



18 January 2012

Ideagen PLC
("Ideagen" or the "Company")
Unaudited interim results for the six months ended 31 October 2011

The Board of Ideagen PLC (PLUS: IGNP), a leading supplier of Compliance Solutions and On-Demand Information software, today announces the Company's unaudited Interim Results for the six months ended 31 October 2011.

Financial Highlights

- Revenue up by 57% to £1.706m (2010: £1.084m)
- Adjusted EBITDA up by 102% to £0.513m (2010: £0.254m)*
- Adjusted PBT up by 96% to £0.48m (2010: £0.245m)**
- Cash generated by operations of £0.59m (2010: -£0.105m)
- Cash and cash equivalents of £1.167m (2010: net debt of £0.041m)
- Net Assets of £3.395m (2010: £1.056m)

*Before share based payments

**Before share based payments and amortisation of acquisition intangibles

Operational Highlights

- Successful integration of Ideagen Software
- 5 new deals closed each with a value in excess of £150,000
- 40% organic growth in compliance business
- 95% renewal rate for recurring support and maintenance contracts
- New 3 year Distribution agreement with SDG to market our products across the EMEA region
- Continued investment in core product development with the release of Workbench V10.

Post Balance Sheet Event

- Acquisition of Proquis Ltd and its US based operating subsidiary Proquis Inc.
- Proquis recently secured contract expected to be worth approximately \$10.6m

David Hornsby, CEO of Ideagen, commented: "Whilst the macro economic climate continues to be challenging for technology companies, the strong value proposition Ideagen offers highly regulated organisations has provided the basis for our continued revenue and profit growth. We have built a product set that offers a compelling business case and is a priority for senior executives as legislative and regulatory pressures increase. As a result, the Company continues to trade in line with market expectations and we look forward to the forthcoming financial period with confidence."

Enquiries:

Ideagenplc Tel: 01438 347110

David Hornsby, Chief Executive

finnCap Limited Tel: 020 7220 0500

Marc Young/Ben Thompson (corporate finance)

Stephen Norcross (corporate broking)

Walbrook Tel : 020 7933 8780

Bob Huxford/Helen Westaway (media relations)



Chief Executive's Statement

I am pleased to announce our interim results for the half year. Ideagen has continued the momentum from last year and has made exciting progress both strategically and financially in the first six months of this year. The Company is very well placed to enjoy further growth this year and beyond.

Following the acquisition of Ideagen Software in April 2011 the board believes that there is an opportunity to build Ideagen as a global leader in compliance based information management software. There is a growing need for organisations to implement Commercial off the Shelf (COTS) software to manage content and processes in a highly regulated environment. Recent sales success both in Europe and the USA would suggest that the Company's products have the potential to be market leading on a global basis.

Since the period end the Company has acquired Proquis Ltd and its US based operating subsidiary Proquis Inc. The recent success of Proquis in securing a contract expected to be worth approximately \$10.6 million to supply a system to support ISO 9001 standards within the Department of Veterans Affairs further supports the Board's view that our products have global market appeal. The Company will continue to focus its attention on supplying software to highly regulated organisations, building shareholder value through organic growth and where appropriate acquisitions.

David Hornsby
Chief Executive

Current Outlook and Trading

Whilst the macro economic climate continues to be challenging for technology companies, the strong value proposition Ideagen offers highly regulated organisations has provided the basis for its continued revenue and profit growth. The Company has built a product set that offers a compelling business case and is a priority for senior executives as legislative and regulatory pressures increase. As a result, Ideagen continues to trade in line with market expectations and looks forward to the forthcoming financial period with confidence.

Ideagen plc

Consolidated Statement of comprehensive income for the six months ended 31 October 2011

	Six months ended 31 October 2011 £	Six months ended 31 October 2010 £												
Revenue	1,705,679	1,083,720												
Cost of sales	(128,824)	(177,099)												
Gross profit	<u>1,576,855</u>	<u>906,621</u>												
Administration expenses	(1,191,763)	(715,199)												
Profit from operating activities	<u>385,092</u>	<u>191,422</u>												
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Profit from operating activities before adjustments for the following:</td> <td style="text-align: right; padding: 5px;">513,109</td> <td style="text-align: right; padding: 5px;">253,755</td> </tr> <tr> <td style="padding: 5px;">Depreciation and amortisation</td> <td style="text-align: right; padding: 5px;">(106,017)</td> <td style="text-align: right; padding: 5px;">(53,833)</td> </tr> <tr> <td style="padding: 5px;">Share-based payment charges</td> <td style="text-align: right; padding: 5px;">(22,000)</td> <td style="text-align: right; padding: 5px;">(8,500)</td> </tr> <tr> <td style="padding: 5px;">Profit from operating activities</td> <td style="text-align: right; padding: 5px;"><u>385,092</u></td> <td style="text-align: right; padding: 5px;"><u>191,422</u></td> </tr> </table>			Profit from operating activities before adjustments for the following:	513,109	253,755	Depreciation and amortisation	(106,017)	(53,833)	Share-based payment charges	(22,000)	(8,500)	Profit from operating activities	<u>385,092</u>	<u>191,422</u>
Profit from operating activities before adjustments for the following:	513,109	253,755												
Depreciation and amortisation	(106,017)	(53,833)												
Share-based payment charges	(22,000)	(8,500)												
Profit from operating activities	<u>385,092</u>	<u>191,422</u>												
Finance costs	(4,043)	(2,379)												
Profit before taxation	<u>381,049</u>	<u>189,043</u>												
Taxation	(75,000)	-												
Profit for the period attributable to equity holders of the parent	<u>306,049</u>	<u>189,043</u>												
Earnings per share	pence	pence												
Basic	0.44	0.37												
Diluted	0.42	0.35												



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Consolidated Statement of Financial Position at 31 October 2011

	31 October 2011	30 April 2011	31 October 2010
Assets and liabilities	£	£	£
Non-current assets			
Intangible assets	3,065,569	3,113,388	1,331,707
Property, plant and equipment	77,789	69,742	56,476
Deferred tax asset	<u>213,000</u>	<u>213,000</u>	<u>-</u>
	<u>3,356,358</u>	<u>3,396,130</u>	<u>1,388,183</u>
Current assets			
Trade and other receivables	955,401	1,101,508	828,902
Cash and cash equivalents	<u>1,167,116</u>	<u>762,468</u>	<u>37,539</u>
	<u>2,122,517</u>	<u>1,863,976</u>	<u>866,441</u>
Current liabilities			
Trade and other payables	698,477	859,168	510,475
Borrowings	-	10,000	78,512
Other financial liabilities	187,000	187,000	300,000
Current tax liabilities	89,107	137,713	-
Deferred revenue	686,656	576,639	309,444
Other liabilities	<u>422,180</u>	<u>422,180</u>	<u>-</u>
	<u>2,083,420</u>	<u>2,192,700</u>	<u>1,198,431</u>
Net assets	<u><u>3,395,455</u></u>	<u><u>3,067,406</u></u>	<u><u>1,056,193</u></u>



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Consolidated Statement of Financial Position at 31 October 2011 (continued)

	31 October 2011	30 April 2011	31 October 2010
	£	£	£
Equity			
Issued share capital	697,316	697,316	508,623
Share premium	1,406,193	1,406,193	-
Share-based payments reserve	83,000	61,000	25,500
Retained earnings	<u>1,208,946</u>	<u>902,897</u>	<u>522,070</u>
Equity attributable to owners of the parent	<u><u>3,395,455</u></u>	<u><u>3,067,406</u></u>	<u><u>1,056,193</u></u>



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Consolidated Statement of cash flows for the six months ended 31 October 2011

	Six months ended 31 October 2011 £	Six months ended 31 October 2010 £
Cash flows from operating activities		
Profit for the period	306,049	189,043
Depreciation of property, plant and equipment	14,293	6,786
Amortisation of intangible non-current assets	91,724	47,047
Share-based payment charge	22,000	8,500
Finance costs recognised in profit or loss	4,043	2,379
Tax charge recognised in profit or loss	75,000	-
Decrease/(Increase) in trade and other receivables	146,107	(404,789)
Decrease in trade and other payables	(179,072)	(12,906)
Increase in deferred revenue	110,017	58,935
Cash generated /(used) by operations	<u>590,161</u>	<u>(105,005)</u>
Corporation tax paid	(123,606)	-
Interest paid	(300)	(2,379)
Net cash generated/(used) by operating activities	<u>466,255</u>	<u>(107,384)</u>
Cash flows from investing activities		
Payments for intangible assets	(43,905)	(109,718)
Payments for property, plant and equipment	(7,702)	(4,335)
Net cash used by investing activities	<u>(51,607)</u>	<u>(114,053)</u>
Cash flows from financing activities		
Repayment of borrowings	(10,000)	(14,941)
Net cash used by financing activities	<u>(10,000)</u>	<u>(14,941)</u>
Net increase / (decrease) in cash and cash equivalents during the period	404,648	(236,378)
Cash and cash equivalents at the beginning of the period	762,468	220,054
Cash and cash equivalents at the end of the period	<u>1,167,116</u>	<u>(16,324)</u>



Notes to the interim financial information

The previously reported comparative profit for the six months to 31 October 2010 of £207,093 has been adjusted by £18,050 to £189,043 to reflect new accounting policies adopted as a result of the transition to using IFRS for the first time in the annual accounts to 30 April 2011. The adjustment of £18,050 is in respect of the amortisation of acquisition intangibles which are now recognised under IFRS.

Earnings per share and adjusted profit before tax information

In order to better demonstrate the performance of the Group, adjusted earnings per share calculations and adjusted profit before tax figures have been presented below which add back or deduct items typically adjusted for by users of financial information.

	Six months ended 31 October 2011 £	Six months ended 31 October 2010 £
Earnings	306,049	189,043
Adjustments:		
Share-based payment charges	22,000	8,500
Amortisation of acquisition intangibles	77,207	47,047
Adjusted earnings	<u>405,256</u>	<u>244,590</u>
Current taxation	75,000	-
Adjusted profit before tax	<u>480,256</u>	<u>244,590</u>
Basic weighted average number of shares	69,731,558	50,862,256
Diluted weighted average number of shares	73,066,796	53,789,529
Basic earnings per share	0.44 pence	0.37 pence
Diluted earnings per share	0.42 pence	0.35 pence
Basic adjusted earnings per share	0.58 pence	0.48 pence
Diluted adjusted earnings per share	0.55 pence	0.45 pence

Basic and diluted adjusted earnings per share are calculated using the adjusted earnings figures and the weighted average number of shares shown above.