25 May 2011

First Derivatives plc
("First Derivatives" the "Company" or the "Group")

Final Results

First Derivatives (AIM: FDP.L, IEX:GYQ.I), a leading provider of software and consulting services to industry global investment banks and hedge funds, today announces its results for the twelve months ended 28 February 2011.

Financial Highlights:

- Revenues increased by 44.2% to £36.740 million (2010: £25.476 million)
- EBITDA increased by 18.3% to £8.575 million (2010: £7.247 million)
- Pre-tax profits increased by 15.1% to £6.495 million compared to (2010: £5.645 million)
- Fully diluted earnings per share increased by 12.4% to 29.0p per share (2010: 25.8p)
- Net assets increased by 52% to £24.888 million (2010: £16.310 million)
- Final dividend of 7.25p per share, which together with interim dividend of 2.9p amounts to 10.15p for the year (2010: 9.5p)

Business Highlights:

- Significant and ongoing investment into staff – headcount 524 at year end (2010 year end: 385)
- Strong performance across all divisions:
    - Software sales increased by 104.3% to £12.511million (2010: £6.124 million)
    - Consultancy sales increased by 25.2% to £24.229 million (2010: £19.352 million)
- 40 software clients now generating revenue
- Acquired LakeFront Data Ventures Inc. in August 2010 - this and all prior acquisitions now fully integrated
- Established SaaS offering with five data centers in UK, US and Ireland
- Secured £4.3 million commitment from Invest NI for creation of 359 new jobs over next three years

David Anderson, Chairman of First Derivatives commented:

"We are continuing to make a substantial investment in the development of all the Group's activities as we build a robust organisation with a strong asset base for growth. The past year has been one of further building and proving our software assets. Soft product launches will continue to occur in the first half of the current year and we expect to follow this with sustained marketing in the second half as we aim to capitalise on the investments made. We continue to have a strong pipeline of prospects and are pleased with how the Group is now positioned to further penetrate its target market. We have made a strong start to the current year and expect to be able to report further progress in the year to February 2012."

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About First Derivatives

First Derivatives is a global provider of software and consulting services to the financial services industry. With almost 16 years experience working with leading financial institutions, it continues to deliver technologically advanced products and services that anticipate and respond to the evolving needs of global capital markets.

First Derivatives currently employs over 550 people worldwide and counts many of the world's top investment banks, brokers and hedge funds as its customers. It has operations in London, New York, Stockholm, Shanghai, Singapore, Toronto, Sydney, Dublin, Newry and Hong Kong.

For further information please visit **www.firstderivatives.com**

CHAIRMAN'S STATEMENT

Introduction

I am pleased to report the fifteenth year of continued growth in profitability for the Group. This year the management team has continued to implement the Board's strategy of ensuring investment is made in Group assets to create a platform for growth in future years. Our ability to generate continued growth while implementing our investment growth strategy demonstrates the continued strong trading of the Group.

Financials

Revenues for the year ended 28 February 2011 increased by 44.2% to £36.740 million from £25.476 million in the previous year. Pre-tax profits increased by 15.1% to £6.495 million compared to £5.645 million in 2010. Fully diluted earnings per share increased by 12.4% to 29.0p per share (2010: 25.8p).

Dividend

The Group continues to generate strong operating cash flow and this, along with our retained cash at the year end, allows the Board to recommend a final dividend of 7.25p per share which together with the interim dividend of 2.9p per share paid on 8 December 2010 totals 10.15p for the full year and is covered approximately three times by earnings. This will be paid on 8 July 2011 to those shareholders on the register on 3 June 2011. The shares will be marked ex-dividend on 1 June 2011.

Software

Software sales at £12.511 million (2010: £6.124 million) were up 104.3% on the previous year and now account for 34.1% of total revenues (2010: 24.0%). We now have revenue flowing from more than 40 software customers. The investment made in research and development for the Delta product suite continues to deliver significant new functionality on existing products, in addition to new products this year. As advised in my interim statement in October the Group previously only had the capability to sell software using an annualised license model. As part of our investment this year and following on from the capability we acquired as part of the Cognotec trade and asset acquisition, we have invested in establishing both the software and physical infrastructure to operate a software as a service ("SaaS") environment. The investment in expanding this capability now means we have data centres in Belfast, Dublin, Chicago, New Jersey and England. Many of our products are now available for sale under annual license or transactional revenue based pricing models with both models allowing us to secure a continued and visible stream of software revenue.

The Delta range of software products
Our key strategic goal for our software suite continues to be that the products share a common technology platform to allow us to integrate our product portfolio seamlessly and efficiently, while maximising the potential for any cross-selling opportunities. The products solve the practical business problems associated with dealing with processing massive volumes of data in real-time. Our flagship software products include:

Delta Stream – Annual Licence model

Delta Stream, our tick data management and Complex Event Processing ("CEP") engine has a myriad of potential uses across all asset classes in the Capital Markets and other industry sectors. We have continued to secure sales in the second half of this year and since the year end we have announced a contract win with ANZ in Australia. While this is a recently released product, it is now implemented in a number of banking institutions as well as the Singapore Stock Exchange and we have commenced an active sales campaign as this product is now becoming well established.

Delta Algo – Annual Licence or SaaS model
Delta Algo is targeted at hedge funds and proprietary trading desks. At the time of the interim statement we advised that our first customer had completed implementation of the product in the period and was trading successfully. This was followed by an announcement detailing a sale to Trading Cross Connects which again resulted in a successful implementation. More recently, we secured a major new sale with a large investment bank for the implementation of the Delta Algo software as part of a major new programme. This is of strategic significance to the Group in its ability to demonstrate the enterprise capabilities of our software products and we are please to advise that phase one of this implementation has now been successfully completed.

Delta RDF – Annual Licence or SaaS model
Data management is a constant challenge for institutions with data volumes increasing and associated growth in applications and users of this data. The data market now uses terms like "Data Virtualisation" as data is becoming increasingly disaggregated with concerns over network performance and security driving a need to build virtualised data representations that can be accessed from any business application. We remain well positioned to meet this challenge to supply the required Data solutions.

During the year we were pleased to announce that we agreed a major software contract with Algorithmics. This win has been followed in the second half by the conclusion of a sizeable contract with a major data provider to provide a SaaS service, using our RDF software and this is in the process of being implemented.

Delta eFX – SaaS model
Since the product launch in May 2010 we have continued to refine the Delta eFX software and by the end of the financial year, eleven customers from key foreign currency markets had been signed up. The success of our foreign exchange platform has given us the confidence to plan to add new asset classes such as precious metals and energy to the platform and we now have the capability to stream non-Deliverable Forwards pricing to our clients. Since the year end, further customers have been added and we have a healthy pipeline of prospects. Significant investment has been made in this product to improve its functionality. Further investment is required in the coming months, though we expect to be well positioned in the second half of the year to deploy this product more aggressively.

Kx
A strong level of sales was achieved during the year, including a very substantial sale to a major international investment bank. Through our 22% interest in Kx Systems we have an interest in the ongoing annual maintenance revenues. Kx Systems is an important element in our range of Delta products which is secured by a long term OEM agreement.

Consulting

Consulting revenues at £24.229 million (2010: £19.352 million) were up 25% on the previous year and now account for 65.9% of total revenues (2010: 76.0%).

This has been another year of continued growth, both in our client base and in expansion of the number of assignments undertaken with existing customers. It remains a challenging market to sell services into, but given the quality of our people, our continual internal training and the quality of our service we continue to expand this revenue stream. We undertake complex assignments for our clients and our inherent knowledge of their systems leads to repeat business from upgrades and ongoing development.

Our focus remains on the UK and North American markets though we have had a number of new wins in Australasia in the year. There has been an increase in activity in the North American market during the year and discussions are currently taking place which should lead to a further increase in activity in this market.

In our technology consulting sector which is branded under Market Resource Partners we have significantly broadened our customer base in the year. This broader base has seen a growth in sales pipeline in recent months which has accelerated the global expansion plans. The European Centre of Excellence was opened in January 2011 in Belfast and I am pleased to report that this new initiative is already delivering operational output comparable to Philadelphia on a daily basis.

Acquisitions

The acquisitions made in 2008, 2009 and 2010 have now been integrated into the Group. During the year we made a small acquisition, LakeFront Data Ventures Inc. a Toronto based markets advisory firm specializing in Enterprise and Reference data. This has been integrated into our consulting activities and has further enabled us to augment First Derivatives' ability to address the growing requirements of its client base in our core areas.

Personnel

As referred to in the interim statement we have continued to invest in staff and training for all areas of our activities. We continue to recruit staff to meet the requirements of the business and the headcount across the Group is now over 550.

On 2 March 2011 we announced that the Group had secured further support from Invest Northern Ireland ("Invest NI") for recruitment and training purposes, enabling us to continue the investment programme we have made into expanding our capital markets consulting business. The commitment from Invest NI is for £4.3 million to support the creation of 347 new consulting and operations positions and 12 managerial posts over the next 3 years.

Accommodation

No further acquisitions of residential property to house staff in London and New York have been made. Disposals of individual properties will be made when suitable profitable opportunities arise. These properties have a written down value of £17.7million, and at the year end were independently valued by external valuers at £22.7million on an open market basis.

During the year, First Derivatives Ireland was relocated to modern premises in Dublin more appropriate to its requirements and at a substantially lower rent. New premises have been leased in London and Belfast to accommodate the growing software implementation and development team in addition to the consulting operations mentioned above. On 1 June 2011, First Derivatives' New York operations will be moving to new premises to cater for the expansion of its US activities. While these moves create a degree of disruption for the teams involved, we have now established strong bases in each of the key locations for the Group's functions to operate and grow from.

Outlook

We are continuing to make a substantial investment in the development of all the Group's activities as we build a robust organisation with a strong asset base for growth. The past year has been one of further building and proving our software assets. Soft product launches will continue to occur in the first half of the current year and we expect to follow this with sustained marketing in the second half as we aim to capitalise on the investments made. We continue to have a strong pipeline of prospects and are pleased with how the Group is now positioned to further penetrate its target markets. We have made a strong start to the current year and expect to be able to report further progress in the year to 29 February 2012.

I would like to thank Brian Conlon and his team for making it another successful year for the Group.

David Anderson
Chairman

CHIEF EXECUTIVE'S STATEMENT

Introduction

I am pleased to report that First Derivatives has had another successful year, despite continuing uncertainty as to the strength and sustainability of the recovery in the financial markets, and we have continued to grow our operations.

Review of activities

First Derivatives sells software products to the capital markets and provides a range of associated consulting services. We have a broad customer base and provided services to 68 different investment banks, brokers and hedge funds this year. The Group has a global reach with a presence in many of the top financial centres such as New York, London, Toronto, Chicago, Singapore, Hong Kong, Sydney and Shanghai.

Our track record of organic growth continued this year with increased contributions from both our software and consulting activities and growth in our business in Europe, North America and Australasia. The broad nature of our product and consulting offerings, and our geographical spread is key to our continued growth as it gives us thousands of potential additional customers.

Our business model is predicated on treating our customers as partners and building strong recurring revenue streams. The majority of our consulting revenue from existing business is for projects we have been working on more than a year. Our software is sold either on a subscription model or on a SaaS basis. This means that we have repeat revenue for the forthcoming year of about 80%.

Software
Our Delta brand is now firmly established and a number of high profile successful implementations have helped propagate the spread of the technology. The Delta suite now contains a range of developing and mature products with an installed user base of more than 40 customers worldwide. These products are used for enterprise data, trading and risk management. The Delta products are sold on an annual licence basis or on a SaaS basis to further enhance our revenue visibility. Historically we have sold to investment banks but we have now sold our products to stock exchanges, FX brokers, commodity brokers, asset managers, energy companies, ratings agencies, software companies and data vendors.

One of the unique features of our product portfolio is that they are all developed on a common technology platform and interact seamlessly. This makes our software easier to implement and support and it means that we can quickly add new products. In addition it makes it easier to up sell products to existing customers. During the last year we have successfully integrated, enhanced and incorporated into the Delta suite a number of products lines which we acquired during recent takeovers.

A major initiative last year was to enable all our software to be offered on a SaaS basis. This has largely been completed and we have a number of customers using our software in managed data centres in Belfast, Dublin, Chicago, England and New Jersey. Much of this software is sold via a transaction revenue based model, which whilst incurring significant initial costs allows us to benefit from the growth of our customers. Currently billions of dollars of FX, gold and silver and CFDs are being traded on a daily basis through our data centres and we plan to add new asset classes.

We have continued to grow the size of our R&D team and to invest in additional sales personnel and sales channels. Our resource pool is fungible which gives us additional flexibility. Our consulting work keeps us abreast of the latest technology trends and keeps us informed of the major problems faced by our customers. This combination of a larger R&D team, more delivery capacity and an increased sales force, will translate in to new product lines and additional revenue in the years ahead.

Our relationship with Kx Systems has continued to flourish since we increased our stake in Kx Systems to 22% in October 2009. We have been working extensively with Kx Systems for 13 years and are proud to be associated with its success story. Kx Systems was recognised as a Laureate by the Global Information Technology Awards Forum at a recent ceremony at the Andrew W. Mellon Auditorium in Washington, D.C. Our consultants are providing sales and marketing support to various Kx Systems initiatives around the world. Their products are used by some of the world's largest financial institutions and Kx Systems lists organisations such as JP Morgan, Goldman Sachs, Zurich Financial Group, Morgan Stanley, Fidelity Investments and Total Gas & Power as users. We derive revenue from sales commission, support contracts, training and consulting.

Consulting

First Derivatives provides highly skilled resources to the capital markets in the areas of consulting, support and development services. We have ongoing contracts with many of the leading global banks, supporting their activities across a range of asset classes including credit, interest rate, foreign exchange and equity cash and derivatives markets. The Company has been working in this area for 15 years and has been involved in increasingly larger initiatives. The consistent quality of the personnel and services we provide has given us a premium brand which is reflected in the significant recurring revenue in this division and the new business we are winning. The growth potential in this area is enormous with global spend running into billions of pounds. In addition the success of our consulting business and its domain knowledge makes our products easier to sell. As our product business grows our consulting division will provide a natural pool of resources to expand the associated premium services.

Management and Personnel

The Company now employs over 550 people and our success in retaining staff and senior management means that the experience profile of our consultants continues to improve. Our Capital Markets Training Programme, implemented in late 2006, has been further extended and has helped to differentiate the Group from its competition. Once again I would like to pay tribute to all First Derivatives employees who are hard working, talented, flexible and dedicated. Our customer retention rates are evidence of this.

Financial Review

The Group has reported revenues and profits significantly higher than last year. Pre-tax profit for the year was £6.495 million (2010: £5.645 million) on turnover of £36.740 million (2009: £25.476 million). Our balance sheet is strong with a cash balances up to £3.501 million and equity shareholders' funds of £24.888 million (2009: £16.310 million), an increase of 52%. This, and our confidence in the Group's ability to generate cash, enables the Board to recommend a final dividend of 7.25p per share (2010: 2.75p) which means that we will have paid a total dividend of 10.15p (2010: 9.5p) per share for the full year.

Outlook

The coming financial year will be one of further consolidating strategic investments made in recent years. As well as organic growth the Board will continue to pursue acquisition opportunities where we see a strategic fit and have access to the necessary sources of finance. We anticipate reporting further growth in the year to 29 February 2012 as we seek to deliver the significant potential upside from the number of ongoing initiatives and investments we are making. We are confident that our global reach, maturing and expanding software product lines and focus on recurring revenue will deliver further significant benefits in the years ahead.

Brian Conlon
Chief Executive Officer

Consolidated statement of comprehensive income
Year ended 28 February 2011

		2011	2010
	Note	**£'000**	£'000
Continuing operations			
Revenue	*3*	**36,740**	25,476
Cost of sales		**(23,423)**	(15,111)
Gross profit		**13,317**	10,365
Other operating income		**1,974**	1,134
Administrative expenses		**(8,723)**	(5,207)
Results from operating activities		**6,568**	6,292
Finance income		**7**	8
Finance expense		**(723)**	(475)
Loss on foreign currency translation		**(198)**	(234)
Net financing expense		**(914)**	(701)
Share of profit of associates using the equity method, net of income tax		**841**	54
Profit before income tax		**6,495**	5,645
Income tax expense		**(1,383)**	(1,858)
Profit for the year		**5,112**	3,787
Other comprehensive income			
Net change in fair value of available for sale asset		**-**	(135)
Deferred tax on net change in fair value of available for sale asset		**-**	38
Deferred tax on share options outstanding		**1,030**	263
Net exchange (losses)/gains on net investment in foreign subsidiaries and associate		**(1,091)**	639
Net gain/(loss) on hedge of net investment in foreign subsidiaries and associate		**594**	(189)
Other comprehensive income for the period, net of tax		**533**	616
Total comprehensive income for the period attributable to equity holders' of the company		**5,645**	4,403
Earnings per share		**Pence**	Pence
Basic	*5*	**33.2**	27.1
Diluted	*5*	**29.0**	25.8

Consolidated balance sheet
Year ended 28 February 2011

	Note	2011 £'000	2010 £'000
Assets			
Property, plant and equipment	*6*	**18,292**	17,938
Intangible assets	*7*	**26,732**	22,278
Investment in associate		**7,447**	7,710
Deferred tax asset		**1,860**	518
Non current assets		**54,331**	48,444
Trade and other receivables		**12,563**	9,725
Cash and cash equivalents		**3,501**	1,711
Current assets		**16,064**	11,436
Total assets		**70,395**	59,880
Equity			
Share capital		**80**	72
Share premium		**7,846**	3,906
Share option reserve		**2,384**	983
Revaluation reserve		**174**	174
Currency translation adjustment reserve		**197**	694
Retained earnings		**14,207**	10,481
Equity attributable to shareholders		**24,888**	16,310
Liabilities			
Interest bearing borrowings		**21,544**	17,703
Deferred tax liability		**1,319**	679
Contingent deferred consideration		**1,993**	2,395
Provisions		**344**	645
Trade and other payables		**2,034**	977
Non-current liabilities		**27,234**	22,399
Interest bearing borrowings		**1,124**	4,574
Trade and other payables		**7,955**	8,319
Current tax payable		**1,176**	1,417
Employee benefits		**2,401**	1,714
Contingent deferred consideration		**5,617**	5,147
Current liabilities		**18,273**	21,171
Total liabilities		**45,507**	43,570
Total equity and liabilities		**70,395**	59,880

Consolidated statement of changes in equity

Year ended 28 February 2011

	Share capital £000	Share premium £000	Share option reserve £000	Revaluation reserve £000	Currency translation adjustment £000	Retained earnings £000	Total equity £000
Balance at 1 March 2010	**72**	**3,906**	**983**	**174**	**694**	**10,481**	**16,310**
Total comprehensive income for the period							
Profit for the year	-	-	-	-	-	5,112	**5,112**
Other comprehensive income							
Deferred tax on share options outstanding	-	-	1,030	-	-	-	**1,030**
Net exchange gains on net investment in foreign subsidiaries and associate	-	-	-	-	(1,091)	-	**(1,091)**
Net exchange loss on hedge of net investment in foreign subsidiaries and associate	-	-	-	-	594	-	**594**
Total other comprehensive income	-	-	1,030	-	(497)	-	**533**
Total comprehensive income for the period	-	-	1,030	-	(497)	5,112	**5,645**
Transactions with owners, recorded directly in equity							
Exercise of share options	2	445	(118)	-	-	-	**329**
Issue of shares as purchase consideration	-	251	-	-	-	-	**251**
Other issue of shares	6	3,244	-	-	-	-	**3,250**
Share based payment charge	-	-	538	-	-	-	**538**
Transfer on forfeit of share options	-	-	(49)	-	-	49	**-**
Dividends to equity holders	-	-	-	-	-	(1,435)	**(1,435)**
Total contributions by and distributions to owners	8	3,940	371	-	-	(1,386)	**2,933**
Balance at 28 February 2011	**80**	**7,846**	**2,384**	**174**	**197**	**14,207**	**24,888**

Consolidated cash flow statement
Year ended 28 February 2011

	2011	2010
	£'000	£'000
Cash flows from operating activities		
Profit for the year	**6,495**	5,645
Adjustments for:		
Net finance costs	**914**	701
Share of associate	**(841)**	(54)
Operating profit	**6,568**	6,292
Depreciation	**475**	336
Amortisation of intangible assets	**1,532**	619
Equity settled share-based payment transactions	**340**	197
	8,915	7,444
Changes in:		
Change in trade and other receivables	**(2,711)**	(2,990)
Change in trade and other payables	**880**	5,508
Change in onerous provisions	**(301)**	-
Corporation tax paid	**(1,422)**	(1,648)
Net cash from operating activities	**5,361**	8,314
Cash flows from investing activities		
Interest received	**7**	8
Acquisition of subsidiaries, net of cash acquired	**(585)**	(5,443)
Acquisition of property, plant and equipment	**(842)**	(1,099)
Acquisition of associate	**-**	(4,189)
Acquisition of intangible assets	**(3,477)**	(1,323)
Dividend received from associate	**654**	-
Payment of deferred consideration	**(1,795)**	(1,993)
Net cash used in investing activities	**(6,038)**	(14,039)
Cash flows from financing activities		
Proceeds from issue of share capital	**3,579**	47
Receipt of new long term loan	**19,878**	9,726
Repayment of borrowings	**(19,426)**	(1,354)
Payment of finance lease liabilities	**(66)**	(70)
Interest paid	**(537)**	(475)
Dividends paid	**(1,435)**	(1,314)
Net cash from financing activities	**1,993**	6,560
Net increase in cash and cash equivalents	**1,316**	835
Cash and cash equivalents at 1 March 2010	**1,711**	1,299
Effects of exchange rate changes on cash held	**474**	(423)
Cash and cash equivalents at 28 February 2011	**3,501**	1,711

Notes

1 Basis of preparation

The consolidated financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

Both the consolidated financial statements and the Company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("IFRSs").

2 Acquisitions of subsidiaries and associates

Subsidiaries

On 6 August 2010 the company obtained control of LakeFront Data Ventures Inc by acquiring all of the ordinary shares of the company. Acquiring LakeFront Data Ventures Inc enabled the Group to establish a presence in Canada and expand its overall offering to its client base. In the seven months to 28 February 2011 the subsidiary contributed revenue of £241k and net profit of £24k to the consolidated net profit for the year. If the acquisition had occurred on 1 March 2010, management estimates that revenue for the Group would have been £37,153k and net profit would have been an estimated £5,153k. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition occurred on 1 March 2010.

The following summarises the major classes of consideration transferred and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Effect of acquisitions

The acquisitions had the following effect on the Group's assets and liabilities.

	Pre-acquisition carrying amounts £000	Fair value adjustments £000	Recognised values on acquisition £000
Acquiree's net assets at the acquisition date:			
Intangible assets	-	419	419
Trade and other receivables	16	-	16
Deferred tax liability	-	(119)	(119)
Net identifiable assets and liabilities	16	419	316
Goodwill on acquisition			520
			836

Consideration paid, satisfied as follows:

Cash	585
Shares issued (82,602 shares)	251
	836
Cash consideration paid	585
Cash (acquired)	-
Net cash outflow	**585**

Shares issued
The number of ordinary shares issued (82,602 shares) was derived based on the average price of shares on the 20 days prior to 30 July 2010 (303.5 pence per share). The fair value of the ordinary shares issued based on the listed share price on the 6 August 2010, the effective date of control (312.5 pence per share) was not materially different.

3 Operating segments

Business segments
The Group has disclosed below certain information on its revenue by geographical location. Details regarding total revenues can be found in the statement of comprehensive income.

The Group's two revenue streams are separated as follows:

- Consulting activities which includes services to capital markets; and
- Software activities which includes the sale of intellectual property and related services.

Revenue by division

	Consulting		**Software**		**Total**	
	2011	2010	**2011**	2010	**2011**	2010
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
Total Segment Revenue	**24,229**	19,352	**12,511**	6,124	**36,740**	25,476

Geographical location analysis

	UK		**Rest of Europe**		**America**		**Australasia**		**Total**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	£'000	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
Revenue from external customers	**15,811**	10,719	**2,627**	1,181	**14,812**	11,839	**3,490**	1,737	**36,740**	25,476
Non Current Assets	**22,376**	19,824	**5,930**	4,428	**24,333**	22,572	**1,692**	1,620	**54,331**	48,444

4 Dividends

	2011 £'000	2010 £'000
Final dividend relating to the prior year	976	921
Interim dividend paid	459	393
	1,435	1,314

The dividends recorded in each financial year represent the final dividend of the preceding financial year and the interim dividend of the current financial year.

The final dividend relating to the prior year amounted to 6.75 (previous year: 6.35) pence per share and the interim dividend paid during the year amounted to 2.90 (previous year: 2.75) pence per share. The cumulative dividend paid during the year amounted to 9.65 (previous year: 9.1) pence per share.

After the respective reporting dates, the following dividends were proposed by the directors. The dividends have not been provided for and there are no income tax consequences.

	2011 £'000	2010 £'000
7.25 pence per ordinary share (2010: 6.75 pence)	1,185	975

5 (a) Earnings per ordinary share

Basic

The calculation of basic earnings per share at 28 February 2011 was based on the profit attributable to ordinary shareholders of £5,112k (2010: £3,787k), and a weighted average number of ordinary shares ranking for dividend of 15,415k (2010: 13,993k).

	2011 Pence per share	2010 Pence per share
Basic earnings per share	**33.2**	27.1

Weighted average number of ordinary shares

	2011 Number '000	2010 Number '000
Issued ordinary shares at beginning of period	**14,421**	13,734
Effect of share options exercised	**132**	25
Effect of shares issued as purchase consideration	**46**	234
Effect of shares issued for cash	**816**	-

	2011	2010
Weighted average number of ordinary shares at end of period	**15,415**	13,993

Subsequent to the year end, 450,914 ordinary shares were issued as payment of contingent deferred consideration.

Diluted

The calculation of diluted earnings per share at 28 February 2011 was based on the profit attributable to ordinary shareholders of £5,112k (2010: £3,787k) and a weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares of 17,606k (2010: 14,654k).

	2011 Pence per share	2010 Pence per share
Diluted earnings per share	**29.0**	25.8

Weighted average number of ordinary shares (diluted)

	2011 Number '000	2010 Number '000
Weighted average number of ordinary shares (basic)	**15,415**	13,993
Effect of dilutive share options in issue	**2,191**	661
Weighted average number of ordinary shares (diluted) at end of period	**17,606**	14,654

The average market value of the Group's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period the options were outstanding.

At 28 February 2011, 315k options (2010: 276k) were excluded from the diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

b) Earnings before tax per ordinary share

Earnings before tax per share are based on profit before taxation of £6,495k (2010: £5,645k). The number of shares used in this calculation is consistent with note 15(a) above.

	2011 Pence per share	2010 Pence per share
Basic earnings before tax per ordinary share	**42.1**	40.3
Diluted earnings before tax per ordinary share	**36.9**	38.5

Reconciliation from earnings per ordinary share to earnings before tax per ordinary share.

	2011 Pence per share	2010 Pence per share
Basic earnings per share	**33.2**	27.1
Impact of taxation charge	**8.9**	13.2
Adjusted basic earnings before tax per share	**42.1**	40.3
Diluted earnings per share	**29.0**	25.8
Impact of taxation charge	**7.9**	12.7
Adjusted diluted earnings before tax per share	**36.9**	38.5

Earnings before tax per share has been presented to facilitate pre-tax comparison returns on comparable investments.

6 Property, plant and equipment

Group

	Land and buildings £'000	**Plant and equipment £'000**	**Office furniture £'000**	**Total £'000**
Cost				
At 1 March 2010	18,296	696	72	19,064
Additions	297	489	56	842
Exchange adjustments	(1)	(42)	(1)	(44)
At 28 February 2011	**18,592**	**1,143**	**127**	**19,862**
Depreciation				
At 1 March 2010	696	385	45	1,126
Charge for the year	227	232	16	475
Exchange adjustments	(1)	(30)	-	(31)
At 28 February 2011	**922**	**587**	**61**	**1,570**
Net book value at 28 February 2011	**17,670**	**556**	**66**	**18,292**

	Land and buildings £'000	**Plant and equipment £'000**	**Office furniture £'000**	**Total £'000**
Cost				
At 1 March 2009	17,407	494	55	17,956
Additions	890	192	17	1,099
Acquisition through business	-	33	-	33

combinations				
Exchange adjustments	(1)	(23)	-	(24)
At 28 February 2010	**18,296**	**696**	**72**	**19,064**
Depreciation				
At 1 March 2009	478	273	34	785
Exchange adjustments	1	4	-	5
Charge for the year	217	108	11	336
At 28 February 2010	**696**	**385**	**45**	**1,126**
Net book value at 1 March 2009	**16,929**	**221**	**21**	**17,171**
At 28 February 2010	**17,600**	**311**	**27**	**17,938**

7 Intangible assets

Group

	Goodwill £'000	Customer lists £'000	Acquired Software £'000	Brand name £'000	Internally developed software £'000	Total £'000
Cost						
Balance at 1 March 2010	11,427	2,039	7,590	300	2,701	24,057
Development costs	-	-	-	-	3,475	3,475
Additions	-	-	2	-	-	2
Deferred consideration	2,302	-	-	-	-	2,302
Acquisition through business combinations	690	401	-	18	-	1,109
Exchange adjustments	(478)	(113)	(340)	(16)	(8)	(955)
Balance at 28 February 2011	13,941	2,327	7,252	302	6,168	29,990
Amortisation and impairment losses						
Balance at 1 March 2010	-	372	447	30	930	1,779
Exchange adjustment	-	(30)	(21)	(2)	-	(53)
Amortisation for the year	-	275	998	37	222	1,532
Balance at 28 February 2011	-	617	1,424	65	1,152	3,258
Carrying amounts						
At 28 February 2011	**13,941**	**1,710**	**5,828**	**237**	**5,016**	**26,732**

	Goodwill £'000	Customer lists £'000	Acquired Software £'000	Brand Name £'000	Internally developed software £'000	Total £'000
Cost						
Balance at 1 March 2009	6,654	2,111	1,339	175	1,390	11,669

Development costs	-	-	-	-	1,311	1,311
Additions	-	-	12	-	-	12
Deferred consideration	1,480	-	-	-	-	1,480
Acquisition through business combinations	3,312	52	6,052	130	-	9,546
Exchange adjustments	(19)	(124)	187	(5)	-	39
Balance at 28 February 2010	11,427	2,039	7,590	300	2,701	24,057
Amortisation and impairment losses						
Balance at 1 March 2009	-	122	119	10	905	1,156
Exchange adjustment	-	3	1	-	-	4
Amortisation for the year	-	247	327	20	25	619
Balance at 28 February 2010	-	372	447	30	930	1,779
Carrying amounts						
At 1 March 2009	**6,654**	**1,989**	**1,220**	**165**	**485**	**10,513**
At 28 February 2010	**11,427**	**1,667**	**7,143**	**270**	**1,771**	**22,278**

8 Report and accounts

Copies of the Annual Report will be available as of 1 June 2011 on the Group's website, www.firstderivatives.com and from the Group's headquarters at 3 Canal Quay, Newry, BT35 2BP