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RWS GROUP

14 December 2009

RWS Holdings plc

Preliminary results for the year ended 30 September 2009

RWS Holdings plc, Europe's leading provider of intellectual property support services (patent translations and technical searches) and technical translations, today announced its preliminary results for the year ended 30 September 2009.

Financial Highlights:

Further growth in sales, profits and dividends for the sixth successive year since flotation in 2003

- Sales increased by 2.2% to £55.3m (2008: £54.1m)
- Profit before tax* rose by 3.8% to £14.5m (2008: £13.9m)
- Profit before tax* margin ahead at 26.2% (2008: 25.8%)
- Basic earnings per share* were up 5 % to 25.2p (2008: 24.0p)
- Final dividend of 8.85p (2008: 7.9p); total dividend increased by 12% to 11.65p (2008: 10.4p), continuing an unbroken series of dividend increases since flotation
- Continued strong underlying cash generation from operations produced net cash at year end of £24.3m (2008: £22.1m), after £2.8m of acquisitions and £2.5m development loan
- Release of corporation tax provision of £4.4m, in respect of capital gains in 2003
- Significant reduction in interest income as a result of recession induced low rates
- Average euro rate - £1 = 1.15 (2008: 1.30)

* before amortization of intangibles and exceptional tax credit

Operational Highlights:

Resilience in a challenging economic environment

- Solid performance in core patent translations business, after absorbing full year London Agreement effect, assisted by sterling weakness
- Earnings enhancing acquisitions of Communicare Limited in March 2009 and Ifama GmbH in July 2009
- PatBase subscription revenues rose by 62%
- Fourth Queen's Award for Enterprise - International Trade
- Continued increase in staff productivity
- Challenging business environment, particularly in Japan and Germany

Current Trading and Outlook

- Trading in the first two months of the new financial year has been in line with expectations

- Key currency pairs trading at more favourable rates than budgeted
- Modest improvement in business climate in key markets

Executive Chairman Andrew Brode commented:

"It is extremely gratifying to be able to report further, albeit modest, growth in a year when RWS has faced the twin challenges of the London Agreement and a most demanding recession.

"Current trading is in line with the Board's expectations. We face the future in a strong financial position with opportunities for acquisitions and consolidating our market leadership in our core business. We therefore expect that the Group will deliver enhanced progress in 2010."

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About RWS:

RWS is Europe's leading provider of intellectual property support services (patent translations and technical searches) to the medical, pharmaceutical, chemical, aerospace, defence, automotive, electronics and telecoms industries. RWS also provides specialist technical, legal and financial translation services for areas of industry outside the patent arena. RWS is based in the UK, with offices in Europe, New York, Tokyo and Beijing, and is listed on AIM, the London Stock Exchange regulated market (RWS.L).

Approximately 1,000,000 patent documents are published per annum, 200,000 of which are published in Europe (Source: European Patent Office) and the intellectual property market has shown significant growth in recent years, with patent applications in Europe having doubled over the last ten years.

For further information please visit: www.rws.com.

RWS GROUP

RWS Holdings plc**Preliminary results for the year ended 30 September 2009****Executive Chairman's Statement**

I am delighted to report another year of progress for RWS. For its sixth year as a public company it has delivered further growth in sales, profits and dividends.

Business Overview

RWS is Europe's leading provider of intellectual property support services and high level technical, legal and financial translation services. The core business - patent translation - is probably the largest of its kind in the world, translating over 50,000 patents and intellectual property related documents each year. It serves a multinational blue chip client base drawn from Europe, North America and Japan. Its clients will be active filers of patents in the medical, pharmaceutical, chemical, aerospace, defence, automotive, electronics and telecoms sectors, as well as patent agents with similar clients, and the leading international intellectual property

organisations. The Group comprises two divisions, the Translation division providing patent and document translation, filing and localisation services in the UK, USA, Europe, Japan and China, and the Information division, which offers a full range of patent search, retrieval and monitoring services as well as an extremely comprehensive patent database service accessible by subscribers, known as PatBase.

Strategy

Our strategy is focused upon organic growth complemented by deploying our substantial cash holdings for selective acquisitions providing they can be demonstrated to enhance shareholder value. Organic growth is driven by RWS leveraging its financial strength, leading market position and reputation in an otherwise fragmented and largely freelance sector.

In terms of acquisitive growth, having been pleased with the return on acquisitions to date, we continue to search for suitable potential acquisitions in the high level technical translation and intellectual property support services spaces. We seek niche businesses with above industry average levels of profitability.

Results and Financial Review

Against an extremely challenging economic background, the Group achieved further growth in sales and profit for the year. Sales advanced by 2.2% to £55.3 million (2008: £54.1 million); profit before tax and intangibles amortization increased by 3.8% to £14.5 million (2008: £13.9 million). The effective cash tax rate was 29.3% (2008: 21.7%). Basic earnings per share before intangibles amortization and the exceptional tax credit (see below) advanced by 5% to 25.2p (2008: 24.0p).

This resilient performance was delivered against a backdrop of a full year's impact of the London Agreement, a deep recession in all of our markets and a significant decline in interest income and favourable movements in currency, especially in the first half of the financial year. The rate for our key currency, the Euro, advanced during the year from 1.26 to 1.09 = £1, with an average rate of 1.15 (2008: 1.30), and exchange gains having been much more pronounced in the first half of the year.

As market leaders we continued to exert tight control over translation costs, and shared some pricing pressures with key suppliers. Combined with small increases in productivity and the excellent margins achieved by our fast growing patent database product - PatBase - we succeeded in maintaining margins in a tough environment.

We have emphasized our strong financial position in previous annual reports. This has been particularly important at a time of extreme financial sensitivity. Shareholder funds have advanced to £48.1 million, including net cash of £24.3 million. This figure was boosted by the release of a £4.4 million provision for corporation tax in respect of capital gains first realised in 2003 and offsetting capital losses now agreed by HMRC. Free cash flow increased to £11.2 million. Capital expenditure was again modest at £332,000. In May 2009 we made a secured development loan of £2.3 million to Barwood Developments Limited in respect of the construction of RWS' new offices which are expected to be occupied in late July 2010. The loan was provided at commercial rates, i.e. significantly above current deposit rates.

The overall growth in our net cash balances of £2.2 million was achieved after disbursing £2.8 million in respect of the acquisitions of Comunicare Limited and Ifama GmbH, the Barwood loan referred to above and financing significantly larger dividend payments. We were able to maintain tight control over receivables despite deteriorating credit conditions and days' sales in receivables were stable at 51 days at 30 September 2009.

Dividend

The Board recommends a final dividend of 8.85p per share, which, together with the interim payment, will result in a total dividend payout for the year of 11.65p per share, an increase of 12% over 2008.

The proposed total dividend is more than twice covered by after tax profits. Subject to shareholder approval at the Annual General Meeting, the final dividend will be paid on 19 February 2010 to all shareholders on the register at 22 January 2010.

Acquisitions

RWS acquired Comunicare Limited, a technical translations business based in London, in March 2009. Comunicare specialises in providing high quality translations for the medical and pharmaceutical industries and especially for contract research organisations. The cash consideration was £2.2 million and the transaction was immediately earnings enhancing.

In July 2009 RWS acquired Ifama GmbH based in Basle, Switzerland. Ifama is a significant customer of Document Service Center in Berlin, which was acquired in February 2008. It will form the base for our business in Switzerland, focused upon German speaking corporates. The net cash outlay was £567,000.

RWS has pursued an active strategy of acquiring translation assets to compensate for the reduction in patent translations resulting from the London Agreement. We continue to review such opportunities and our financial strength ensures a favourable position in negotiations. Acquisitions are most likely in the technical translations space where we seek niche players with superior margins.

Operating Review

Translations

Patent translations continue to be the Group's core business, accounting for 69% of sales revenues and a niche in which RWS is the leading player. The business model predicates that we are the principal supplier of patent translations for all of our major clients, that we will add significant new accounts each year and not lose existing ones. This model has stood up well in 2008-09 despite the severe recession and the full implementation of the London Agreement, and we have acquired new international corporates with good growth potential. RWS remains the key provider of high quality, convenient and cost-effective solutions for corporates generating large patent volumes requiring comprehensive geographical intellectual property protection.

In Japan our patent translation activities have encountered severe competition, principally from Japanese patent attorneys whose local business has shrunk. The downturn we have experienced has been largely offset by the weakness of sterling versus the yen. Responsibility for PatBase marketing in Japan has been assumed by our Tokyo office and activity will be stepped up in 2009/10. The Beijing office is now close to breakeven after experiencing difficulties in sourcing high calibre staff.

Technical, non-patent translations account for some 24% of overall sales revenues and most of our acquisition activities fall into this sector. Here we also encounter our most direct competition which has undoubtedly intensified during the global economic downturn. We endeavour to achieve preferred supplier status with large corporates who appreciate high quality service and financial stability particularly in the delivery of their business critical translations. Our business in Germany initially experienced the most severe downturn, but again this was largely offset by the weakness of sterling, and conditions have since improved.

Information

The information division represents approximately 7% of sales, albeit with superior margins. Patent search and litigation services suffered from somewhat lower demand than we anticipated. However, PatBase - our highly scaleable, comprehensive and searcher-friendly patent database - enjoyed further significant growth with subscriber revenues 62% ahead of 2008.

Principal Risks

The Directors remain convinced that the principal risks to the business are errors in the provision of the Group's services; in a mismatch between currencies (especially as between the euro and sterling); and in regulatory changes to patent translation requirements in Europe. Additionally, as with any people business delivering high quality services, the Group depends upon its ability to attract and retain well trained staff.

These risks are mitigated as follows:

- Failings in service provision are most likely to arise as a result of human error. RWS was

one of the earliest adopters of ISO certification and invests in exhaustive and regularly updated procedures to minimise the risk of error. In addition, the Group carries substantial professional indemnity insurance.

- Currency risk is normally addressed via hedging operations. Currently, sterling/dollar exposure for the whole of 2009/10 has been hedged at \$1.65=£1. We sold our euro cash balances in late November 2009 at a rate of Euro 1.11=£1. There are presently no other hedges in place but the position is monitored actively. The 2009/10 budget is based upon a rate of Euro 1.15=£1, which was also the average rate achieved in 2008/09.
- The London Agreement was implemented in May 2008 and the financial year 2008/09 has therefore borne the full effect, which was broadly in line with our expectations. RWS would also be impacted if a further initiative - the European Community Patent - were to become effective. This latter initiative was decisively rejected in 2005 but continues to be discussed. The thrust of our acquisition strategy since 2005 has been to target technical translation businesses which have zero exposure to any developments in the patent field.
- As a major employer in the local area of South Buckinghamshire, we believe we offer stability of employment, competitive salaries and a good working environment. In the current economic environment we have been successful in recruiting high calibre staff as required.

Queen's Award

We were delighted to win the Queen's Award for Enterprise - International Trade, for 2009. This is the fourth occasion on which the Group has been honoured with the UK's most prestigious award recognising export achievement.

Corporate Social Responsibility

Our staff contribute generously and regularly to a selection of local and national charitable causes and their contributions are matched by the Group. In addition, this year the Group has provided financial sponsorship for the Freeplay Foundation, a charity dedicated to empowering and improving the quality of life for people in sub-Saharan Africa. We are also providing funding for one of our employees to visit Malawi shortly to observe at first hand the impact of this new sponsorship.

People

The year 2008/09 has been difficult for most corporates and RWS is no exception. We have continued to deliver the exceptional levels of quality and service which are our hallmark and whose execution depends upon our excellent staff. Our Queen's Award and our results are testament to their continuing commitment.

Current Trading and Outlook

The business environment remains competitive and challenging. Whilst the recession may have bottomed out, we are cautious about any significant upturn.

Trading in the first two months of the current financial year has been in line with the Board's expectations. We face the future in a strong financial position, with opportunities for acquisitions and consolidating our market leadership in our core business. We therefore expect that the Group will deliver enhanced progress in 2010.

Andrew Brode
Executive Chairman
11 December 2009

Consolidated Income Statement
For the year ended 30 September

	Note	2009 £'000	2008 £'000
Revenue	3	55,321	54,106
Cost of sales		(30,068)	(31,746)
Gross profit		25,253	22,360
Administrative expenses		(11,859)	(9,598)
Operating profit		13,394	12,762
Analysed as:			
Operating profit before amortization of customer relationships and trademarks		13,889	13,028
Amortization of customer relationships and trademarks		(495)	(266)
Operating profit		13,394	12,762
Finance income		593	919
Finance expense		(1)	(1)
Profit before taxation		13,986	13,680
Taxation credit/(expense)	4	490	(4,093)
Profit for the year		14,476	9,587
Attributable to:			
Equity holders of the Company	7	14,476	9,587
Basic earnings per Ordinary share (pence per share)	6	35.0	23.5
Diluted earnings per Ordinary share (pence per share)	6	34.3	22.7

Consolidated Statement of Recognised Income and Expense

For the year ended 30 September

	Note	2009 £'000	2008 £'000
Exchange gains on retranslation of foreign operations	7	1,745	667
Deferred tax on share options		(131)	612
Net income recognised directly in equity		1,614	1,279
Profit for the year		14,476	9,587
Total recognised income and expense for the year		16,090	10,866
Attributable to:			
Equity holders of the Company		16,090	10,866

Consolidated Balance Sheet

at 30 September

Note	2009	2008
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	£'000	£'000
Assets		
Non-current assets		
Goodwill	13,281	10,924
Intangible assets	4,885	3,532
Property, plant and equipment	762	738
Investment in joint venture	170	-
Deferred tax assets	1,143	1,265
Other receivables	2,467	-
	22,708	16,459
Current assets		
Trade and other receivables	11,641	10,861
Cash and cash equivalents	24,269	22,081
	35,910	32,942
Total assets	58,618	49,401
Liabilities		
Current liabilities		
Trade and other payables	6,496	6,180
Income tax payable	2,139	5,328
	8,635	11,508
Non-current liabilities		
Provisions	586	610
Deferred tax liabilities	1,328	884
	1,914	1,494
Total liabilities	10,549	13,002
Total net assets	48,069	36,399
Equity		
Capital and reserves attributable to equity holders of the Company		
Share capital	7	2,065
Share premium	7	3,401
Reverse acquisition reserve	7	(8,483)
Foreign currency reserve	7	2,427
Retained earnings	7	48,649
		48,059
Minority interest	7	10
Total equity	48,069	36,399

Consolidated Cash Flow Statement

For the year ended 30 September

	2009 £'000	2008 £'000
Cash flows from operating activities		
Profit before taxation	13,986	13,680
Adjustments for:		
Depreciation of property, plant and equipment	289	315
Amortization of intangible assets	601	359
Finance income	(593)	(919)
Finance expense	1	1
Operating cash flow before movements in working capital and provisions	14,284	13,436
(Increase)/decrease in trade and other receivables	(672)	402
(Decrease)/increase in trade and other payables	(30)	244
Cash generated from operations	13,582	14,082

Interest paid	(1)	(1)
Income tax paid	(2,700)	(4,119)
Net cash inflow from operating activities	10,881	9,962
Cash flows from investing activities		
Interest received	656	889
Development loan	(2,363)	-
Acquisition of subsidiaries, net of cash acquired	(2,826)	(5,817)
Purchases of property, plant and equipment	(279)	(258)
Purchases of intangibles (computer software)	(53)	(202)
	(4,865)	(5,388)
Cash flows from financing activities		
Proceeds from the issue of share capital	-	458
Dividends paid	(4,420)	(3,647)
Net cash outflow from financing activities	(4,420)	(3,189)
Net increase in cash and cash equivalents	1,596	1,385
Cash and cash equivalents at beginning of the year	22,081	20,389
Exchange gains on cash and cash equivalents	592	307
Cash and cash equivalents at end of the year	24,269	22,081

Free cash flow

Analysis of free cash flow		
Net cash generated from operating activities	13,582	14,082
Net interest received	656	888
Income tax paid	(2,700)	(4,119)
Purchases of property, plant and equipment	(279)	(258)
Purchase of intangibles (computer software)	(53)	(202)
Free cash flow	11,206	10,391

The Directors consider that the free cash flow analysis above indicates the cash generated from normal activities excluding acquisitions and dividends.

Notes to the Accounts**1. General information**

RWS Holdings plc is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is 55 Baker Street, London, W1U 7EU.

The Group's financial statements for the year ended 30 September 2009, from which this financial information has been extracted, and for the comparative year ended 30 September 2008, are prepared in accordance with International Financial Reporting Standards ('IFRS') adopted for use in the EU.

The financial information shown in the announcement for the year ended 30 September 2009 and the year ended

30 September 2008 set out above does not constitute statutory accounts but is derived from those accounts. The results have been prepared using accounting policies consistent with those used in the preparation of the statutory accounts. The financial information contained in this announcement does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. Statutory accounts for the year ended 30 September 2008 have been delivered to the registrar of companies and those for the year ended 30 September 2009 will be delivered shortly. The auditors have reported on the accounts for the year ended 30 September 2009; their report was unqualified, did not contain statements under Section 498 (2) or (3) of the Companies Act 2006 and did not contain any matters to which the auditors drew attention without

qualifying their report.

Copies of this announcement are available at the registered office of the Company for a period of 14 days from the date hereof.

2. Significant accounting policies

Basis of accounting

The principal accounting policies adopted in the preparation of this preliminary announcement are set out below.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs. The Group expects to publish full financial statements that comply with IFRSs on 15 January 2010.

3. Segmental information

The Group's operations are based in UK, Europe, Asia and the United States of America.

The table below shows turnover by the geographic market in which customers are located.

	2009 £'000	2008 £'000
UK	7,490	7,903
Continental Europe	39,557	38,757
Asia and United States of America	8,274	7,446
	55,321	54,106

4. Taxation

	2009 £'000	2008 £'000
Taxation recognised in the income statement is as follows:		
Current tax expense		
Tax on profits for the current year		
- UK	3,669	2,750
- Overseas	532	472
Adjustment to prior years	(4,536)	(254)
	(335)	2,968
Deferred tax expense		
Origination and reversal of temporary differences	(155)	872
Adjustment to prior years	-	253
	(155)	1,125
Total taxation (credit)/ expense in the income statement	(490)	4,093

The table below reconciles the UK statutory tax charge to the Group's total tax charge.

	2009 £'000	2008 £'000
Profit before taxation	13,986	13,680
Multiplied by the rate of corporation tax in the UK of 28% (2008: 29%)	3,916	3,967

Effects of:		
Items not deductible for tax purposes	52	116
Items not chargeable for tax purposes	-	(18)
Depreciation in excess of capital allowances	26	-
Overseas tax rate differences	61	33
Adjustment to prior years	(4,545)	-
Other	-	(5)
Total tax (credit)/expense for the year	(490)	4,093

A corporation tax provision of £4.4 million in respect of capital gains realised in 2003 has been released as offsetting capital losses are now agreed by HM Revenue & Customs.

5. Dividends to shareholders

	2009 pence per share	2009 £'000	2008 pence per share	2008 £'000
Final, paid 20 February 2009 (2008: paid 22 February 2008)	7.90	3,263	6.50	2,621
Interim, paid 17 July 2009 (2008: paid 18 July 2008)	2.80	1,157	2.50	1,026
	10.70	4,420	9.00	3,647

The Directors recommend a final dividend in respect of the financial year ending 30 September 2009 of 8.85 pence per Ordinary share to be paid on 19 February 2010 to shareholders who are on the register at 22 January 2010. This dividend is not reflected in these financial statements as it does not represent a liability at 30 September 2009. The final proposed dividend will reduce shareholders' funds by an estimated £3.7 million.

6. Earnings per Ordinary share

Basic and diluted earnings per share are based on the post-tax group profit for the year and a weighted average number of Ordinary shares in issue during the year calculated as follows:

	2009	2008
Weighted average number of Ordinary shares in issue for basic earnings	41,303,988	40,790,376
Dilutive impact of share options outstanding	925,678	1,370,712
Weighted average number of Ordinary shares for diluted earnings	42,229,666	42,161,088

Adjusted earnings per Ordinary share has also been presented to eliminate the effects of amortization of customer relationships and trademarks and the exceptional tax credit. This presentation shows the trend in earnings per Ordinary share that is attributable to the underlying trading activities. The reconciliation between the basic and adjusted figures is as follows:

	2009 £'000	2008 £'000	2009 Basic earnings per share pence	2008 Basic earnings per share pence	2009 Diluted earnings per share pence	2008 Diluted earnings per share pence
Profit for the year	14,476	9,587	35.0	23.5	34.3	22.7

Amortization of customer relationships and trademarks (after taxation)	356	192	0.9	0.5	0.8	0.5
Exceptional tax credit (prior year capital losses)	(4,439)	-	(10.7)	-	(10.5)	-
Adjusted earnings	10,393	9,779	25.2	24.0	24.6	23.2

7. Statement of changes in equity and reserves

	Share capital £'000	Share premium account £'000	Other reserves £'000	Retained earnings £'000	Attributable to equity holders of the Company £'000	Minority interest £'000	Total equity £'000
At 1 October 2007	2,016	2,992	(8,468)	32,172	28,712	10	28,722
Issue of shares	49	409	-	-	458	-	458
Equity element of deferred tax on share based payments	-	-	-	612	612	-	612
Dividends	-	-	-	(3,647)	(3,647)	-	(3,647)
Profit for the year	-	-	-	9,587	9,587	-	9,587
Currency translation differences	-	-	667	-	667	-	667
At 30 September 2008	2,065	3,401	(7,801)	38,724	36,389	10	36,399
Equity element of deferred tax on share based payments	-	-	-	(131)	(131)	-	(131)
Dividends	-	-	-	(4,420)	(4,420)	-	(4,420)
Profit for the year	-	-	-	14,476	14,476	-	14,476
Currency translation differences	-	-	1,745	-	1,745	-	1,745
At 30 September 2009	2,065	3,401	(6,056)	48,649	48,059	10	48,069

Other reserves

	Foreign exchange reserve £'000	Reverse acquisition reserve £'000	Total other reserves £'000
At 1 October 2007	15	(8,483)	(8,468)

Currency translation differences	667	-	667
At 30 September 2008	682	(8,483)	(7,801)
Currency translation differences	1,745	-	1,745
At 30 September 2009	2,427	(8,483)	(6,056)

8. Acquisitions during the period

Communicare Limited

On 3 March 2009, the Group acquired the entire issued share capital of Communicare Limited, whose principal activity is the provision of technical translations for the medical and pharmaceutical industries, for a cash consideration of £2,233,000. The fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Net assets acquired:			
Property, plant and equipment	22	(20)	2
Intangible assets - customer rights	2	(2)	-
Intangible assets - customer relationships	-	1,056	1,056
Trade and other receivables	405	(196)	209
Overdraft	(26)	-	(26)
Trade and other payables	(156)	-	(156)
Deferred tax liabilities	-	(296)	(296)
	247	542	789
Goodwill			1,444
Total consideration			2,233
Satisfied by:			
Cash			2,122
Directly attributable costs: legal and professional fees			111
Total consideration			2,233
Cash flow:			
Total consideration			2,233
Cash and cash equivalents included in undertaking acquired			26
Net cash consideration			2,259

The intangible assets acquired identified solely as customer relationships are to be amortized over their estimated useful lives of 10 years.

The main factors leading to a recognition of goodwill on the acquisition of Communicare Limited are, the presence of certain intangible assets in the acquired entity which do not qualify for separate recognition such as the assembled workforce and cost synergies within the Group's operations in the United Kingdom, and, an unidentified proportion representing the balance contributing to profit generation.

Communicare contributed £1.1 million revenue and £0.3 million to the Group's profit before tax for the period between the date of acquisition and the balance sheet date. If the acquisition had been completed on the first day of the financial year, group revenues for the year would have been £55.9 million and group profit attributable to equity holders of the parent would have been £14.6 million.

Ifama GmbH

On 7 July 2009, the Group acquired the entire issued share capital of Ifama GmbH, whose principal activity is the provision of technical translations to a cross-section of Swiss corporates for a cash consideration of CHF 1,273,000 (£722,000). The fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Book value	Fair value adjustments	Fair value
	£'000	£'000	£'000
Net assets acquired:			
Property, plant and equipment	15	-	15
Intangible assets - customer relationships	-	380	380
Trade and other receivables	245	-	245
Cash and cash equivalents	155	-	155
Trade and other payables	(209)	-	(209)
Deferred tax liabilities	-	(106)	(106)
	206	274	480
Goodwill			242
Total consideration			722
Satisfied by:			
Cash			681
Directly attributable costs: legal and professional fees			41
Total consideration			722
Cash flow:			
Total consideration			722
Cash and cash equivalents included in undertaking acquired			(155)
Net cash consideration			567

The intangible assets acquired identified solely as customer relationships are to be amortized over their estimated useful lives of 10 years.

The main factors leading to a recognition of goodwill on the acquisition of Ifama GmbH are, the presence of certain intangible assets in the acquired entity which do not qualify for separate recognition such as cost synergies and cross-selling opportunities within the Group's operations in Europe, and, an unidentified proportion representing the balance contributing to profit generation.

Ifama contributed £0.3 million revenue and £0.1 million to the Group's profit before tax for the period between the date of acquisition and the balance sheet date. If the acquisition had been completed on the first day of the financial year, group revenues for the year would have been £55.6 million and group profit attributable to equity holders of the parent would have been £14.6 million.

9. Post balance sheet events

There have been no events since 30 September 2009 that require disclosure.

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Regulatory