Datalex plc Announces Interim Results
For the six months ended 30 June 2011

Dublin, Ireland/29 August, 2011 – Datalex Plc (ISE: DLE) today announced its interim results for the six months ended 30 June 2011.

2011 Overview

In our 2010 results release issued last March, we provided an outlook for 2011 which would see us deliver further business growth on our 2010 performance, a year in which we acquired six new customers, delivered EBITDA of over $3m, and became cash flow positive for the first time.

Our performance in H1 2011 has been in line with meeting these expectations. This year to date has been characterised by a number of new business wins, and the successful go live of our TDP platform at a number of new customers, both of which will deliver transaction revenue growth in the second half of 2011, and through 2012.

A summary of the results for the first six months of 2011 is set out below, against the same period in 2010:

	Six Months Ended		
	30 June 2011	**30 June 2010**	**% Change**
	$M	**$M**	**%**
Total Revenue	13.3	13.1	1.3%
Transaction revenue included in total revenue	6.0	6.7	-11.1%
Total cost of sales, selling & marketing costs and administrative expenses	15.3	14.5	5.5%
- Development expenditure capitalised	1.4	1.5	-6.6%
- Amortisation of development expenditure	2.8	2.2	27.3%
Total cost of sales, selling & marketing costs and administrative expenses before impact of product development	13.9	13.8	0.1%
Loss before income tax	1.9	2.2	-14%
EBITDA	**1.0**	**0.3**	**233%**
Cash and cash equivalents	**9.3**	**8.4**	**11.1%**

H1 2011 Performance

Total revenue in the period was $13.3m, up 1.3% on the same period in 2010. Transaction revenue in the period was $6.0m (2010 H1: $6.7m). The reduction in H1 2011 compared to the same period in 2010 is due to the completion of two contracts in December 2010. Meanwhile, the performance of continuing customers showed further growth, and we are confident that this growth, together with the new customers that have gone live and are about to go live in 2011, will deliver transaction revenue growth of 7% for FY 2011, compared to 2010.

Total costs in H1 2011, before the impact of product development capitalised / amortised, were $13.9m, on a par with the same period in 2010. This is despite the fact that since H1 2010 we have acquired a number of additional customers onto our platform. Our EBITDA in H1 2011 was $1.0m (2010 H1: EBITDA $0.3m).

Trade debtors at 30 June 2011 were $6.8m (30 June 2010: $6.5m), and accrued but unbilled income was $2.9m (30 June 2010: $1.7m). This increase in work in progress at 30 June 2011 compared to the previous year reflects the significant improvement in new business acquisition that started in the second half of 2010 and has strengthened in 2011.

Cash at 30 June was $9.3m, up from $8.4m at 30 June 2010. Cash reserves in 2011 are down from $11.1m at the beginning of the year, as expected, reflecting the investment in working capital as our platform is deployed at new customers. This investment is expected to unwind during the second half of the year as these customers go live. We project that at 31 December 2011, we will be cash positive for the year.

From an operational perspective, our platform has gone live at a number of new customers so far in 2011:

- In April our Travel Distribution Platform went live at global IT provider SITA, to enable pricing and shopping of optional services for their customer airlines.
- In July Air China went live on TDP. The successful deployment of our product on schedule in the Chinese market is a momentous occasion for Datalex, and we are already seeing further interest in our product from other Chinese airlines.
- Also in July we went live at Spanair, the second largest airline in Spain.
- Air Malta is scheduled to go live in September.

New Business Pipeline

In the first half of 2011 we have continued to build on our successes in the marketplace in 2010. Some of the highlights from 2011 so far include:

- In March we were awarded the contract by the new United Airlines, which was formed by the merger of United Airlines and Continental Airlines, for their Mileage Plus loyalty system, the largest loyalty and redemption platform in the world. This means United will remain a Datalex customer through 2017.
- In June, we agreed contracts with Fiji-based airline Air Pacific, which will see them use our platform as their online channel. Deployment is underway and we expect to go live at the end of Q3. This short deployment cycle is a reflection of our product maturity, and the increasing market fit of our solution.
- In July a major US carrier selected the Datalex TDP platform in support of their merchandising strategy. This represents a hugely significant win for us. We are currently working to complete contracts, and expect to go live in Q1 2012.
- Following on from our successful go live at Air China at the end of July, we are currently in advanced discussions with a second Chinese airline to take our platform.
- European Travel Agency TCH have also agreed to take the TDP platform, and deployment of our product will begin later in Q3.

Flight Centre Litigation

As outlined in our 2010 Annual Report, our litigation with Flight Centre of Australia is ongoing. We maintain our view that we do not believe this claim will result in an adverse effect on our business, financial position, income, or cash flows. Consequently, we have not made any provision in respect of this claim in our financial statements for the six months ended 30 June 2011. Litigation is always subject to inherent uncertainties, but our view of these proceedings is as stated.

2011 Outlook

We maintain our view for FY 2011 that we will build on the progress made in 2010, which will see us generate real growth in EBITDA, cash, and Enterprise Value for our shareholders. Our performance in the first half of the year represents a solid start to that plan, and we believe we are on track to achieve our objectives.

About Datalex

With multiple industry awards, Datalex is a respected, proven and agile provider of travel retail solutions to major suppliers and distributors worldwide. Our customers include: United Airlines, Air China, Aer Lingus, Frontier Airlines, Air Malta, Copa Airlines, Philippine Airlines, South African Airways, STA Travel, Spanair, SITA, and Trailfinders. The Datalex Travel Distribution Platform is a comprehensive portfolio that enables advanced pricing, shopping, merchandizing, loyalty and personalization across multiple sales channels.

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 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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Datalex plc

Interim Report
Consolidated Financial Information

For the six months ended 30 June 2011

Datalex plc

Chief Executive's Review
for the six months ended 30 June 2011

Summary

I am pleased to announce that in the first half of 2011 we have continued to build on the progress we achieved in 2010. During this year to date we have brought TDP live at a number of new customers, and we have acquired a number of significant new customer wins that cements our place as one of the world's leading provider of travel distribution software products.

Key events

In April our platform went live at global IT provider SITA, which allows their customer airlines use TDP to enable ancillary pricing and shopping of optional services.

In July Air China went live on TDP. The successful deployment of our product on schedule in the Chinese market is a momentous occasion for Datalex, and we are already seeing further interest in our product from other Chinese airlines. Also in July we went live at Spanair, the second largest airline in Spain.

In March we were informed by the new United Airlines, which was formed by the merger of United Airlines and Continental Airlines, that we had been awarded the contract for their Mileage Plus loyalty system, the largest loyalty and redemption platform in the world. This means United will remain a Datalex customer through 2017.

A major US carrier has selected the Datalex TDP platform to support their merchandising strategy. This represents a hugely significant win for us. We are currently working to finalise contracts.

Following on from our successful go live at Air China at the end of July, we are currently in advanced discussions with a second Chinese airline to take our platform.

European Travel Agency TCH have also agreed to take the TDP platform, and deployment of our product will begin later in Q3. In June, we agreed contracts with Fiji-based airline Air Pacific, which will see them use our platform as their online channel. Deployment is underway and we expect to go live at the end of Q3. This short deployment cycle is a reflection of our product maturity, and the increasing market fit of our solution.

Performance

Total revenue in the period was $13.3m, up 1.3% on the same period in 2010. We project that for full year 2011, transaction revenue will show an increase of 7% on 2010. Total costs in H1 2011, before the impact of product development capitalised / amortised, were $13.9m, on a par with the same period in 2010.

Our EBITDA in H1 2011 was $1.0m (2010 H1: EBITDA $0.3m).

Balance Sheet

Trade debtors at 30 June 2011 were $6.8m (30 June 2010: $6.5m), and accrued but unbilled income was $2.9m (30 June 2010: $1.7m). This increase in work in progress at 30 June 2011 compared to the previous year reflects the significant improvement in new business acquisition that started in the second half of 2010 and has strengthened in 2011.

Cash at 30 June was $9.3m, up from $8.4m at 30 June 2010. Cash reserves in 2011 are down from $11.1m at the beginning of the year, as expected, reflecting the investment in working capital as our platform is deployed at new customers. This investment is expected to unwind during the second half of the year as these customers go live. We project that at 31 December 2011, we will be cash positive for the year.

Cormac Whelan
Chief Executive Officer

29 August 2011

Datalex plc

Statement of Directors' Responsibility

We confirm that to the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated financial information gives a true and fair view of the assets, liabilities, financial position and loss of the Group.

We confirm that this interim financial information includes a fair view of the development and performance of the Group during the first six months of 2011. This review is provided in the highlights commentary on pages 2 to 3 and in the notes to the consolidated financial information on pages 9 to 17.

We confirm that information regarding related party transactions and changes thereto has been provided in Note 15 to the consolidated financial information.

We confirm that a description of the principal risks and uncertainties associated with the expected development of the Group in the remaining part of the year has been provided in Note 16 to the consolidated financial information.

The directors of Datalex plc as at 30 June 2011 are as listed in the group Annual Report for 2010, with the addition of Mr Roger Conan, who was appointed to the board as a non-executive director on 30 May 2011.

On behalf of the Board

Paschal Taggart
Director

Cormac Whelan
Director

29 August 2011

Datalex plc

Consolidated Balance Sheet

as at 30 June 2011 – unaudited

		30 Jun 2011 US $ '000	31 Dec 2010 US $ '000
ASSETS			
Non-current assets			
Property, plant and equipment		416	638
Intangible assets	**12**	15,055	16,224
Total non-current assets		**15,471**	**16,862**
Current Assets			
Trade and other receivables	**7**	11,196	9,854
Cash and cash equivalents		9,318	11,108
Total current assets		**20,514**	**20,962**
TOTAL ASSETS		**35,985**	**37,824**
Equity			
Capital and reserves attributable to the equity holders of the company			
Ordinary share capital		7,168	7,165
Other equity share capital		262	262
Other reserves		187,728	187,660
Retained deficit		(164,024)	(162,066)
TOTAL EQUITY		**31,134**	**33,021**
LIABILITIES			
Non-Current Liabilities			
Borrowings	**8**	152	246
Total non-current liabilities		**152**	**246**
Current liabilities			
Trade and other payables	**9**	4,492	4,345
Borrowings	**8**	120	122
Current income tax and liabilities		87	90
Total current liabilities		**4,699**	**4,557**
TOTAL EQUITY AND LIABILITIES		**35,985**	**37,824**

The accompanying notes on pages 9 to 17 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Income Statement

for the six months ended 30 June 2011 – unaudited

	Note	Six Months Ended		Year Ended
		30 Jun 2011	30 Jun 2010	31 Dec 2010
		US $ '000	US $ '000	US $ '000
Revenue	4	13,257	13,090	26,846
Cost of sales	5	(12,731)	(12,150)	(23,784)
Gross profit		**526**	**940**	**3,062**
Selling and marketing costs	5	(1,365)	(946)	(2,081)
Administrative expenses	5	(1,210)	(1,448)	(2,634)
Other gains/(losses)		108	(756)	(515)
Operating loss		**(1,941)**	**(2,210)**	**(2,168)**
Finance income		32	56	98
Interest Payable		(20)	-	-
Loss before income tax		**(1,929)**	**(2,154)**	**(2,070)**
Income tax charge	10	(29)	(23)	(77)
Loss for the financial period		**(1,958)**	**(2,177)**	**(2,147)**
Loss per share (in US$ cents per share)				
Basic and diluted	11	(2.7)	(3.0)	(3.0)

The accompanying notes on pages 9 to 17 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2011 – unaudited

	Six Months Ended		Year Ended
	30 Jun 2011	**30 Jun 2010**	**31 Dec 2010**
	US $ '000	US $ '000	US $ '000
Loss for the financial period	(1,958)	(2,177)	(2,147)
Other comprehensive income:			
Foreign currency translation adjustments	42	(355)	55
Comprehensive income and expense for the financial period	**(1,916)**	**(2,532)**	**(2,092)**

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2011 – unaudited

	Equity share capital US$'000	Other equity share capital US$'000	Other reserves US$'000	Retained earnings US$'000	Total equity US$'000
Balance at 1 January 2010	7,165	262	187,478	(159,919)	**34,986**
Total comprehensive income and expense for the period	-	-	(355)	(2,177)	**(2,532)**
Employee share option scheme charge	-	-	29	-	**29**
Balance at 30 June 2010	**7,165**	**262**	**187,152**	**(162,096)**	**32,483**
Balance at 1 January 2010	7,165	262	187,478	(159,919)	**34,986**
Total comprehensive income and expense for the period	-	-	55	(2,147)	**(2,092)**
Employee share option scheme charge	-	-	127	-	**127**
Balance at 31 December 2010	**7,165**	**262**	**187,660**	**(162,066)**	**33,021**
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**

The accompanying notes on pages 9 to 17 form an integral part of the condensed interim financial information.

Datalex plc

Consolidated Cash Flow Statement

for the six months ended 30 June 2011 – unaudited

	Notes	Six Months Ended		Year Ended
		30 Jun 2011	**30 Jun 2010**	**31 Dec 2010**
		US $ '000	US $ '000	US $ '000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash (used in) / generated from operations	**14**	(138)	(28)	4,222
Income tax paid		(32)	(198)	(43)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES		**(170)**	**(226)**	**4,179**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(69)	(57)	(502)
Additions to Intangible assets	**12**	(1,561)	(1,497)	(2,837)
Interest received		32	56	98
NET CASH USED IN INVESTING ACTIVITIES		**(1,598)**	**(1,498)**	**(3,241)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Issue of ordinary shares on exercise of options		6	-	-
Increase in finance lease liabilities		-	-	368
Finance lease repayments		(96)	-	-
Interest Paid		(20)	-	-
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		**(110)**	**-**	**368**
Net (decrease) / increase in cash and cash equivalents		(1,878)	(1,724)	1,306
Foreign Exchange gain / (loss) on cash and cash equivalents		88	(504)	(656)
Cash and cash equivalents at 1 January		11,108	10,458	10,458
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**9,318**	**8,230**	**11,108**

The accompanying notes on pages 9 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 29 August 2011.

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 2010 included in the group's 2010 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 2010 were approved by the Board of Directors on 25 March 2011 and contained an emphasis of matter unqualified audit report and will be filed with the Irish Registrar of Companies in due course.

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 are consistent with those in the annual report for the financial year ended 31 December 2010.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following new standards, amendments and interpretations became effective in 2011, however, they either do not have an effect on the Group financial statements or they are not currently relevant for the Group:

Classification of Rights Issues (Amendment to IAS 32)
IAS 24, *Related Party Disclosure (Revised)*
Amendments to IFRIC 14, *Prepayments of a Minimum Funding Requirement*
IFRIC 19, *Extinguishing Financial Liabilities with Equity Instruments*

In addition, a number of annual improvements to IFRSs are effective for 2011, however, none of these had or is expected to have a material effect on the Group 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.

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 2011 is as follows:

	Six Months Ended 30 Jun 2011			Six Months Ended 30 Jun 2010		
	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000
	E- business	**Consulting**	**Total**	**E- business**	**Consulting**	**Total**
Revenue	11,237	2,379	**13,616**	11,004	2,432	**13,436**
Inter-segment revenue	-	(359)	**(359)**	-	**(346)**	**(346)**
External Revenue	**11,237**	**2,020**	**13,257**	**11,004**	**2,086**	**13,090**
EBITDA	**761**	**274**	**1,035**	**(9)**	**259**	**250**
Depreciation	97	3	**100**	209	3	**212**
Amortisation	2,876	-	**2,876**	2,248	-	**2,248**
Operating (loss)/gain	**(2,212)**	**271**	**(1,941)**	**(2,466)**	**256**	**(2,210)**
Interest Payable			(20)			**-**
Finance income			32			56
Loss before taxation			**(1,929)**			**(2,154)**
Income tax			(29)			(23)
Loss after taxation			**(1,958)**			**(2,177)**

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		Year Ended
	30 Jun 2011	**30 Jun 2010**	**31 Dec 2010**
	US $ '000	US $ '000	US $ '000
EBITDA	1,035	250	3,056
Depreciation	(100)	(212)	(413)
Amortisation - Development Costs	(2,784)	(2,178)	(4,683)
Amortisation - Software	(92)	(70)	(128)
Finance income	32	56	98
Interest Payable	(20)	-	-
Loss before income tax	**(1,929)**	**(2,154)**	**(2,070)**

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 2011	30 Jun 2011	30 Jun 2011	31 Dec 2010	31 Dec 2010	31 Dec 2010
	E- business	**Consulting**	**Total**	**E- business**	**Consulting**	**Total**
	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000
Total segment assets	35,026	959	**35,985**	36,772	1,052	**37,824**

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**		**Year Ended**
	30 Jun 2011	**30 Jun 2010**	**31 Dec 2010**
	US $ '000	US $ '000	US $ '000
Transaction revenue	5,952	6,694	12,951
Professional services	4,915	3,666	8,409
Consultancy	2,019	2,086	4,103
Other Revenue	371	644	1,383
Total Revenue	**13,257**	**13,090**	**26,846**

5. Expenses by Nature

	Six Months Ended		Year Ended
	30 Jun 2011	30 Jun 2010	31 Dec 2010
	US $ '000	US $ '000	US $ '000
Employee Benefit expense (Note 6)	6,601	7,061	13,442
Consultant and Contractor	2,218	1,968	4,102
Depreciation	100	212	413
Amortisation - Development Costs	2,784	2,178	4,683
Amortisation - Software	92	70	128
Hosting	717	754	1,360
Establishment costs	861	675	1,685
Professional fees	702	709	769
Third Party Services	239	216	456
Travel	378	228	567
Communication	140	146	282
Auditors remuneration	112	78	188
Expenses Capitalised	(209)	(362)	(422)
Other	571	611	846
Total cost of sales, selling and marketing costs and administrative expenses	**15,306**	**14,544**	**28,499**
Disclosed as:			
- Cost of sales	12,731	12,150	23,784
- Selling and marketing costs	1,365	946	2,081
- Administrative expenses	1,210	1,448	2,634
Total	**15,306**	**14,544**	**28,499**

6. Employee benefit expense

	Six Months Ended		Year Ended
	30 Jun 2011	30 Jun 2010	31 Dec 2010
	US $ '000	US $ '000	US $ '000
Wages and salaries	6,801	7,246	13,965
Social security costs	679	717	1,349
Pension costs – defined contribution schemes	240	96	308
Employee benefit expense before capitalisation	**7,720**	**8,059**	**15,622**
Capitalised labour	(1,142)	(1,027)	(2,307)
	6,578	**7,032**	**13,315**
Share options granted to directors and employees	23	29	127
Total	**6,601**	**7,061**	**13,442**

7. Trade and other receivables

	30 Jun 2011 US $ '000	31 Dec 2010 US $ '000
Trade receivables	7,013	5,698
Less: provision for impairment	(171)	(171)
Trade receivables – Net	**6,842**	**5,527**
Other receivables	525	833
Prepayments	891	718
Accrued income	2,938	2,776
	11,196	**9,854**

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

	30 Jun 2011	31 Dec 2010
US$	5,501	4,667
Euro	1,127	827
Sterling	385	204
	7,013	**5,698**

All amounts fall due within one year.

8. Borrowings

Financial Lease Liabilities	**30 Jun 2011** US $ '000	**31 Dec 2010** US $ '000
Non-Current	152	246
Current	120	122
Total Borrowings	**272**	**368**

9. Trade and other payables

	30 Jun 2011	31 Dec 2010
	US $ '000	US $ '000
Trade payables	2,111	1,748
Accruals	1,659	1,557
Deferred income	153	440
Pension contribution	99	101
Social security and other taxes	470	499
	4,492	**4,345**

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

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

US$	1,151	1,027
Euro	301	393
Sterling	288	135
Australian Dollar	371	193
	2,111	**1,748**

10. Income tax

	Six Months Ended		Year Ended
	30 Jun 2011	30 Jun 2010	31 Dec 2010
	US $ '000	US $ '000	US $ '000
Current tax			
Income tax charge	29	23	77
Current tax expense for the period	**29**	**23**	**77**

11. Loss per share

	Six Months Ended		Year Ended
	30 Jun 2011	30 Jun 2010	31 Dec 2010
Basic and Diluted			
Loss attributable to ordinary shareholders (US$ '000)	(1,958)	(2,177)	(2,147)
Weighted average number of ordinary shares outstanding	71,683,345	71,651,678	71,651,678
Basic and Diluted loss per share (in US$ cents)	(2.7)	(3.0)	(3.0)

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.

12. Intangible assets

	Software	TDP Development	Total
	US$'000	US$'000	US$'000
Period to 30 June 2010			
Opening net book amount	226	18,219	**18,445**
Additions	8	1,489	**1,497**
Amortisation charge	(70)	(2,178)	**(2,248)**
Closing net book amount	**164**	**17,530**	**17,694**
Year Ended 31 December 2010			
Opening net book amount	226	18,219	**18,445**
Additions	8	2,829	**2,837**
Government grant assistance	-	(247)	**(247)**
Amortisation charge	(128)	(4,683)	**(4,811)**
Closing net book amount	**106**	**16,118**	**16,224**
At 31 December 2010			
Cost	791	31,134	**31,925**
Accumulated Amortisation	(685)	(15,016)	**(15,701)**
Closing net book amount	**106**	**16,118**	**16,224**
Period to 30 June 2011			
Opening net book amount	106	16,118	**16,224**
Additions	-	1,561	**1,561**
Reclass from Computer Equipment	146	-	**146**
Amortisation charge	(92)	(2,784)	**(2,876)**
Fully Amortised Assets - Cost	(266)	(437)	**(703)**
Fully Amortised Assets - Accumulated Depreciation	266	437	**703**
Closing net book amount	**160**	**14,895**	**15,055**
At 30 June 2011			
Cost	671	32,258	**32,929**
Accumulated Amortisation	(511)	(17,363)	**(17,874)**
Closing net book amount	**160**	**14,895**	**15,055**

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 2011, 31,667 ordinary shares were issued upon the conversion of employee share options into ordinary share capital.

14. Cash (used in) / generated from operations

	Six Months Ended 30 Jun 2011 US $ '000	Six Months Ended 30 Jun 2010 US $ '000	Year Ended 31 Dec 2010 US $ '000
Loss for the financial period	(1,958)	(2,177)	(2,147)
Adjustments for:			
Income tax charge	29	-	77
Interest received	(32)	(56)	(98)
Interest paid	20	0	0
Depreciation	100	212	413
Amortisation	2,876	2,248	4,811
Employee share option amortisation	23	29	127
Unrealised Foreign Currency (gains)/losses on operating activities	(123)	170	515
Fixed Asset reclass to Expense	45	-	-
Changes in Working Capital:			
Trade and other receivables (Increase) / Decrease	(1,293)	1	725
Trade and other Payables Increase / (Decrease)	175	(455)	(201)
Cash (used in) / generated from operations	**(138)**	**(28)**	**4,222**

15. Related party transactions

The following transactions were carried out with related parties:

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

	Six Months Ended 30 Jun 2011 US $ '000	Six Months Ended 30 Jun 2010 US $ '000
Salaries and other short-term employee benefits	1,102	918
Post employment benefits	41	33
	1,143	**951**

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

	Six Months Ended 30 Jun 2011 US $ '000	Six Months Ended 30 Jun 2010 US $ '000
Basic Salaries and Fees	**138**	**149**

16. Principle 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 2011 since the approval of our statutory financial statements for the year ended 31 December 2010.

Flight Centre Limited

As outlined in our 2010 annual report, we are currently engaged in litigation with Flight Centre Limited ("Flight Centre") of Australia. Flight Centre are seeking restitutionary and compensatory damages from Datalex for non-delivery under the contract, and Datalex are seeking damages from Flight Centre for breach of contract.

In our 2010 annual report we stated that it was our view that this claim would not result in a material adverse effect on our business, financial position, income, or cash flows. Consequently, no provision was made in our financial statements for the year ended 31 December 2010.

At 30 June 2011, we maintain this view, that this claim will not have any material adverse effect on our business or financial position, and consequently we have not made any provision in respect of this claim in our financial information for the six months ended 30 June 2011. Litigation is always subject to inherent uncertainties and our view of these matters may change in the future.

17. Seasonality

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

18. 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.

19. 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.