

**IFG Group plc**  
**Preliminary statement of results for the year ended 31<sup>st</sup> December 2008**

**Highlights**

IFG Group plc today (March 26<sup>th</sup> 2009) released its preliminary statement of results for the year to 31<sup>st</sup> December 2008. Key highlights include:

- Revenue of €109.3 million (2007: €128.8m)
- Adjusted operating profit of €20.1 million (2007: €22.0m)
- Operating profit of €15.0 million (2007: €17.3m)
- Adjusted EPS in cent per share of 22.77 (2007: 24.17)
- EPS in cents per share of 15.69 (2007: 17.42)
- Adjusted dividend in cent per share of 3.63 (2007: 3.63)
- Total assets under administration and advice of circa €53 billion
- Three acquisitions in the year under review successfully integrated into the business

Commenting on the results, Mark Bourke, CEO of IFG Group plc said,

“2008 was a year of excellent performance given particularly difficult markets and sterling’s weakness. The Group has continued to strengthen its core administration, advisory services and growing the assets under our administration and advice.

Our strategy of building diversified and geographically spread income streams is proving resilient in adverse economic conditions and will leave us well positioned for any economic recovery. 2009 will be a very challenging year, but one in which IFG expect to deliver solid results.”

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**For reference:**

**Mark Bourke,**  
**Group CEO**  
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**IFG GROUP PLC**  
**PRELIMINARY STATEMENT OF RESULTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	<b>Adjusted measures 2008 €'000</b>	Adjusted measures 2007 €'000	Notes	<b>Total IFRS 2008 €'000</b>	Total IFRS 2007 €'000
Revenue	n/a	n/a		<b>109,287</b>	128,829
Operating profit	<b>20,134</b>	22,018	1	<b>15,001</b>	17,342
Profit before income tax	<b>17,232</b>	19,796	1	<b>12,099</b>	15,120
Adjusted earnings per ordinary share - in cent	<b>22.77</b>	24.17	2	<b>n/a</b>	n/a
Basic earnings per ordinary share - in cent	<b>n/a</b>	n/a		<b>15.69</b>	17.42
Group net debt				<b>46,809</b>	19,436
Dividend per ordinary share - in cent	<b>3.63</b>	3.63	3		

Notes:

- Adjusted profit before income tax and adjusted earnings per share are stated before exceptional items, amortisation of intangible assets and share based payment compensation.
- Reconciliation of adjusted earnings:

	<b>Year ended 31 Dec 2008</b>		Year ended 31 Dec 2007	
	<b>Per share cent</b>	<b>Earnings €'000</b>	Per share cent	Earnings €'000
Profit attributable to equity holders	<b>15.69</b>	<b>11,365</b>	17.42	12,069
Amortisation of intangible assets	<b>4.92</b>	<b>3,566</b>	2.85	1,976
Share based payment compensation	<b>2.16</b>	<b>1,567</b>	3.90	2,700
Adjusted earnings	<b>22.77</b>	<b>16,498</b>	24.17	16,745

- Dividend per ordinary share is calculated as the sum of the interim dividend per share paid in the year of 1.27 cent and the 2.36 cent per share to be proposed at the forthcoming annual general meeting.

## Group Performance

IFG Group is pleased to announce results for the year ended 31 December 2008. It was a difficult year in market terms, where the Group's revenue quality became evident.

The performance confirms our strategy which focuses on the development of core competencies in asset administration and advisory businesses while diversifying geographic presence.

We have continued to invest in these core businesses which generate high quality repeat income revenue streams which are, in general, time based and not linked to transaction or asset values.

Adjusted profits before income tax for the year were €17.2 million on revenues of €109.3 million (profit before income tax of €12.1 million). This compares with €19.8 million and €128.8 million respectively in the previous year (profit before income tax of €15.1 million). The reduction in revenue is largely confined to our Irish property business where revenue fell by €18.1 million.

The overall Group result achieved is all the more impressive in light of a 16% decrease in the value of sterling, which affects 80% of the Group's earnings. This impact was mitigated by the effect of the translation of £23.9 million borrowings and intercompany trading balances. The net effect of these is a €0.8 million gain due to foreign exchange.

During the year the Group continued to develop our administration and advisory competence and diversified by investing in Cyprus and Switzerland. We have also invested in Ireland in a migration from transaction based business to long term repeat income advisory business.

We have continued to deliver growth overall on a constant currency basis in our core businesses despite the rapid decline in profitability of our transaction based property business, an achievement which clearly has not been the general experience in the financial sector.

	<b>Total operating profit/(loss) 2008 €'000</b>	Total operating profit/(loss) 2007 €'000
<b>Trustee &amp; Corporate Services</b>		
International Trustee & Corporate Services	12,209	9,654
<b>Financial Services &amp; Unallocated</b>		
Pensioner Trustee - UK	3,937	3,672
Financial Services - UK	2,889	3,788
Mortgage and Title Insurance - Ireland	(861)	5,166
Financial Services including Central Overhead - Ireland	1,960	(262)
<b>Adjusted operating profit</b>	<b>20,134</b>	22,018
Share based payment compensation - Trustee & Corporate Services	(259)	(442)
- Financial Services	(1,308)	(2,258)
Amortisation of intangibles - Trustee & Corporate Services	(2,988)	(1,722)
- Financial Services	(578)	(254)
<b>Total operating profit</b>	<b>15,001</b>	17,342
Operating profit - Trustee & Corporate Services	8,962	7,490
- Financial Services & Unallocated	6,039	9,852
<b>Total operating profit</b>	<b>15,001</b>	17,342

## **Trustee and Corporate Services – (61% of Group adjusted operating profit)**

The International Division has delivered significant year on year growth with profits of €12.2 million (2007: €9.7 million) an increase of 26%. On a constant currency basis this equates to growth of 41%.

Acquisitions in 2007 and 2008 accounted for two thirds of this growth with the remainder being organic. 2008 saw a full year contribution from our 2007 Swiss acquisition and from the fund administration arm set up in 2007 with the purchase of Northern Trust International Fund Administration Services (Isle of Man) Limited. Gestinor AG, the Swiss business acquired in 2007 performed to expectation. The fund administration business however remains in an investment phase and is not expected to reach break-even until the latter part of 2009. Although satisfied with the progress we have clearly been hit by the fall in asset prices as fee structures in the fund administration industry are ad valorem in nature. This is, however, the only aspect of our International business where the value of the assets under administration impact the revenue earned.

On 30 June 2008 IFG acquired Excel-Serve Management Limited (“Excel”), a Cyprus based corporate service provider. Excel was originally the corporate service business of Deloitte which was divested in 2005 in an MBO. The acquisition consideration is a maximum €25.0 million. This acquisition is part of the ongoing execution of the business strategy of developing in the key centres of Isle of Man, Jersey, Cyprus, Switzerland and Ireland. It also builds the distribution capacity through the ongoing relationship with Deloitte in Cyprus and internationally. Excel has performed well in 2008 contributing €2.0m in the second half at an operating level.

We have now developed critical mass in our five primary markets, IOM; Jersey; Switzerland; Ireland and Cyprus. We have also developed our competence in fund administration and entered a partnership arrangement with a Swiss firm in a family office offering.

As we have achieved these specific goals, the business, while continuing to grow locally, will now look to opening other centres such as Singapore and expanding our operations in BVI.

Although we continue to identify appropriate acquisition targets, our near term appetite for acquisitions is limited by our commitment to conservative gearing levels.

Total assets under administration in this business are estimated in excess of €45 billion.

## **Financial Services**

### **Pensioner Trustee UK – (20% of Group adjusted operating profit)**

The UK Pensioner Trustee business grew profit by 7% in 2008 to €3.9 million (2007: €3.7 million). This equates to 23% on a constant currency basis. This demonstrates the ongoing growth in the sector and that our focus in the area is paying off. In 2008 we maintained the pace of growth in our SIPP book at 19%, growing the number of SIPPs under administration from 5,800 to 6,900. In the period we also merged our London and Bristol administration services and updated our SIPP product offering.

The management remain of the view that SIPPs will be the principal member directed retirement planning vehicle in the UK pensions market for the foreseeable future. We estimate the current assets under administration in the business are c. €3 billion.

As stated in our last report the market has put a high valuation on this kind of business. This is evidenced by the Legal & General purchase of a competitor of similar scale on a multiple of approximately 60 times profit before tax. While these valuations may not be applicable today, the fact remains that the nature of the revenue streams supports our contention that this is a strategically important area.

Our reputation, technical competence, service standards and market position as one of the leading providers of specialist SIPPs remain the basis for our optimism in this market.

### **Financial Services UK – (14% of Group adjusted operating profit)**

In 2008 profit from Financial Services was €2.9 million (2007: €3.8 million). The UK Financial Services business is dominated by our fee based advisory business Saunderson House Limited which has delivered again, this time in extremely challenging markets for clients. We believe this performance is singular in the private wealth advisory market. Both revenue and profit in the business are up 19% in sterling terms.

This performance is a result of the strong proposition, business model, market position and top quality management. We believe that we will continue to attract clients in a market materially impacted by the performance of opaque, complex and sometimes leveraged products, frequently sold in situations with inherent conflicts. We are optimistic that even in a market which is more distressed than 2008, Saunderson House Limited will continue to thrive.

IFG Financial Services and DK Wild worked hard to produce a satisfactory year. Siddalls struggled in a hugely difficult market. Management however believe that the servicing of UK citizens retiring overseas will be a niche market with considerable growth prospects in the long term.

### **Mortgage & Title Insurance Ireland – (Loss of €0.9m is equivalent to (4%) of Group adjusted operating profit)**

The Irish Property Division provides mortgage broking in prime and specialist markets as well as title insurance in the remortgage market. A loss of €0.9 million compares with a profit of €5.2 million in the prior year. In Ireland, the property market collapsed in 2008 with inevitable results in our broking and title insurance businesses. Our response continues to revolve around cost control and consolidation of the broker market by providing a low cost technology driven platform.

Lender cheque issues for the year were €0.9 billion (2007: €1.4 billion). The broker network continues to acquire new brokers. It should be noted that IFG take no lending or insurance risk in relation to these activities

### **Financial Services including central overhead Ireland – (9% of Group adjusted operating profit)**

Our other Irish units, Group and Individual Advisory (where we have c. €2.0 billion of assets under advice) and Specialist broking performed well in 2008.

Despite the extremely difficult markets in Ireland, the Group made considerable progress on a number of fronts. In the pensions area we made two acquisitions at a total expected cost of €11.7 million including an earn-out of circa €5.8 million over a three to four year period. These bring scale and competence to our business, and more importantly significantly enhance our core offering of pension planning which is independent, tailored to the individual and cost effective. This will form a basis for the advisory skills we bring to our customers in the Irish market.

### **Group Financing**

	As at 31 December 2008			As at 31 December 2007		
	Core €'m	Investment €'m	Total €'m	Core €'m	Investment €'m	Total €'m
Total net borrowings	43.9	2.9	46.8	16.5	2.9	19.4
Contingent consideration			20.9			10.4
Less restricted cash - held in escrow			<u>(12.2)</u>			<u>-</u>
Total net commitment			<u>55.5</u>			<u>29.8</u>

The Group's net cash generated from operating activities was €12.6 million (2007: €18.1 million). During 2008 the Group made a net investment of €40.3 million (2007: €12.7 million) in acquisitions and capital expenditure. This was funded through a combination of an equity placement of 5% (€7.5 million) in May 2008, an increase in borrowings and internally generated cash.

The bank facilities of the Group were negotiated in 2006. Annual debt repayments in 2009 will be financed from operating cash flow. The next refinancing date is November 2011. On current projections Group net debt will be €20 - €25 million at the end of 2011.

### **Dividends**

Your Board is recommending a final dividend of 2.36 cent per share which when added to the interim dividend already paid, makes a total of 3.63 cent per share, maintaining the prior year payout. Subject to shareholder approval, the final dividend will be paid on 17 July 2009 to shareholders on the Register on 3 July 2009.

## Consolidated Income Statement Year Ended 31 December 2008

		2008	2007
	Notes	€'000	Restated €'000
<b>Revenue</b>	3	<b>109,287</b>	128,829
Cost of sales		<u>(90,861)</u>	<u>(102,310)</u>
<b>Gross profit</b>		<b>18,426</b>	26,519
Administrative expenses		<b>(4,050)</b>	(9,177)
Other income		<u>625</u>	<u>-</u>
<b>Operating profit</b>	3	<b>15,001</b>	17,342
Finance income		<b>1,028</b>	876
Finance costs		<b>(3,930)</b>	(3,347)
Share of profit of associate and joint ventures		<u>-</u>	<u>249</u>
<b>Profit before income tax</b>	3	<b>12,099</b>	15,120
Income tax expense	4	<u>(1,675)</u>	<u>(2,686)</u>
<b>Profit for the year</b>		<u><b>10,424</b></u>	<u>12,434</u>
 <b>Profit for year attributable to:</b>			
Equity holders of the company		<b>11,365</b>	12,069
Minority interest		<u>(941)</u>	<u>365</u>
		<u><b>10,424</b></u>	<u>12,434</u>
 <b>Earnings per ordinary share (cent)</b>			
Basic	5	<b>15.69</b>	17.42
Diluted	5	<b>15.05</b>	16.46

# Consolidated Balance Sheet

## As at 31 December 2008

	Notes	2008 €'000	2007 €'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment		6,146	5,558
Intangible assets		94,060	75,308
Investments in associates and joint ventures	3	-	299
Deferred income tax assets		1,315	1,178
Available-for-sale financial assets		105	87
<b>Total non-current assets</b>		<u>101,626</u>	<u>82,430</u>
<b>Current assets</b>			
Trade and other receivables		38,884	44,254
Current income tax asset		147	517
Restricted cash - held in escrow		12,211	-
Cash and cash equivalents		22,540	25,842
<b>Total current assets</b>		<u>73,782</u>	<u>70,613</u>
<b>Total assets</b>	3	<u>175,408</u>	<u>153,043</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings		56,619	35,052
Deferred income tax liabilities		4,992	3,172
Retirement benefit obligations		231	407
Provisions for other liabilities		10,314	4,015
Other non-current liabilities		-	1,250
<b>Total non-current liabilities</b>		<u>72,156</u>	<u>43,896</u>
<b>Current liabilities</b>			
Trade and other payables		29,371	40,604
Current income tax liabilities		1,440	2,684
Borrowings		12,730	10,226
Provisions for other liabilities		14,061	8,698
<b>Total current liabilities</b>		<u>57,602</u>	<u>62,212</u>
<b>Total liabilities</b>	3	<u>129,758</u>	<u>106,108</u>
<b>Net assets</b>		<u>45,650</u>	<u>46,935</u>
<b>Equity</b>			
<b>Capital &amp; reserves attributable to equity holders of the company</b>			
Share capital		8,909	8,360
Share premium		60,025	53,032
Other reserves		(22,735)	(6,247)
Retained earnings		(1,579)	(10,172)
		<u>44,620</u>	<u>44,973</u>
Minority interest		1,030	1,962
<b>Total equity</b>		<u>45,650</u>	<u>46,935</u>

## Consolidated Cash Flow Statement Year Ended 31 December 2008

	Notes	2008 €'000	2007 €'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	6	14,740	20,156
Interest received		738	876
Income taxes paid		(2,912)	(2,928)
<b>Net cash generated from operating activities</b>		<b>12,566</b>	<b>18,104</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(2,808)	(1,876)
Sale of property, plant and equipment		3	59
Purchase of subsidiary undertakings net of cash acquired		(30,288)	(5,979)
Deferred and contingent consideration on prior year acquisitions		(6,509)	(4,088)
Purchase of other intangibles		(940)	(986)
Dividend received from associate / joint venture		241	174
Sale of available-for-sale financial assets		100	-
Purchase of available-for-sale financial assets		(127)	-
<b>Net cash used in investing activities</b>		<b>(40,328)</b>	<b>(12,696)</b>
<b>Cash flows from financing activities</b>			
Dividends paid		(2,772)	(2,476)
Interest paid		(3,165)	(2,576)
Proceeds from issue of share capital		7,459	818
Proceeds from long-term borrowings		33,300	17,153
Repayment of debt		(5,690)	(17,837)
Payment of finance lease liabilities		(44)	(71)
<b>Net cash generated / (used) in financing activities</b>		<b>29,088</b>	<b>(4,989)</b>
Net increase in cash and cash equivalents		1,326	419
Cash and cash equivalents at the beginning of the year		24,291	25,421
Effect of foreign exchange rate changes		(4,333)	(1,549)
<b>Cash and cash equivalents at end of year</b>		<b>21,284</b>	<b>24,291</b>

Cash and cash equivalents for the purpose of the cash flow statement are comprised of cash and short term deposits net of bank overdrafts that are repayable on demand.

		2008 €'000	2007 €'000
Cash and short term deposits	7	22,540	25,842
Bank overdrafts	7	(1,256)	(1,551)
		<b>21,284</b>	<b>24,291</b>

## Consolidated Statement of Changes in Equity

	Share capital	Share premium	Other reserves	Retained earnings	Attributable to equity holders	Minority interest	Total equity
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
<b>At 1 January 2007</b>	<b>8,239</b>	<b>52,300</b>	<b>(2,079)</b>	<b>(19,864)</b>	<b>38,596</b>	<b>1,595</b>	<b>40,191</b>
Currency translation adjustments	-	-	(6,771)	-	(6,771)	2	(6,769)
Net investment hedge	-	-	(62)	-	(62)	-	(62)
<b>Net (expense)/income recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(6,833)</b>	<b>-</b>	<b>(6,833)</b>	<b>2</b>	<b>(6,831)</b>
Profit for the year	-	-	-	12,069	12,069	365	12,434
<b>Total recognised income for 2007</b>	<b>-</b>	<b>-</b>	<b>(6,833)</b>	<b>12,069</b>	<b>5,236</b>	<b>367</b>	<b>5,603</b>
Dividends	-	-	-	(2,377)	(2,377)	-	(2,377)
Issue of share capital	121	732	(35)	-	818	-	818
Share based payment compensation:							
-Value of employee services-share options	-	-	450	-	450	-	450
-Value of employee services - LTIP	-	-	2,250	-	2,250	-	2,250
	<b>121</b>	<b>732</b>	<b>2,665</b>	<b>(2,377)</b>	<b>1,141</b>	<b>-</b>	<b>1,141</b>
<b>At 31 December 2007</b>	<b>8,360</b>	<b>53,032</b>	<b>(6,247)</b>	<b>(10,172)</b>	<b>44,973</b>	<b>1,962</b>	<b>46,935</b>
Currency translation adjustments	-	-	(17,972)	-	(17,972)	9	(17,963)
<b>Net (expense)/income recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>(17,972)</b>	<b>-</b>	<b>(17,972)</b>	<b>9</b>	<b>(17,963)</b>
Profit/(loss) for the year	-	-	-	11,365	11,365	(941)	10,424
<b>Total recognised income for 2008</b>	<b>-</b>	<b>-</b>	<b>(17,972)</b>	<b>11,365</b>	<b>(6,607)</b>	<b>(932)</b>	<b>(7,539)</b>
Dividends	-	-	-	(2,772)	(2,772)	-	(2,772)
Issue of share capital	549	6,993	(83)	-	7,459	-	7,459
Share based payment compensation:							
-Value of employee services-share options	-	-	317	-	317	-	317
-Value of employee services - LTIP	-	-	1,250	-	1,250	-	1,250
	<b>549</b>	<b>6,993</b>	<b>1,484</b>	<b>(2,772)</b>	<b>6,254</b>	<b>-</b>	<b>6,254</b>
<b>At 31 December 2008</b>	<b>8,909</b>	<b>60,025</b>	<b>(22,735)</b>	<b>(1,579)</b>	<b>44,620</b>	<b>1,030</b>	<b>45,650</b>

## Notes to the preliminary statement of results

### 1. General information

IFG Group plc and its subsidiaries (together the Group) are engaged in the provision of financial advisory services and international corporate and trustee services. The Company is a public company, listed on the Irish Stock Exchange (ISE), and is incorporated and domiciled in the Republic of Ireland. The address of its registered office is IFG House, Booterstown Hall, Booterstown, County Dublin, Ireland. The preliminary statement of results has been approved on 26 March 2009.

### 2. Basis of preparation

The consolidated financial statements of IFG Group plc are required to be prepared in accordance with EU adopted International Financial Reporting Standards (IFRS), IFRIC interpretations and those parts of the Companies Acts 1963 to 2006 applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities.

The preliminary statement of results for the year to 31 December 2008 has been prepared in accordance with the Listing Rules of the Irish Stock Exchange. The Group's financial information has been prepared in accordance with the accounting policies used in the preparation of the Group financial statements. This requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. These assumptions affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the financial statements, deviate from the actual outcome, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change.

The financial information in this preliminary statement of results is not the statutory accounts of the company, a copy of which is required to be annexed to the company's annual return to the Companies Registration Office in Ireland. A copy of the statutory accounts required to be annexed to the company's annual return in respect of the year ended 31 December 2007 has in fact been so annexed. A copy of the statutory accounts in respect of the year ended 31 December 2008 will be annexed to the company's annual return for 2008.

### 3. Segment information

#### Primary reporting format-business segments

At 31 December 2008, the Group is organised on a worldwide basis into two main business segments:

- Provision of financial services
- Provision of trustee and corporate services incorporating back office services

The segment results for the year ended 31 December 2008 are as follows:

	Financial services	Trustee & corporate services	Unallocated	Total
	€'000	€'000	€'000	€'000
Revenue	66,015	43,272	-	109,287
Operating profit	2,827	8,962	3,212	15,001
Finance costs - net	-	-	-	(2,902)
Profit before income tax				12,099
Income tax expense				(1,675)
Profit for the year				10,424

The segment results for the year ended 31 December 2007 are as follows:

	<b>Financial services</b>	<b>Trustee &amp; corporate services</b>	<b>Unallocated</b>	<b>Total</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Revenue	87,864	40,965	-	128,829
Operating profit / (loss)	10,302	7,490	(450)	17,342
Finance costs - net	-	-	-	(2,471)
Share of profit of associate and joint venture	249	-	-	249
Profit before income tax				15,120
Income tax expense				(2,686)
Profit for the year				12,434

Other non-cash segment items included in the income statement are as follows:

	<u>2008</u>				<u>2007</u>			
	<b>Financial services</b>	<b>Trustee &amp; corporate services</b>	<b>Unallocated</b>	<b>Total</b>	<b>Financial services</b>	<b>Trustee &amp; corporate services</b>	<b>Unallocated</b>	<b>Total</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Depreciation	872	722	78	1,672	742	888	234	1,864
Amortisation of intangibles	554	2,990	22	3,566	210	1,722	44	1,976
Impairment provision for doubtful receivables	508	638	176	1,322	1,918	385	251	2,554

The segment assets and liabilities at 31 December 2008 and capital expenditure for the year then ended are as follows:

	<u>2008</u>				<u>2007</u>			
	<b>Financial services</b>	<b>Trustee &amp; corporate services</b>	<b>Unallocated</b>	<b>Total</b>	<b>Financial services</b>	<b>Trustee &amp; corporate services</b>	<b>Unallocated</b>	<b>Total</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Assets	78,435	89,461	7,512	175,408	85,290	59,974	7,480	152,744
Investment in associates and joint ventures	-	-	-	-	299	-	-	299
	<b>78,435</b>	<b>89,461</b>	<b>7,512</b>	<b>175,408</b>	<b>85,589</b>	<b>59,974</b>	<b>7,480</b>	<b>153,043</b>
Liabilities	<b>(13,677)</b>	<b>(32,110)</b>	<b>(83,971)</b>	<b>(129,758)</b>	<b>(17,491)</b>	<b>(31,582)</b>	<b>(57,035)</b>	<b>(106,108)</b>
Capital expenditure	<b>13,636</b>	<b>24,540</b>	-	<b>38,176</b>	1,429	12,952	165	14,546

Segment assets consist primarily of property, plant & equipment, intangible assets, trade receivables and cash. They exclude income tax, deferred tax and investments. Segment liabilities comprise operating liabilities. They exclude items such as taxation and corporate borrowings.

Capital expenditure comprised additions to property, plant and equipment and intangible assets, including additions resulting from acquisitions through business combinations.

## Secondary reporting format-geographical segments

The Group's two main business segments operate in four main geographical areas. During 2007 Cyprus did not qualify as a separate segment. However with the acquisition of Excel, Cyprus now qualifies as a separate segment and figures for 2007 have been restated to reflect this new segment.

The home country of the company is Ireland.

<b>Revenue</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>
Ireland	29,281	47,416
UK	37,659	41,017
IOM & Jersey	31,311	35,509
Cyprus	4,704	177
Other countries	6,332	4,710
	<b>109,287</b>	<b>128,829</b>

Revenue is allocated based on the country where the customer is located.

<b>Total assets</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>
Ireland	36,274	34,431
UK	51,005	60,533
IOM & Jersey	42,085	46,576
Cyprus	35,599	256
Other countries	10,445	10,948
	<b>175,408</b>	<b>152,744</b>
Associates and joint ventures	-	299
	<b>175,408</b>	<b>153,043</b>

Total assets are allocated based on where the assets are located.

<b>Capital Expenditure</b>	<b>2008</b>	<b>2007</b>
	<b>€'000</b>	<b>€'000</b>
Ireland	13,181	1,642
UK	530	969
IOM & Jersey	997	3,138
Cyprus	23,443	-
Other countries	25	8,797
	<b>38,176</b>	<b>14,546</b>

Capital expenditure is allocated based on where the assets are located.

#### 4. Income tax expense

	2008 €'000	2007 €'000
<b>Current tax</b>		
Irish (at 12.5%):		
- current year	164	561
- prior year	(217)	47
UK and other (primarily at 28%):		
- current year	2,670	2,582
- prior year	(528)	(471)
	<u>2,089</u>	<u>2,719</u>
<b>Deferred tax</b>		
Irish:		
- current year	57	60
UK and other:		
- current year	(471)	(93)
	<u>1,675</u>	<u>2,686</u>

#### 5. Earnings per ordinary share

	2008	2007
<b>Basic</b>		
Profit after income tax and minority interest (€'000)	<u>11,365</u>	<u>12,069</u>
Weighted average number of ordinary shares in issue for the calculation of earnings per share	<u>72,447,944</u>	<u>69,268,010</u>
Basic earnings per share (cent)	<u>15.69</u>	<u>17.42</u>
<b>Diluted</b>		
Profit after income tax and minority interest (€'000)	<u>11,365</u>	<u>12,069</u>
Weighted average number of ordinary shares in issue for the calculation of earnings per share	<u>72,447,944</u>	<u>69,268,010</u>
Dilutive effect of share options and warrants	738,203	2,314,029
Dilutive effect of long term incentive plan	<u>2,333,333</u>	<u>1,720,833</u>
Weighted average number of ordinary shares for the calculation of diluted earnings per share	<u>75,519,480</u>	<u>73,302,872</u>
Diluted earnings per share (cent)	<u>15.05</u>	<u>16.46</u>

The number of shares used in the calculation of basic earnings per share and diluted earnings per share has been calculated in accordance with International Accounting Standard No.33.

Diluted earnings per share are based on the weighted average number of ordinary shares used in the basic earnings per share calculation, with an adjustment to reflect:

- the bonus element of the average number of options and warrants outstanding during the year. The bonus element arises when the exercise price is lower than the average market price during the year;
- the number of shares earned under the Long Term Incentive Plan ('LTIP') which have not been issued.

At 31 December 2008, shares earned by participants under the LTIP, approved by the shareholders on 28 September 2006 but not yet issued amount to 2,333,333 shares (2007: 1,720,833).

## 6. Cash generated from operations

	<b>2008</b>	2007
	<b>€'000</b>	€'000
Profit before income tax	<b>12,099</b>	15,120
Depreciation and amortisation	<b>5,238</b>	3,850
Loss / (gain) on sale of property, plant and equipment	<b>14</b>	(1)
Finance costs	<b>3,930</b>	3,347
Finance income	<b>(1,028)</b>	(876)
Group share of profit of associates and joint venture	<b>-</b>	(249)
Foreign exchange (gain) / loss	<b>(3,543)</b>	205
Non-cash share based payment compensation charges	<b>1,567</b>	2,700
Decrease / (increase) in trade & other receivables	<b>4,176</b>	(4,887)
Loan (to) / from associates and joint venture	<b>(16)</b>	31
(Decrease) / increase in trade & other payables	<b>(7,697)</b>	916
	<hr/>	<hr/>
Cash generated from operations	<b>14,740</b>	20,156

## 7. Analysis of net debt

	<b>Opening balance</b>	<b>Cash flow</b>	<b>Acquisition and disposals</b>	<b>Other non cash changes</b>	<b>Closing balance</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Cash and short term deposits	25,842	1,436	(288)	(4,450)	<b>22,540</b>
Overdrafts	(1,551)	178	-	117	<b>(1,256)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	24,291	1,614	(288)	(4,333)	<b>21,284</b>
Loans due within one year	(7,936)	4,175	(1,750)	(5,000)	<b>(10,511)</b>
Loans due after one year	(34,072)	(2,475)	(28,250)	8,187	<b>(56,610)</b>
Senior unsecured notes due within one year	(690)	690	-	(920)	<b>(920)</b>
Senior unsecured notes due after one year	(920)	-	-	920	-
Finance leases	(109)	44	-	13	<b>(52)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<b>(19,436)</b>	<b>4,048</b>	<b>(30,288)</b>	<b>(1,133)</b>	<b>(46,809)</b>

## 8. Reclassification from prior year

The prior year comparatives for cost of sales and administration expenses have been amended to ensure consistency with the current year.