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First Derivatives plc announces record interim results and increased stake in Kx Systems

Financial software and consulting company announces revenue of £11.4m and pre-tax profit of £3.1m for six months ending August 2009.

Company increases its holding of Kx Systems Inc to 20%

First Derivatives plc (AIM:FDP.L, IEX:GYQ.I), the Newry-based provider of software and consulting services to the world's financial markets, this morning announced record interim results on the London AIM and Dublin IEX exchanges. The company has recorded pre-tax profit of £3.1m, an increase of 36.4% from last year on turnover of £11.4m, also up 66.3% from last year. The company has also announced that it will pay an interim dividend of 2.75p per share.

CEO Brian Conlon said: "During the first half of the year we have continued to deliver growth in both revenues and profits while committing considerable investment into the expansion of all the company's activities.

"Our in-house Delta software division has seen significant development during the period and is expected to secure additional recurring revenue streams in the coming years. In addition, the company has expanded its geographic reach with the acquisition of Australia-based company Hologram. We are actively seeking partners in locations including China and India to further expand our reach.

"The company also announced today the acquisition of an additional 5 per cent interest in Kx Systems Inc, bringing the total holding to 20 per cent. Kx Systems sells the market leading high performance and time series analysis database kdb+. First Derivatives first entered into a partnership agreement with Kx in 1998 and are the exclusive sales partner for Kx in the UK, North America and Ireland. We are pleased to have this opportunity to make this further investment in Kx, which strengthens the relationship between the two companies.

"Despite the difficult trading environment, the outlook remains positive. We have recruited senior sales executives in North America, Europe, Middle East and Asia and we have also strengthened our product development team working on our in-house Delta software package. Technology consulting revenues are ahead of expectation

following increased business from new and existing clients. In addition, the last twelve months has seen the successful integration of Market Resource Partners and we expect its operations to be up and running in Europe by the first quarter of 2010.

“All these initiatives are expected to result in an increase in our levels of profitability. We continue to trade strongly and are confident that we will achieve profits in line with market expectations.”

Ends