Datalex grows Adjusted EBITDA 18% and reaffirms full year guidance

Dublin, Ireland - 30 August, 2013 – Datalex Plc (ISE: DLE) today announces interim results for the six months ended 30 June 2013:

- Revenue momentum strong, up 13%
- Adjusted EBITDA growth of 18%
- New airline customers live on the Travel Distribution Platform (TDP)
- Two key initiatives with HP and PROS

H1 2013 Overview

We are pleased to report that the first half of 2013 has seen us achieve our growth targets, providing us with the base to deliver on our full year expectations. Our market presence continues to strengthen, with Westjet, the second largest airline in Canada, going live on TDP in Q1.

We can also report some significant strategic developments that will help drive growth beyond 2013, including a partnership with Hewlett Packard Enterprise Services ('HPES'), and an exciting opportunity to collaborate with PROS, one of the world's leading Big Data software companies. These developments, together with the continued growth and performance of our platform, consolidate Datalex's position as the world's leading provider of retail software capabilities to the travel industry.

A summary of the financial results for the first six months of 2013 is set out below:

Six months ended 30 June	2013	2012	*Change*
	$M	$M	
Total revenue	17.7	15.7	*13%*
Transaction revenue included in total revenue	8.0	7.2	*11%*
Total cost of sales, selling and marketing costs, and administrative expenses	17.4	15.9	*10%*
Net profit / (loss) after tax	0.2	(0.2)	*n/a*
Adjusted EBITDA[1]	3.1	2.6	*18%*
EPS / (LPS) - cents	0.23	(0.3)	*n/a*
Cash and cash equivalents	11.5	11.1	*4%*

H1 2013 Performance

Total revenue for the period was $17.7m, up 13% on the same period in 2012. Transaction revenue grew by 11% to $8.0m (2012 H1: $7.2m) reflecting the impact of new customers that went live during the second half of 2012 and early 2013, including Delta and Westjet. Service revenue also experienced strong growth in the period, growing 21% to $8.0m (2012 H1: $6.6m) driven primarily by revenue associated with new customer deployments. Our total cost base grew by 10% to $17.4m, driven by a 14% increase in payroll and contractor costs to $13.1m, which helped deliver the 21% increase in

[1] EBITDA adjusted for non-cash share option amortisation expense of $365k (2012 H1: $32k).

service revenue. Adjusted EBITDA in H1 2013 grew 18% to $3.1m (2012 H1: $2.6m), delivering a net profit after tax in the period of $0.2m (2012 H1: net loss $0.2m).

Financial Position at 30 June 2013

Cash at 30 June was $11.5m, representing a 4% increase on 30 June 2012. Cash reserves at 30 June are down $3.1m from the beginning of 2013, mainly reflecting the working capital investment related to new customer deployments and enhancement programmes at current customers. This will unwind during the second half of the year, and together with the impact of customers that have gone live on TDP in H1, we anticipate full year growth in cash of 15%.

Operational Review

In H1 we brought TDP live at a number of new customers, including Westjet, the second largest airline in Canada, and a second group of SITA airlines. New deployments continue in H2, with Virgin Australia going live in late August. Omanair is projected to go live later in Q3, and work continues on the roll out of TDP at SITA carriers.

These new customers will drive growth in our transaction revenue line in 2014 and beyond.

Business Development

1. New customer acquisition

Our new business pipeline remains strong, and we are on course to significantly increase our transaction revenue base this year. We have added a number of new customers to date in 2013, including:

- Virgin Atlantic, who have agreed to take our merchandising platform. We expect them to go live and begin generating transaction revenue in Q1 2014
- An American carrier, which has agreed to take our full ecommerce platform. We expect to close out contracts by the end of Q3, and go live in mid 2014
- The next tranche of SITA carriers

We are in discussions with a number of other carriers, and expect to close more deals in H2.

2. Partnerships

The second element of our business development plan is the identification of partnerships with key industry players, which will allow us to leverage our technology. The first of these important relationships was established in late 2011 with the leading global IT services provider, SITA. We are pleased to report two significant developments in this area in 2013:

- Hewlett Packard Enterprise Services ('HPES')

  Datalex and HPES have entered into a marketing and product agreement for the provision of retailing solutions to the travel and transportation industry. HPES is a leading provider of passenger service systems and products to the travel and transportation industry. Under this agreement, HPES and Datalex will integrate systems and products to provide innovative shopping, merchandising and fulfilment capabilities to travel retailers worldwide.

- PROS

  Datalex and PROS, a leading Big Data software company, have begun collaborating on a number of exciting revenue generating capabilities to allow airlines manage, for the first time, the entire customer retail interaction - both air and ancillary. This will further enhance our market leading position in travel retail solutions.

Board Appointment

On 21 June 2013, Mr. Garry Lyons was appointed to the board as a Non-Executive Director. Mr. Lyons is Chief Innovation Officer and Head of MasterCard Labs for MasterCard Worldwide, where he also leads the company's global R&D arm.

Outlook

The first half of 2013 represents a robust start to the year for Datalex, with new customer wins, two important new partnerships and solid financial metrics achieved. We remain comfortable with guidance of 25% - 30% Adjusted EBITDA growth for FY 2013.

About Datalex

Datalex is a leading provider of travel retail 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, 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 and the USA. 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 2013

Datalex plc
Chief Executive's Review
for the six months ended 30 June 2013

Summary

I am pleased to report that the first half of 2013 has seen us achieve our growth targets, providing us with the base to deliver on our full year expectations. Our market presence continues to strengthen, with Westjet of Canada and the second group of SITA carriers going live on TDP in H1. This will drive growth in our transaction revenue line in the second half of 2013 and beyond.

Key events

In the first half of 2013 we brought our platform live at a number of new customers, including Westjet, the second largest airline in Canada and the second group of SITA airlines.

We also went live with Virgin Australia this month, and will bring a number of new carriers live on TDP during H2, including Omanair and a further group of SITA carriers.

We continue to use partnerships with leading industry players to leverage our technology. The first of these was established with SITA in 2011, and in H1 2013 we entered into a Marketing and Product Agreement with HP Enterprise Services (HPES), under which HPES and Datalex will integrate systems and products to provide innovative shopping, merchandising and fulfilment capabilities to travel retailers worldwide.

We have begun collaborating with PROS, a leading Big Data software company, on a number of exciting revenue generation capabilities to allow airlines to manage the entire customer interaction, both air and ancillary. This will further enhance our market leading position in travel retail solutions.

Performance

Total revenue in H1 was $17.7m, up 13% on the same period in 2012. Transaction revenue grew by 11% to $8.0m (2012 H1: $7.2m) reflecting the impact of the new customers that went live during 2012 and early 2013, including Westjet, Delta and SITA. Service revenue also experienced strong growth in the period, rising 21% to $8.0m (2012 H1: $6.6m) driven primarily by revenue associated with new customer deployments and further development of existing customers solutions. Our cost base grew by 10% to $17.4m reflecting the increase in deployment of TDP at new and existing customers that took place in the period. Our Adjusted EBITDA (1) in H1 2013 grew 18% to $3.1m (2012 H1: Adjusted EBITDA $2.6m), generating a net profit after tax in the period of $0.2m (2012 H1: Net loss $0.2m).

Balance Sheet

Cash at 30 June was $11.5m, up 4% on 30 June 2012. Cash reserves are down $3.1m from the beginning of the year, as expected, reflecting the investment in working capital required to deploy our platform at a number of new customers. This will unwind during the second half of the year.

Trade receivables at 30 June 2013 were $6m (30 June 2012: $4.3m) (31 December 2012: $4.4m) and accrued but unbilled income was $4.1m (30 June 2012: $2.6m) (31 December 2012: $2.7m). The increase in debtors and unbilled income reflects the scale of new customer deployments and on-going enhancements at existing customers.

We continue to invest in the retail capabilities of TDP with gross spend on product development in H1 2013 of $1.9m (H1 2012: $1.7m). Amortisation of product development investment was $2.0m in the period (H1 2012: $2.4m), resulting in a net debit to the Income Statement in the period of $0.1m (H1 2012: net debit of $0.7m).

(1) EBITDA adjusted for non-cash share option amortisation expense of $365k (2012 H1: $32k).

Principal risks and uncertainties

The principal risks and uncertainties faced by the Group for the remaining part of the year are outlined in Note 16 to the condensed interim financial information.

Aidan Brogan
Chief Executive Officer

30 August 2013

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 2013 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 2013, and a description of the principal risks and uncertainties for the remaining six months which has been provided in Note 16 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.

Mr Garry Lyons was appointed to the board on 21 June 2013 as a Non-Executive Director. The other directors of Datalex plc as at 30 June 2013 are as listed in the group Annual Report for 2012.

On behalf of the Board

Aidan Brogan
Director

David Kennedy
Director

30 August 2013

Datalex plc

Condensed Consolidated Interim Balance Sheet

as at 30 June 2013 – unaudited

	Notes	30 June 2013 US $ '000	31 Dec 2012 US $ '000
ASSETS			
Non-current assets			
Property, plant and equipment		1,643	1,674
Intangible assets	**12**	13,587	13,821
Deferred income tax assets		840	840
Total non-current assets		**16,070**	**16,335**
Current Assets			
Trade and other receivables	**7**	10,976	7,917
Financial assets - Forward contracts		11	145
Cash and cash equivalents		11,530	14,628
Total current assets		**22,517**	**22,690**
TOTAL ASSETS		**38,587**	**39,025**
EQUITY			
Capital and reserves attributable to the equity holders of the company			
Ordinary share capital		7,304	7,222
Other equity share capital		262	262
Other reserves		2,300	1,624
Retained earnings		22,045	21,879
TOTAL EQUITY		**31,911**	**30,987**
LIABILITIES			
Non-Current Liabilities			
Borrowings	**8**	552	513
Total non-current liabilities		**552**	**513**
Current liabilities			
Trade and other payables	**9**	5,530	6,817
Borrowings	**8**	594	708
Total current liabilities		**6,124**	**7,525**
TOTAL EQUITY AND LIABILITIES		**38,587**	**39,025**

The accompanying notes on pages 10 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Condensed Consolidated Interim Income Statement

for the six months ended 30 June 2013 – unaudited

	Notes	Six Months Ended		Year Ended
		30 Jun 2013	30 Jun 2012	31 Dec 2012
		US $ '000	US $ '000	US $ '000
Revenue	4	17,659	15,691	32,350
Cost of sales	5	(14,587)	(12,864)	(26,722)
GROSS PROFIT		**3,072**	**2,827**	**5,628**
Selling and marketing costs	5	(1,197)	(1,489)	(2,844)
Administrative expenses	5	(1,618)	(1,515)	(2,782)
Other (losses)/gains		(91)	19	355
OPERATING PROFIT/(LOSS)		**166**	**(158)**	**357**
Finance income		47	13	57
Finance costs		(36)	(36)	(94)
PROFIT/(LOSS) BEFORE INCOME TAX		**177**	**(181)**	**320**
Income tax (expense)/credit	10	(11)	(9)	801
PROFIT/(LOSS) FOR THE PERIOD		**166**	**(190)**	**1,121**
PROFIT/(LOSS) PER SHARE (in US$ cents per share)				
Basic	11	0.23	(0.30)	1.59
Diluted	11	0.22	(0.30)	1.50

The accompanying notes on pages 10 to 20 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 2013 – unaudited

	Six Months Ended		Year Ended
	30 June 2013	30 June 2012	31 Dec 2012
	US $ '000	US $ '000	US $ '000
Profit/(Loss) for the financial period	**166**	**(190)**	**1,121**
Other comprehensive income/(expense) :			
Items that may subsequently be reclassified to profit or loss			
Foreign currency translation adjustments:			
- Arising in the period	(3)	(19)	1
	(3)	(19)	1
Items which will not be subsequently be reclassified to profit or loss	-	-	-
Comprehensive income and expense for the financial period	**163**	**(209)**	**1,122**

The accompanying notes on pages 10 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Condensed Consolidated Interim Statement of Changes in Equity
for the six months ended 30 June 2013 – 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 2012	7,171	262	187,748	(166,011)	**29,170**
Loss for the period	-	-	-	(190)	**(190)**
Other comprehensive expense	-	-	(19)	-	**(19)**
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	-	-	(186,769)	186,769	**-**
Proceeds from exercise of collateral on Datalex plc shares	-	-	769	-	**769**
Purchase of treasury shares	-	-	(723)	-	**(723)**
Balance at 30 June 2012 (1)	**7,178**	**262**	**1,047**	**20,568**	**29,055**
Balance at 1 January 2012	7,171	262	187,748	(166,011)	**29,170**
Profit for the year	-	-	-	1,121	**1,121**
Other comprehensive income	-	-	1	-	**1**
Total comprehensive income and expense for the period	**-**	**-**	**1**	**1,121**	**1,122**
Employee share option scheme charge	-	-	207	-	**207**
Issue of ordinary shares on exercise of options	51	-	143	-	**194**
Share Capital reduction	-	-	(186,769)	186,769	**-**
Proceeds from exercise of collateral on Datalex plc shares	-	-	1,017	-	**1,017**
Purchase of treasury shares	-	-	(723)	-	**(723)**
Balance at 31 December 2012	**7,222**	**262**	**1,624**	**21,879**	**30,987**
Balance at 1 January 2013	7,222	262	1,624	21,879	**30,987**
Profit for the period	-	-	-	166	**166**
Other comprehensive expense	-	-	(3)	-	**(3)**
Total comprehensive income and expense for the period	**-**	**-**	**(3)**	**166**	**163**
Issue of ordinary shares on exercise of options	82	-	314	-	**397**
Employee share option scheme charge	-	-	365	-	**365**
Balance at 30 June 2013	**7,304**	**262**	**2,300**	**22,045**	**31,911**

(1) See Note 3 - Accounting policies.
The accompanying notes on pages 10 to 20 form an integral part of the condensed interim financial information.

Datalex plc

Condensed Consolidated Interim Cash Flow Statement

for the six months ended 30 June 2013 – unaudited

	Notes	Six Months Ended		Year Ended
		30 June 2013 US $ '000	30 Jun 2012 US $ '000	31 Dec 2012 US $ '000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash (used in)/generated from operations	**14**	(978)	998	6,690
Income tax paid		(20)	(80)	(119)
NET CASH USED IN/GENERATED FROM OPERATING ACTIVITIES		**(998)**	**918**	**6,571**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(438)	(646)	(1,171)
Additions to Intangible assets	**12**	(1,884)	(1,902)	(4,173)
Interest received		47	13	57
NET CASH USED IN INVESTING ACTIVITIES		**(2,275)**	**(2,535)**	**(5,287)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of shares		397	(30)	194
Proceeds from exercise of collateral on Datalex plc shares		-	769	1,017
Purchase of treasury shares		-	(723)	(723)
(Decrease)/increase in finance lease liabilities		(75)	143	253
Interest Paid		(36)	(36)	(94)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**286**	**123**	**647**
Net (decrease)/increase in cash and cash equivalents		(2,987)	(1,494)	1,931
Foreign Exchange (loss)/gain on cash and cash equivalents		(111)	9	160
Cash and cash equivalents at beginning of year		14,628	12,537	12,537
CASH AND CASH EQUIVALENTS AT END OF YEAR		**11,530**	**11,052**	**14,628**

The accompanying notes on pages 10 to 20 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 30 August 2013.

2. Basis of preparation

The condensed Group interim financial statements included in this report have 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 2012 included in the Group's 2012 annual report which is available on the Group website www.datalex.com. The condensed Group interim financial statements presented do not constitute full group accounts within the meaning of Regulation 40(1) of the European Communities (Companies: Group Accounts) Regulations, 1992 of Ireland insofar as such group accounts would have to comply with all of the disclosure and other requirements of those Regulations. Full Group accounts for the year ended 31 December 2012 will be filed with the Irish Registrar of Companies in due course. The audit report on those Group accounts was unqualified.

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 condensed consolidated 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 2012, except for the amendments to IAS 1 described below:

Amendments to IAS 1

The amended IAS 1, *Presentation of Financial Statements,* requires the grouping of items of other comprehensive income that may be reclassified to profit or loss at a future point in time separately from those items which will never be reclassified. The revised standard, which has been adopted by the Group with effect from 1 January 2013, affects presentation only and does not impact the Group's financial position or performance.

Reclassification in the presentation of certain items in the statement of changes in equity

The 2013 condensed consolidated financial statements include comparative information consisting of the condensed consolidated interim income statements for the half-year ended 30 June 2012 and the year ended 31 December 2012, the condensed consolidated statements of financial position at 30 June 2012 and 31 December 2012, the condensed consolidated interim statement of comprehensive income for the half-year ended 30 June 2012 and the year ended 31 December 2012, the condensed consolidated interim statement of changes in equity for the half-year ended 30 June 2012 and the year ended 31 December 2012 and the condensed consolidated interim cash flow statement for the half-year ended 30 June 2012 and the year ended 31 December 2012. Furthermore the comparative information in the condensed consolidated interim statement of changes in equity includes certain changes in the presentation of transactions that occurred in the six months to 30 June 2012. These reclassifications in the comparative information have the purpose of consistency in presentation with the presentation adopted as at 31 December 2012 and do not impact the total equity figure reported as at 30 June 2012 or the results for the six month period then ended.

The following amendments have been made in the presentation of the condensed consolidated interim statement of changes in equity from 30 June 2012 to 30 June 2013 in line with the presentation of figures at 31 December 2012.

(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. Datalex (Ireland) Limited also obtained the approval of the High Court on 4 April 2012 for a share capital reduction of US$105.2m. The net impact on the consolidated reserves was a transfer of US$186.8m from share premium and other reserves to retained earnings. Refer to Note 10 of the 2012 Annual Report. For the purpose of preparation of comparative information as of June 30 2012 we have amended the originally presented condensed consolidated interim statement of changes in equity to reflect this presentation retrospectively with the purpose of providing consistent comparative information.

(2) Collateral disposal

The net recovery of a loan through reserves under IAS 32 as presented in the Interim financial statements for the six month period ending 30 June 2012 has been reclassed to Other Reserves and is now presented showing the proceeds from the sale of shares arising from the exercise of a collateral with a company called Conductive Technology Corp ('CTC'), as explained in Note 10 to the 2012 Annual Report and the subsequent purchase of treasury shares as separate items under the Other Reserves heading on the face of the condensed consolidated interim statement of changes in equity.

These changes in presentation do not impact the total equity figure reported as at 30 June 2012 or the results for the six month period then ended.

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 and service perspective. Management considers the performance of E-business and TPF Consulting on a separate basis.

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.

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.

The segment information provided to the executive management team for the reportable segments for the financial period ended 30 June 2013 is as follows:

	Six Months Ended 30 Jun 2013			Six Months Ended 30 Jun 2012		
	E-business	**TPF Consulting**	**Total**	**E-business**	**TPF Consulting**	**Total**
	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000
Revenue	16,293	1,729	**18,022**	14,091	1,968	**16,059**
Inter-segment revenue	-	(363)	**(363)**	-	(368)	**(368)**
External Revenue	**16,293**	**1,366**	**17,659**	**14,091**	**1,600**	**15,691**
EBITDA	**2,554**	**201**	**2,754**	**2,459**	**147**	**2,606**
Depreciation	461	10	**471**	283	9	**292**
Amortisation	2,118	-	**2,118**	2,471	-	**2,471**
Operating (loss)/ profit	**(25)**	**191**	**166**	**(296)**	**138**	**(158)**
Interest Payable			(36)			(36)
Finance income			47			13
Profit/(loss) before taxation			**177**			**(181)**
Income tax charge			(11)			(9)
Profit/(loss) after taxation			**166**			**(190)**

4. Segmental information (continued)

A reconciliation of EBITDA to profit/(loss) before income tax is provided as follows:

	Six Months Ended		Year Ended
	30 Jun 2013	30 Jun 2012	31 Dec 2012
	US $ '000	US $ '000	US $ '000
EBITDA	2,754	2,606	5,761
Depreciation	(470)	(292)	(680)
Amortisation - Development Costs	(2,004)	(2,384)	(4,527)
Amortisation - Software	(114)	(88)	(197)
Finance income	47	13	57
Interest Payable	(36)	(36)	(94)
Profit/(loss) before income tax	177	(181)	320

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 2013	30 Jun 2013	30 Jun 2013	31 Dec 2012	31 Dec 2012	31 Dec 2012
	E- business	TPF Consulting	Total	E- business	TPF Consulting	Total
	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000	US $ '000
Total segment assets	37,123	1,464	**38,587**	37,430	1,595	**39,025**

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 2013	30 Jun 2012	31 Dec 2012
	US $ '000	US $ '000	US $ '000
Transaction revenue	8,009	7,202	14,689
Professional services	8,002	6,610	14,070
Consultancy	1,366	1,600	2,992
Other revenue	282	279	599
Total Revenue	17,659	15,691	32,350

5. Expenses by Nature

	Six Months Ended		Year Ended
	30 Jun 2013	**30 Jun 2012**	**31 Dec 2012**
	US $ '000	US $ '000	US $ '000
Employee Benefit expense (Note 6)	8,804	7,483	16,442
Consultants and Contractors	3,689	3,026	6,593
Capitalisation of consultants and contractors costs	(857)	(705)	(2,054)
Depreciation	470	291	680
Amortisation - Development Costs (Note 12)	2,004	2,384	4,527
Amortisation - Software (Note 12)	114	87	197
Hosting	445	471	914
Establishment costs	769	831	1,562
Professional fees	571	590	1,044
Third Party Services	105	73	185
Travel	481	398	855
Communication	120	146	277
Auditors remuneration	86	94	219
Other	601	699	907
Total cost of sales, selling and marketing costs and administrative expenses	**17,402**	**15,868**	**32,348**
Disclosed as:			
- Cost of sales	14,587	12,864	26,722
- Selling and marketing costs	1,197	1,489	2,844
- Administrative expenses	1,618	1,515	2,782
Total operating costs	**17,402**	**15,868**	**32,348**

6. Employee benefit expense

	Six Months Ended		Year Ended
	30 Jun 2013	**30 Jun 2012**	**31 Dec 2012**
	US $ '000	US $ '000	US $ '000
Wages and salaries	8,246	7,478	15,869
Social security costs	902	756	1,647
Pension costs – defined contribution schemes	318	249	489
Employee benefit expense before capitalisation	**9,466**	**8,483**	**18,005**
Capitalised labour	(1,027)	(1,031)	(1,770)
	8,439	**7,452**	**16,235**
Share options granted to directors and employees	365	31	207
Total	**8,804**	**7,483**	**16,442**

7. Trade and other receivables

	30 Jun 2013 US $ '000	31 Dec 2012 US $ '000
Trade receivables	6,048	4,358
Less: provision for impairment	(540)	(540)
Trade receivables – Net	**5,508**	**3,818**
Other receivables	634	594
Prepayments	741	786
Accrued income	4,093	2,719
	10,976	**7,917**

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

US$	4,222	2,584
Euro	1,637	1,686
Sterling	189	88
	6,048	**4,358**

All amounts fall due within one year.

8. Borrowings

Financial Lease Liabilities	30 Jun 2013 US $ '000	31 Dec 2012 US $ '000
Non-Current	552	513
Current	594	708
Total Borrowings	**1,146**	**1,221**

The carrying amount of the Group's borrowings are denominated in US$. Lease liabilities are secured as the rights to the leased assets revert to the lessor in the event of default.

9. Trade and other payables

	Group 30 June 2013 US $ '000	Group 31 Dec 2012 US $ '000
Trade payables	2,536	2,624
Accruals	1,499	1,810
Deferred income	65	867
Pension contribution	185	136
Social security and other taxes	1,245	1,380
	5,530	**6,817**

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$	1,806	1,849
Euro	635	708
Sterling	83	63
Australian Dollar	12	4
	2,536	**2,624**

10. Income tax

	Six Months Ended		Year Ended
	30 Jun 2013	**30 Jun 2012**	**31 Dec 2012**
	US $ '000	US $ '000	US $ '000
Income tax charge/(credit) - current	11	9	39
Deferred tax [1]	-	-	(840)
Income tax charge/(credit) for the period	**11**	**9**	**(801)**

[1] This relates to the recognition of deferred tax losses forward as explained in Note 19 of the 2012 Annual Report.

11. Earnings/(Loss) per share

	Year Ended		
	30 Jun 2013	**30 Jun 2012**	**31 Dec 2012**
Basic			
Profit/(loss) attributable to ordinary shareholders (US$ '000)	166	(190)	1,121
Weighted average number of ordinary shares outstanding	70,891,399	70,031,136	70,315,704
Basic earnings/(loss) per share (in US$ cents)	0.23	(0.3)	1.59

Basic earnings per share is calculated by dividing the profit attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased/issued by the Company and held as treasury shares on the basis that there is further consideration receivable in respect of these shares (at 30 June 2013: 1.56m shares, at 30 June 2012: 1.7m and 31 December 2012: 1.56m).

	Six Months Ended		Year Ended
	30 Jun 2013	**30 Jun 2012**	**31 Dec 2012**
Diluted			
Profit attributable to ordinary shareholders (US$ '000)	166	-	1,121
Weighted average number of ordinary shares outstanding	70,891,399	-	70,315,704
Adjustment for share options	4,044,259	-	4,538,587
Weighted average number of ordinary shares outstanding	74,935,658	-	74,854,291
Diluted earnings per share (in US$ cents)	0.22	-	1.50

11. Earnings/(Loss) per share (continued)

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 Joint Share Ownership Plan (JSOP) awards. 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 subscription rights attached to outstanding share options. As at 30 June 2013, 1,560,000 JSOP awards and 2,767,000 share options (31 December 2012: 1,560,000 JSOP awards and 1,570,000 share options) subject to performance conditions have not been included in the calculation of diluted EPS as the related performance conditions have not been met. The number of shares calculated as above is compared with the number of shares that would have 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 as at 30 June 2012.

12. Intangible assets

	Software	TDP Development	Total
	US$'000	**US$'000**	**US$'000**
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**
Year Ended 31 December 2012			
Opening net book amount	352	14,383	**14,735**
Additions	297	3,876	**4,173**
Government grant assistance	-	(363)	**(363)**
Amortisation charge	(197)	(4,527)	**(4,724)**
Closing net book amount	**452**	**13,369**	**13,821**
At 31 December 2012			
Cost	1,209	37,664	**38,873**
Accumulated Amortisation	(757)	(24,295)	**(25,052)**
Closing net book amount	**452**	**13,369**	**13,821**
Period to 30 June 2013			
Opening net book amount	452	13,369	**13,821**
Additions	-	1,884	**1,884**
Amortisation charge	(114)	(2,004)	**(2,118)**
Closing net book amount	**338**	**13,249**	**13,587**
At 30 June 2013			
Cost	1,209	39,548	**40,757**
Accumulated Amortisation	(871)	(26,299)	**(27,170)**
Closing net book amount	**338**	**13,249**	**13,587**

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 2013, 828,022 ordinary shares were issued upon the exercise of employee share options into ordinary share capital.

14. Cash (used in)/generated from operations

	Six Months Ended		Year Ended
	30 Jun 2013	30 Jun 2012	31 Dec 2012
	US $ '000	US $ '000	US $ '000
Profit/(loss) before income tax for the financial period	177	(181)	320
Interest received	(47)	(13)	(57)
Interest paid	36	36	94
Depreciation	470	292	680
Amortisation	2,118	2,472	4,724
Employee share option amortisation	365	31	207
Profit on disposal of fixed assets	-	-	1
Foreign Currency losses/(gains) on operating activities	239	(140)	(78)
Changes in Working Capital:			
Trade and other receivables	(2,956)	(553)	656
Trade and other payables	(1,381)	(946)	143
Cash (used in)/generated from operations	**(978)**	**998**	**6,690**

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	Six Months Ended
	30 Jun 2013	30 Jun 2012
	US $ '000	US $ '000
Salaries and other short-term employee benefits	1,282	1,279
Post employment benefits	54	41
Share based payments	180	20
	1,516	**1,340**

15. Related party transactions (continued)

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

	Six Months Ended 30 Jun 2013 US $ '000	Six Months Ended 30 Jun 2012 US $ '000
Basic salaries and fees	**95**	**137**

Details of related party transactions in respect of the year ended 31 December 2012 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 2013 or changes to transactions with related parties disclosed in the 2012 financial statements that had a material effect on the financial position or performance of the Group.

Mr Aidan Brogan was granted 1,000,000 share options in March 2013.

Mr Cormac Whelan who left office on 25 June 2012 exercised 660,000 share options in March 2013.

16. Principal risks and uncertainties

(a) Principal risks

The principal risks and uncertainties faced by the Group were outlined in our 2012 annual report on pages 9-10. The annual report is available on our website www.datalex.com. The principal risks and uncertainties remain substantially the same for the remaining six months of the financial year and are summarised below:

- Datalex operates in a highly competitive market. Any targeted aggressive competitor activity could result in a loss of customers and/or adverse impact on business growth prospects.
- Technological changes or competitor activity/loss of customers could have an adverse impact on financial performance.
- Global economic conditions could result in a reduction in level of air travel and/or airline investment, with a consequential impact on our financial performance and growth.
- Cost overruns and delays to commencement of transaction revenue at new deployments could have an adverse impact on our financial performance.
- Our products are mission critical for our customers, and we set an extremely high performance expectation. If we fail to meet these standards it could have an adverse impact on our financial performance and customer satisfaction.
- Issues with product quality could result in cost overruns or delayed go lives, and negatively impact on our brand and reputation.
- The group's cost base is largely activity driven, and its effective utilisation in line with anticipated activity levels is critical to financial performance.
- Datalex reports in US$ but has a sizeable element of its cost base in Euro and Sterling. Adverse fluctuations in exchange rates can negatively impact on financial performance.
- Our customers are mainly airlines – operating in challenging environments. Failure to manage credit risk and operating cash flows could result in bad debt exposure and adverse impact on cash reserves.
- If a significant event was to occur that resulted in a loss of function of key systems, premises or personnel, the business could be unable to carry out day to day functions across the group.
- The ongoing success of the group is dependent on attracting and retaining high quality personnel, particularly in software development and project management. A shortage of these skills could impair business growth.

16. Principal risks and uncertainties (continued)

(b) Litigation and disputes

There has been no material change in our contingent liabilities in the period ended 30 June 2013 since the approval of our statutory financial statements for the year ended 31 December 2012.

17. Seasonality

While management do not believe that seasonality has a material impact on the business of the Group, business performance is impacted by the timing of go lives, which triggers the commencement of transaction revenue from new customers.

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.