to acquire property, plant and equipment		(54)	(246)	(598)
Payments to acquire subsidiary		(2,727)	(2,128)	(2,178)
Payments to acquire intangible assets		(1,525)	(1,147)	(2,784)
Net cash flow from investing activities		(4,272)	(3,459)	(5,404)
Financing activities				
Interest received/(paid)		-	(161)	(167)
Repayment of the capital element of finance lease and hire purchase contracts		(251)	-	(232)
Proceeds from share issues		80	6,606	7,049
Share issue costs		-	-	(394)
Repayment of borrowings		-	(3,143)	(4,143)
Fees on new borrowings		-	(48)	(50)
Net cash flow from financing activities		(171)	3,254	2,063
(Decrease)/increase in cash and cash equivalents		(2,080)	4,510	6,539
Effect of exchange rates on cash and cash equivalents		220	(110)	(12)
Cash and cash equivalents at the beginning of the period		7,773	1,246	1,246
Cash and cash equivalents at the end of the period		5,913	5,646	7,773

Research Now plc

Notes to the Interim Condensed Consolidated Financial Statements for the six months ended 30 April 2009

1. Corporate information

The interim condensed consolidated financial statements of the group for the six months ended 30 April 2009 were authorised for issue in accordance with a resolution of the directors on 30 June 2009.

Research Now plc is a limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on the AIM (Alternative Investment Market), a market operated by the London Stock Exchange plc.

2. Basis of preparation and accounting policies

The interim condensed consolidated financial statements for the six months ended 30 April 2009 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 October 2008.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 October 2008, and with the accounting policies that the directors anticipate will be applied in the financial statements at 31 October 2009.

3. Segment information

The following tables present revenue and profit information regarding the Group's operating segments for the six months ended 30 April 2009 and 2008, respectively, as well as the year ended 31 October 2008.

	Unaudited for the six months ended 30 April			
	Segment revenue		Segment result	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Continuing operations				
Europe	11,317	9,587	2,448	1,441
The Americas	10,183	7,900	1,306	925
Asia-Pacific	2,062	1,599	222	356
	23,562	19,086	3,976	2,722
Net finance costs			(495)	(289)
Profit before tax			3,481	2,433
Income tax expense			(1,244)	(912)
Profit for the period from continuing operations			2,237	1,521

3. Segment information (continued)

	Segment revenue	Audited for the year ended 31 October 2008 Segment result
	£'000	£'000
Continuing operations		
Europe	21,048	2,994
The Americas	16,899	2,837
Asia-Pacific	3,216	472
	41,163	6,303
Net finance costs		(615)
Profit before tax		5,688
Income tax expense		(2,000)
Profit for the year from continuing operations		3,688

4. Taxation

The provision for tax for the six months ended 30 April 2009 is calculated at 35.7% on profit, in line with the estimated rate for the year ending 31 October 2009.

The actual effective rate for the full year to 31 October 2008 was 35.2%.

5. Earnings per ordinary share (EPS)

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period excluding any shares held by the Research Now Share Incentive Plan trust.

Diluted earnings per share are calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The amounts for earnings per share from continuing operations on a reported basis are as follows:

	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
Basic and Diluted earnings per share	2009	2008	2008
Reported earnings (£'000)	2,237	1,521	3,688
Weighted average shares used in Basic EPS calculation ('000)	17,949	16,245	16,907
Basic EPS (pence)	12.5p	9.4p	21.8p
Weighted average shares used in Diluted EPS calculation ('000)	18,614	17,793	18,468
Diluted EPS (pence)	12.0p	8.5p	20.0p

In order to facilitate a comparison between the current and the prior period's basic and diluted earnings per share, they are also presented on an adjusted basis, using earnings before interest accretion and the foreign currency translation adjustment on contingent consideration.

5. Earnings per ordinary share (EPS) (continued)

Adjusted earnings per share	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	2009	2008	2008
Reported earnings (£'000)	2,237	1,521	3,688
Interest accretion on contingent consideration	86	216	378
Foreign currency loss/(gain) on contingent consideration translation adjustment	372	(91)	(28)
Adjusted earnings	2,695	1,646	4,038
Adjusted Basic EPS (pence)	15.0p	10.1p	23.9p
Adjusted Diluted EPS (pence)	14.5p	9.3p	21.9p

The reconciliation between the shares used in calculating Adjusted Basic and Diluted earnings per share is as follows:

	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	2009 '000	2008 '000	2008 '000
Weighted average shares	17,949	16,245	16,907
Dilutive share options outstanding	665	701	701
Potential share issue for contingent consideration on acquisition	-	847	860
Weighted average diluted shares	18,614	17,793	18,468

6. Trade and other receivables

	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	2009 '000	2008 '000	2008 '000
Trade receivables	9,344	7,378	9,588
Prepayments and accrued income	2,306	1,896	1,722
Total	11,650	9,274	11,310

As at 30 April 2009 the analysis of trade receivables that were past due but not impaired is:

	Total £'000	Neither past due nor impaired £'000	Past due or impaired		
			31 – 60 days £'000	61 – 90 days £'000	91 – 230 days £'000
Trade receivables	9,794	5,968	2,070	960	796
Provision	(450)	(9)	-	-	(441)
Total	9,344	5,959	2,070	960	355

As at 30 April 2008 the analysis of trade receivables that were past due but not impaired is:

	Total £'000	Neither past due nor impaired £'000	Past due or impaired		
			31 – 60 days £'000	61 – 90 days £'000	91 – 230 days £'000
Trade receivables	7,612	4,608	1,683	636	685
Provision	(234)	(1)	-	(1)	(232)
Total	7,378	4,607	1,683	635	453

As at 31 October 2008 the analysis of trade receivables that were past due but not impaired is:

	Total £'000	Neither past due nor impaired £'000	Past due or impaired		
			31 – 60 days £'000	61 – 90 days £'000	91 – 230 days £'000
Trade receivables	10,111	6,849	1,895	671	696
Provision	(523)	-	-	-	(523)
Total	9,588	6,849	1,895	671	173

7. Other financial liabilities

	Unaudited At 30 April 2009 2008 £'000 £'000		Audited At 31 October 2008 £'000
	Current		
Obligations under finance leases	80	-	331
Current instalments due on revolving credit facility (net of fees)	-	648	-
	80	648	331
Bank loans			
£3,000,000 Revolving credit facility	-	1,000	-
Debt Fees	-	(352)	-
		648	-
Analysed as			
Current instalments due on revolving credit facility (net of fees)	-	648	-
	-	648	-

The revolving credit facility is secured by a fixed and floating charge over the Group's assets. The facility expires on 31 March 2011 and was fully pre-paid during 2008. The loan, when drawn bears interest at LIBOR + 2.25%. As at 30 April 2009 the Group had £2.0 million of undrawn borrowing facility available.

8. Provisions

	Contingent consideration £'000	Reward liability £'000	Total £'000
At 1 November 2008 (audited)			
Current	4,840	1,332	6,172
Arising during the period	-	2,409	2,409
Interest accretion	86	-	86
Foreign exchange movement	528	-	528
Utilised	(5,454)	(2,424)	(7,878)
At 30 April 2009 (unaudited)	-	1,317	1,317
Analysed as:			
Current	-	1,317	1,317
Non-current	-	-	-
	-	1,317	1,317

9. Reconciliation of movements in equity

	Equity share capital £'000	Share premium £'000	Merger reserve £'000	Exchang e reserve £'000	Other reserves £'000	Retained earnings £'000	Share- holder equity £'000
At 31 October 2008 (audited)	351	8,612	6,970	2,792	(65)	6,150	24,810
Total recognised income and expense for the period	-	-	-	2,465	-	2,276	4,741
Share option adjustment	-	-	-	-	-	111	111
Share issue	1	80	-	-	-	-	81
Shares issued for contingent consideration	20	2,707	-	-	-	-	2,727
At 30 April 2009 (unaudited)	372	11,399	6,970	5,257	(65)	8,537	32,470

On 9 February 2009, 1,003,562 ordinary shares were issued at £2.72 each to satisfy the final contingent consideration payment for the acquisition of OpenVenue.

On 2 February 2009, 10,000 shares were issued in respect of share options exercised at a price of £1.30 per share.

On 19 February 2009, 30,000 shares were issued in respect of share options exercised at a price of £2.24 per share.

10. Cash flow information

Reconciliation of the profit for the period to net cash flow from operating activities

	Unaudited for the six months ended 30 April		Audited for the year ended 31 October
	2009 £'000	2008 £'000	2008 £'000
Operating activities			
Adjustments to reconcile profit for the period to net cash inflow from operating activities			
Profit for the period	2,237	1,521	3,688
Tax	1,244	912	2,000
Net finance costs	495	289	615
Operating profit	3,976	2,722	6,303
Depreciation and impairment of property, plant and equipment	313	245	611
Amortisation and impairment of intangible assets	1,396	1,041	2,228
Share-based payments	111	89	171
(Increase)/decrease in inventories	(12)	60	(269)
(Increase)/decrease in trade and other receivables	(347)	65	(2,202)
(Decrease)/increase in trade and other payables	(1,459)	841	3,036
Movement in provisions	(180)	(123)	331
Net cash flow from operating activities	3,798	4,940	10,209

- ENDS -