2 July 2010

IMMUNODIAGNOSTIC SYSTEMS HOLDINGS PLC

Preliminary results for the year ended 31 March 2010

Immunodiagnostic Systems Holdings plc ("IDS" or the "Company" or the "Group"), a leading producer of diagnostic testing kits for the clinical and research markets, announces its preliminary results for the year ended 31 March 2010.

IDS operates in the in-vitro diagnostics ("IVD") market. The Company designs, manufactures and sells immunoassay kits which are used to measure or detect particular substances within a sample, thus aiding the diagnosis or monitoring of a disease or providing information for research studies. In 2007 the immunoassay sector of the IVD market was estimated to be worth US$ 10bn.

Financial Highlights

- Revenue up 49% to £37.16m (2009: £24.94m)
- EBITDA up 114% to £14.99m (2009: £6.99m)
- EBITDA margin 40% (2009: 28%)
- Gross profit up 66% to £27.52m (2009: £16.58m)
- Gross margin up to 74% (2009: 66%)
- PBT up 130% to £10.99m (2009: £4.78m)
- Earnings per share (diluted) up 78% to 28.9p (2009: 16.2p)
- Sales of manual Vitamin D tests up 72% to £22.00m (2009: £12.82m)
- All subsidiary companies within the Group experienced growth in sales and profitability
- Dividend up 21% to 2.00p (2009: 1.65p)

Highlights since year end

- Receipt of US FDA 510(k) clearance for the IDS-iSYS enabling the Company to market the automated platform in the US
- Revenue of £11.5m for the first three months of the year, up 35% from £8.5m for the comparative period 2009

Commenting on Outlook, David Evans, Chairman said:

"I am very pleased with the increased sales and profitability in the year resulting from the continuing demand for our manual products, especially Vitamin D, as well as the successful roll out of the IDS-iSYS that should see further momentum following our recent US FDA 510(k) approval for the instrument.

"Trading for the first three months of the of the year has been in line with management expectations and I feel that the opportunities laid at our feet as a result of having the IDS-iSYS are very exciting and I look forward to updating you throughout the year on its progress."

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CHAIRMAN'S STATEMENT

I am delighted to report on another year of continued growth at Immunodiagnostic Systems.

Increased sales and profitability have resulted from the continuing demand for our manual products, especially Vitamin D, as well as the successful roll-out of the IDS-iSYS and the launch of five more automated products that sit alongside our automated 25 Hydroxy Vitamin D.

Highlights

The continued worldwide demand for Vitamin D testing has seen our manual Vitamin D sales increase by 72% to £22,000,000 up from £12,820,000 in 2009.

All subsidiary companies within the IDS Group have experienced a growth in sales and profitability this year.

Our Group companies have been able to accommodate a significant increase in demand for our products, especially the automated analyser the IDS-iSYS. Our French subsidiary based in Pouilly has been able to match demand and incorporate system upgrades to reflect market feedback from our customer base. In addition to the instruments themselves, our Belgian subsidiary based in Liège which manufactures the automated reagents has been able to meet customer demand for a rapidly expanding product portfolio.

Average revenue per instrument from reagent rental accounts at a constant exchange rate was £77,000, slightly higher than management expectations.

We have also seen a very pleasant growth in our share price which has increased by circa 285% from 198.5p at 31st March 2009 to 765p as at 31st March 2010.

Lowlights

The longer-than-anticipated clearance from the US Food & Drug Administration (FDA) obviously caused some angst amongst shareholders and employees alike. However, now that we have 510(k) clearance under our belt, we are confident that we can successfully take a share of the automated market within the USA.

At year end we had sold or placed 74 of the IDS-iSYS instruments post launch, the Directors believe they are slightly behind where they had hoped to be at year-end and this is due in no small part to the delay in getting a positive FDA decision. We hope to rectify this in the fullness of time.

Results

Turnover has increased by 49% to £37,158,000 (2009: £24,937,000) with increased automated revenues from the IDS-iSYS accounting for a little more than 18% of this growth.

Gross profit has increased substantially during the period from £16,580,000 in 2009 to £27,516,000 in 2010, an increase of 66% as we benefited from a favourable product mix and certain economies of scale associated with increased demand for our main products.

Overall profits from operations increased by 110% from £5,367,000 to £11,283,000.

<u>Financing</u>
Our financing costs have decreased from £703,000 to £555,000 reflecting the reducing amount of debt we have in the business and an enhanced foreign currency exchange gain compared to last year.

<u>Taxation</u>
The charge to taxation is £2,911,000 compared to £585,000 in the previous year and represents an effective rate of 26.5%. The effective rate reflects the varying taxation rate applicable per country where IDS has a subsidiary as well as favourable allowances for R&D tax credits.

<u>Profit after Taxation</u>
Overall profit after tax has increased from £4,196,000 to £8,075,000 reflecting an increase of 92%.

<u>EPS</u>
The Earnings per Ordinary Share has increased from 16.918p to 30.017p and increase of 77%. Fully diluted the total increase is 79% (28.926p vs 16.166p).

Balance sheet
<u>Current Assets</u>

- Cash at bank was up 18.4% to £5,276,000 (2009: £4,456,000);
- Trade and other receivables increased from £8,598,000 to £10,806,000 and reflects our increased turnover whilst also containing the monies due to us from Escalon Drew in relation to the disposal of the Haematolgy business in December 2008 as deferred consideration;
- Inventories have increased from £5,737,000 to £6,427,000 reflecting our increased turnover and stock of automated instruments and components.

<u>Liabilities</u>
Bank borrowings have decreased from £13,729,000 to £11,230,000 due in part to the weakening of the Euro and capital repayments.

<u>Provisions</u>
The main reduction in provision has been to reduce the earn-out liability to the former shareholders of Biocode Hycel reflecting revised assumptions and the first earn-out payment.

Direction and Growth
I am very pleased with the progress made by the Company at integrating the businesses units within the Group and the steps taken to create the concept of "One IDS". This can only strengthen our attitudes towards working well with each other and help increase our efficiencies within the business.

The strategic direction remains the same: New Product Development, Geographic Growth and Acquisition and our goal is execution. So far I believe we are on track and are accelerating in the direction set out in the CEO's report.

I am pleased to reflect upon the two new non-executive Directors we have appointed recently, both Burkhard Wittek and Patrik Dahlen bring individual strengths and experience to our Board of Directors and I am sure the company will benefit going forward. In addition to the two new non-executive Directors, we have added to our headcount with additional staffing in almost all areas of the business from middle and senior management to production, operations, technical and engineering support, so much so that our headcount has increased from an average of 206 last year to 241 and remains in line with management expectations.

Management

Going forward, we announce a changing of the guard as from October 1st, with Ian Cookson, now the Chief Operating Officer, succeeding Roger Duggan as Chief Executive Officer. I would like to pay tribute to Roger's knowledge, drive and leadership in ensuring that IDS has become the leading independent IVD company in the UK. I am glad to say that Roger will continue on at Board level in a business development role. As Ian takes the baton on I am sure that his own drive, operational experience and attention to process and detail will ensure that IDS moves to becoming a still more significant and established IVD Company.

Outlook

The trading for the first three months of the year is in line with management expectations. Revenues for the first three months of the year have been £11.5m compared to £8.5m for the comparative period last year and the directors believe the increased market acceptance of the IDS-iSYS with its expanding menu will continue and bodes well for the future, particularly given the recent clearance to market in the USA.

Post launch we have now placed or sold more than 100 instruments and the Directors believe that this number can be substantially improved upon as our product menu continues to develop and grow, as does the infrastructure we have developed to support the customer during their decision-making process and thereafter post-installation and routine use.

The opportunities laid at our feet as a result of having the IDS-iSYS are truly remarkable and I look forward to updating you throughout the year on:

- Additional product launches on the IDS-iSYS
- Regulatory submission and approval on our new automated products
- Expansion of our IP portfolio
- Leveraging our automated technology

Finally, the growth we have experienced over the last twelve months could not have been achieved without the total commitment of our global workforce and the continued support of our Shareholder base. I would formally like to record my thanks to both groups

David Evans
Non-Executive Chairman
9 July 2010

CHIEF EXECUTIVE'S REVIEW

The IDS Group has had another gruelling but very successful year. We have grown in size, turnover, profitability and prospects, reflecting the underlying maturation of an expanding global workforce with a more eclectic range of specialist products.

This year we faced the most prodigious growth challenge ever experienced by IDS, namely breaking into the daunting automated immunoassay market whilst continuing to nurture and grow our longstanding manual assay business.

The launch of the fully-automated immunoanalyser, the IDS-iSYS, in February 2009 set the stage for FY 2009/10, with the prime focus being the realisation of the enormous potential that the marriage of the all-new IDS-iSYS instrument and our proven immunoassay expertise represented.

The requirements for success were well-known to us - the instrument itself has to be constructed to a very high quality, achieve the capacity, speed and precision requirements of the most demanding of laboratories and offer a high degree of reliability. The assays automated thereupon similarly have to be of the highest quality, with sensitivities and specificities to meet or exceed the most demanding specifications and must be manufactured to the highest possible consistency. And these two essential components, the IDS-iSYS and its assays, "the razor and the razor blades", have to work exquisitely in concert, day in and day out.

I'm tempted to say it was a close shave, but instead am pleased to report that with a fair wind and hard work we appear to have ticked all the required boxes.

Investors will know that the roll-out of the IDS-iSYS, the speed and frequency of realizing placements and "time to go live" in revenue generating accounts, was slower in the early stages than anticipated. An unknown machine from a company not known for automation provoked caution in an otherwise enthusiastic audience.

Fortunately this has changed with experience gained in the field and the invaluable "word of mouth" passing among a highly communicative customer base. Evaluations throughout Europe have accelerated as our operations in the UK, Germany, France and Scandinavia have gained confidence and competence. These Group subsidiaries have excelled this year, increasing sales of all of our manual products even as they tackle the new challenges of automation. Our distributors in Canada, Australia and Spain have been particularly bullish, and other territories are now shaping up to follow suit with the IDS-iSYS.

System launch in the USA was frustrated by a protracted delay in receipt of pre-market approval from the US FDA, who have "upped their game" in what is known as 510(k) submissions. The IVD industry as a whole now appreciates that approval timescales have lengthened over the past 18 months with most recent examples, including our own, taking 6-12 months from time of submission. However, our clearance, dated 25th, was received on June 28th and we have unleashed an eager US sales force. In the interim, we did not waste the time the delay presented - IDS Inc is today still better prepared for launching the IDS-iSYS into the single largest, most automated IVD market in the world. We have further improved our new premises in Scottsdale, and the enlarged sales team has lifted manual product sales impressively. And our US field engineers have broadened their knowledge of the European way of life by honing their new skills alongside other IDS engineers busy in France, Belgium and the UK. It has been a pleasure to see the interest and enjoyment of personnel throughout the Group that this cultural mix has generated.

This year we have launched more new immunoassay products than in any previous year in our history. The teams in Boldon and Liège have delivered human Growth Hormone (hGH) and Insulin-like Growth Factor I (IGF-I), both developed in association with Dr Martin Bidlingmaier of Munich, Intact PINP, Osteocalcin and Intact PTH to the IDS-iSYS product range. We continue to embody our policy of "raising the bar" with every product development to challenge and dispirit our competitors. Thus our Bone Panel and our Growth Panel take on shape and content, with more analytes to be added to each later this year. A Hypertension Panel and a Cartilage Panel will follow before the year-end. The ability to "up-sell" increases with every new product launch, and can only add to the revenues received per machine placed, already above early expectations.

The continued buoyancy in the sales of our manual products has been an excellent contributor to the year's Group performance, with little cannibalisation by the automated IDS-iSYS alternatives at this juncture. Given that new biomarker assays to be released will almost invariably appear first in a manual Research Use Only format, our further investment in expanding production capacity in our Boldon plant is both necessary and timely. And as the range of products available on the IDS-iSYS grows, so cannibalisation of manual accounts becomes evermore a *desirable* outcome, enabling up-selling on each and every machine out there.

In a fast-moving and competitive environment, we must keep our eyes open for both threat and opportunity. We are very aware that competition will become much more severe in the Vitamin D market in the relatively near future. Whilst the market will continue to grow at impressive rates for the next few years, some major players will enter and the dynamics will change. The broadening of our product range and the access to larger specialist accounts afforded by the iSYS will certainly ameliorate the inevitable pressure on Vitamin D sales, and the quest for new biomarkers, new applications and new technologies will play a part in our readiness for the future.

The present year will be seminal in the history of IDS as we are able to fully exploit our manual and automated worldwide. As the business continues to grow at an exhilarating rate, we are attuned to the changing demands on the 'Senior Team' and I am happy to hand the reins of the IDS Group to a very capable successor in Ian Cookson. Ian has the skill sets to take the Company to greater heights, and I look forward to exercising my more entrepreneurial talents elsewhere in the Group. I am looking forward to leading some talented younger colleagues in the newly-formed Business Development Group. IDS has identified a number of highly attractive avenues to pursue with a number of prestigious research institutes and innovative companies in Europe and the USA, and potential additions to the IDS family. In the forthcoming months and years, I am confident that we will secure rights, by licence or acquisition, to some very exciting products, markets and technologies.

How is the IDS Group in July 2010?

We are in excellent shape financially and intellectually and poised for more steady and directed growth. Our mantra remains "to be the best in our chosen fields of application", and by striving to achieve this I am sure that we will continue to add significantly to shareholder value.

Roger Duggan PhD
Chief Executive Officer
9 July 2010

FINANCIAL REVIEW

Financial Highlights

The increase in demand for our Vitamin D range of products as well as the launch of additional analytes onto the IDS-iSYS have significantly contributed to this year's increase in both sales and profitability. All subsidiary companies have benefited from this and all have seen their sales increase between 15% and 94%.

Additional product launches will help generate more instrument placements and increase average revenue per machine.

Turnover

Turnover increased by 49% to £37,158,000 (2009: £24,937,000). Direct sales through all of our subsidiary companies experienced significant growth.

Gross Margin

Our gross margin increased for the twelve month period to 74.05% (gross profit £27,516,000) from 66.50% in 2009 (gross profit £16,580,000). Increased volumes, enhanced product sales mix and exchange rate movements were the three principal reasons for this growth.

Operating Costs and Profits

Our R&D expenditure for the year was in line with management expectations at £3,695,000 down slightly from £3,805,000 in 2009.

Distribution and Administrative expenses increased by £5,020,000 to £16,234,000 compared to £11,214,000 in 2009. This increase was expected, as we continue to strengthen the group's infrastructure to support the increased demand for our manual products as well as the automation program supporting the IDS-iSYS rollout and increased amortisation and depreciation charges.

The charge for depreciation and amortisation of intangibles was £3,351,000 compared to £1,428,000 in 2009 and is in line with management expectations as we amortise previously capitalised development costs associated with the IDS-iSYS programme.

EBITDA

The Group reports an increase in earnings before interest, tax, depreciation and amortisation (EBITDA) from £6,991,000 in 2009 to £14,985,000, an increase of 114%.

Sub-analysis of diagnostic sales

Year ending 31 March:	2010	2009	Change
	£'000	£'000	%
Vitamin D	**22,000**	12,820	72%
Octeia	**2,053**	1,971	4%
Gamma B	**167**	211	-21%
Other	**1,048**	657	60%
Automation	**2,714**	475	471%
Total of IDS products	**27,982**	16,134	73%
Distribution of third party sales	**2,040**	2,119	-4%
NBD	**4,003**	3,431	17%
Biocode Hycel	**3,133**	3,253	-4%
Total Turnover	**37,158**	24,937	49%

Dividend Policy and Dividend

The board is proposing a dividend for the year of 2.00p (2009: 1.65p) subject to the approval of shareholders in the Annual General Meeting. The dividend per share will be paid on 15th September 2010 to shareholders on the register at the close of business on 20th August 2010.

Balance Sheet

The Group's non current assets at 31 March 2010 were £61,146,000 (2009: £60,768,000) which consisted of property, plant and equipment of £5,198,000, intangible assets of £55,732,000 and investments of £216,000. Intangible assets principally relate to the patents and goodwill acquired on acquisitions.

Inventory has increased to £6,427,000 (2009: £5,737,000) and receivables have increased to £11,381,000 (2009: £9,158,000) while current liabilities have decreased to £9,951,000 (2009: £10,124,000). Liabilities due after one year have decreased to £13,269,000 (2009: £19,282,000).

Financial Performance

This report shows that the Group has had another very good year with record sales and profitability. A major contributor to this success has been the increase in both the number of orders received and the number of active customers who purchase product. As we develop and introduce new products we expect this growth to continue.

There are of course always risks associated with a business and as the in vitro diagnostic market develops there is the possibility that increasing competition from larger companies with greater financial and other resources than those directly available to the Group will appear. The directors are aware of this and are looking to work closely with these larger companies in an attempt to make them customers for the Group's products rather than direct competitors.

Our progress on our strategic objectives is monitored by the Board of Directors by reference to six key performance indicators applied on a Group-wide basis. The Groups performance for 2010 and 2009 is shown below:

Financial KPI	2010	2009	Variance
Annual increase in sales:	49%	47%	2%
Number of net invoices issued	19,886	17,180	2,706
Gross margin	74.05%	66.50%	7.55%
Profit after tax	21.73%	16.83%	4.9%
Basic earnings per share	30.017p	16.918p	13.099p
Diluted earnings per share	28.926p	16.166p	12.760p

Paul Hailes
Finance Director
9 July 2010

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2010

	Notes	2010 £	2009 £
REVENUE	2	37,158,260	24,936,906
Cost of sales		(9,641,781)	(8,356,580)
Gross profit		27,516,479	16,580,326
Distribution costs		(5,922,713)	(4,600,918)
Administrative expenses		(10,311,132)	(6,612,592)
PROFIT FROM OPERATIONS	3	11,282,634	5,366,816
Finance income	7	258,781	117,553
		11,541,415	5,484,369
Finance costs	8	(554,998)	(702,849)
PROFIT BEFORE TAX		10,986,417	4,781,520
Income tax expense	9	(2,911,303)	(585,343)
PROFIT FOR THE YEAR FROM CONTINUING ACTIVITIES		8,075,114	4,196,177
Profit for the year from discontinued activities	4	-	623,780
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		8,075,114	4,819,957
EARNINGS PER SHARE			
From continuing operations			
Basic	11	30.017p	16.918p
Diluted	11	28.926p	16.166p
Had the share options not been exercised in the year ended 31 March 2010, basic earnings per share would have been	11	30.569p	
From continuing and discontinued operations			
Basic	11	30.017p	19.433p
Diluted	11	28.926p	18.569p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2010

	2010	2009
	£	£
PROFIT FOR THE YEAR	8,075,114	4,819,957
Currency translation differences	(1,906,281)	5,573,258
OTHER COMPREHENSIVE INCOME, BEFORE TAX	(1,906,281)	5,573,258
Income tax relating to items credited/charged to equity	(97,598)	465,922
OTHER COMPREHENSIVE INCOME, NET OF TAX	(2,003,879)	6,039,180
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT	6,071,235	10,859,137

CONSOLIDATED BALANCE SHEET
As at 31 March 2010

	Notes	2010 £	2009 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	13	5,198,284	4,161,154
Goodwill	14	17,680,418	19,463,756
Other intangible assets	15	38,051,032	37,139,180
Investments	17	3,696	3,696
Other non-current assets	18	212,496	-
		61,145,926	60,767,786
CURRENT ASSETS			
Inventories	19	6,427,301	5,737,202
Trade and other receivables	20	10,805,648	8,598,131
Income tax assets		575,422	559,740
Cash and cash equivalents	20	5,276,489	4,455,920
		23,084,860	19,350,993
TOTAL ASSETS		84,230,786	80,118,779
LIABILITIES			
CURRENT LIABILITIES			
Short-term portion of long-term borrowings	21	2,680,830	2,634,240
Trade and other payables	24	6,202,608	6,240,156
Income tax liabilities		913,782	1,249,663
Deferred income	28	153,432	-
		9,950,652	10,124,059
NET CURRENT ASSETS		13,134,208	9,226,934
NON-CURRENT LIABILITIES			
Long-term borrowings	21	8,642,895	11,291,523
Provisions	27	1,901,447	3,165,425
Deferred tax liabilities	26	2,724,691	4,446,964
Deferred income	28	-	377,866
		13,269,033	19,281,778
TOTAL LIABILITIES		23,219,685	29,405,837
NET ASSETS		61,011,101	50,712,942

CONSOLIDATED BALANCE SHEET (Continued)
As at 31 March 2010

	Notes	2010 £	2009 £
TOTAL EQUITY			
Called up share capital	31	557,091	528,316
Share premium account	32	29,280,672	28,499,692
Other reserves	33	11,780,834	12,165,927
Retained earnings	34	19,392,504	9,525,542
		61,011,101	50,719,477
Treasury shares		-	(6,535)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		61,011,101	50,712,942

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2010

	Notes	2010 £	2009 £
OPERATING ACTIVITIES			
Cash generated from operations	35	11,730,641	6,367,085
Income taxes paid		(1,343,977)	(302,478)
Interest paid		(692,794)	(754,220)
NET CASH FROM OPERATING ACTIVITIES		9,693,870	5,310,387
INVESTING ACTIVITIES			
Acquisition of subsidiaries, net of cash acquired		(213,359)	(52,305)
Purchases of other intangible assets		(4,544,443)	(4,326,248)
Purchases of property, plant and equipment		(2,429,366)	(1,423,450)
Interest received		258,781	117,553
NET CASH USED BY INVESTING ACTIVITIES		(6,928,387)	(5,684,450)
FINANCING ACTIVITIES			
Proceeds from issue of shares for cash		816,290	3,004,813
Proceeds of new borrowings		-	1,404,720
Repayments of borrowings		(2,446,869)	(2,613,241)
Repayments of hire-purchase obligations		(102,493)	(85,351)
Dividends paid		(436,273)	(360,278)
NET CASH (USED BY)/FROM FINANCING ACTIVITIES		(2,169,345)	1,350,663
EFFECT OF EXCHANGE RATE DIFFERENCES		224,431	505,868
NET INCREASE IN CASH AND CASH EQUIVALENTS		820,569	1,482,468
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,455,920	2,973,452
CASH AND CASH EQUIVALENTS AT END OF YEAR		5,276,489	4,455,920

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2010

	Called up share capital	Share premium account	Merger reserve	Share-based payments reserve
	£	£	£	£
At 1 April 2008	479,453	25,543,742	582,999	300,766
Profit for the year				
Other comprehensive income				
Foreign exchange translation differences on foreign currency net investment in subsidiaries	-	-	-	-
Tax effect of treatment of foreign currency translation differences	-	-	-	-
Total comprehensive income	-	-	-	-
Transactions with owners				
Share based payments	-	-	-	217,677
Dividends paid	-	-	-	-
Shares issued in the period (net of expenses)	48,863	2,955,950	-	-
At 31 March/1 April 2009	528,316	28,499,692	582,999	518,443
Profit for the year				
Other comprehensive income				
Foreign exchange translation differences on foreign currency net investment in subsidiaries	-	-	-	-
Tax effect of treatment of foreign currency translation differences	-	-	-	-
Total comprehensive income	-	-	-	-
Transactions with owners				
Deferred tax recognised on share based payments	-	-	-	1,549,201
Tax benefit on exercise of share options	-	-	-	
Share based payments	-	-	-	354,585
Transfer on exercise of share options	-	-	-	(285,000)
Dividends paid	-	-	-	-
Shares issued in the period (net of expenses)	28,775	780,980	-	-
At 31 March 2010	557,091	29,280,672	582,999	2,137,229

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the year ended 31 March 2010

	Currency translation reserve	Retained earnings	Treasury shares	Total
	£	£	£	£
At 1 April 2008	5,025,305	5,065,863	(6,535)	36,991,593
Profit for the year	-	4,819,957	-	4,819,957
Other comprehensive income				
Foreign exchange translation differences on foreign currency net investment in subsidiaries	5,573,258	-	-	5,573,258
Tax effect of treatment of foreign currency translation differences	465,922	-	-	465,922
Total comprehensive income	6,039,180	4,819,957	-	10,859,137
Transactions with owners				
Share based payments	-	-	-	217,677
Dividends paid	-	(360,278)	-	(360,278)
Shares issued in the period (net of expenses)	-	-	-	3,004,813
At 31 March / 1 April 2009	11,064,485	9,525,542	(6,535)	50,712,942
Profit for the year		8,075,114		8,075,114
Other comprehensive income				
Foreign exchange translation differences on foreign currency net investment in subsidiaries	(1,906,281)	-	-	(1,906,281)
Tax effect of treatment of foreign currency translation differences	(97,598)	-	-	(97,598)
Total comprehensive income	(2,003,879)	8,075,114	-	6,071,235
Transactions with owners				
Deferred tax recognised on share based payments	-	-	-	1,549,201
Tax benefit on exercise of share options	-	1,943,121	-	1,943,121
Share based payments	-	-	-	354,585
Transfer on exercise of share options	-	285,000	-	-
Dividends paid	-	(436,273)	-	(436,279)
Shares issued in the period (net of expenses)	-	-	6,535	816,290
At 31 March 2010	9,060,606	19,392,504	-	61,011,101

EARNINGS PER SHARE

From continuing and discontinued operations:

	2010	2009
	£	£
Profit on ordinary activities after tax	8,075,114	4,819,957
Weighted average no of shares:	No.	No.
For basic earnings per share	26,901,896	24,802,348
Effect of dilutive potential ordinary shares:		
-Share options	1,014,451	1,154,875
For diluted earnings per share	27,916,347	25,957,223
Basic earnings per share	30.017p	19.433p
Diluted earnings per share	28.926p	18.569p
Had the share options not been exercised in the year ended 31 March 2010, basic earnings per share would have been	30.569p	-

From continuing operations

	2010	2009
	£	£
Profit on ordinary activities after tax	8,075,114	4,196,177
Weighted average no of shares as above:		
Basic earnings per share	30.017p	16.918p
Diluted earnings per share	28.926p	16.166p

From discontinued operations:

Basic earnings per share	0.000p	2.515p
Diluted earnings per share	0.000p	2.403p

NOTES

1. Extract from Annual Report and Financial Statements

The financial information set out above does not constitute the Group's statutory financial statements for the years ended 31 March 2010 or 2009 but is derived from those financial statements. Statutory financial statements for 2009 have been delivered to the registrar of companies, and those for 2010 will be delivered in due course. The auditors have reported on those financial statements; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 237 (2) or (3) of the Companies Act 1985 in respect of the financial statements for 2009 nor a statement under section 498 (2) or (3) of the Companies Act 2006 in respect of the accounts for 2010.The annual report and financial statements for the year ended 31 March 2010 will be posted to shareholders in July 2010. The results for the year ended 31 March 2010 were approved by the Board of Directors on 9 July 2010 and are audited.

2. Basis of preparation

The audited preliminary announcement has been prepared under the historical cost convention on a going concern basis and in accordance with the recognition and measurement principles of International Financial Reporting Standards and IFRIC interpretations as adopted by the EU ("IFRS").

The preliminary announcement has been prepared on the basis of the same accounting policies as published in the audited financial statements of the Group for the year ended 31 March 2009 and the accounting policies to be adopted in the audited financial statements of the Group for the year ended 31 March 2010.