



24 March 2015

**First Derivatives PLC  
("FD" or the "Company")**

**FD acquires ActivateClients Limited for software development and mobile technology capabilities**

FD (AIM:FDP.L, ESM:FDP.I), a leading provider of software and consulting services, announces it has acquired the entire issued share capital of ActivateClients Limited ("ActivateClients"). The earnings enhancing acquisition provides complementary software products, particularly HTML5 capabilities, that are expected to enhance the Company's software platform.

The vendors of ActivateClients include Pat Brazel and Keith MacDonald, who are Non-Executive Directors of FD. Following the acquisition Mr Brazel, who is Chief Executive Officer of ActivateClients, has been appointed Global Head of Software Sales for FD and will step down from the Board of the Company, as detailed in a separate announcement today.

**Acquisition rationale**

ActivateClients, based in Dublin, Ireland, is a software business targeting financial markets and specialising in delivering applications and trading systems that increase customer engagement for its clients. It uses agile software development methods and delivers solutions either on premise or through a Software as a Service model. Its HTML5 capabilities are particularly attractive to FD and the Company intends to accelerate its product development roadmap through wider use of HTML5 following this acquisition.

ActivateClients operates for clients across the broking, institutional foreign exchange and fixed income markets. In addition ActivateClients has formed three joint ventures; ActivateAlpha, a provider of quantitative analysis software to fund and wealth managers; Active Tradercast, a web-based system to link retail traders and provide research and analysis; and Enhanced Bond Analytics, a proprietary software system designed to identify arbitrage opportunities in G7 sovereign debt markets.

**Pat Brazel, Chief Executive Officer of ActivateClients, commented:** "ActivateClients' achievement has been built on the technical expertise and dedication of our team and I am sure that our products and front office development capabilities will be a significant asset to FD. We look forward to working with our new colleagues and being part of the continuing FD success."

**Terms of the Acquisition**

The initial consideration for the acquisition is €4.75m (£3.4m), of which €1.5m (£1.1m) is payable in cash and €3.25m (£2.4m) is payable through the issue of 183,185 FD new ordinary shares (the "Consideration Shares"). Deferred consideration of up to €2.0m (£1.4m) is payable on the achievement of agreed targets in the year to 29 February 2016. In its latest financial year to 31 December 2014, ActivateClients reported revenues of €1.0m and €0.2m of profit before tax.

Mr Brazel will receive 97,417 Consideration Shares. He does not currently hold any FD ordinary shares and following the acquisition he will hold 0.4 per cent of the enlarged issued capital. Mr MacDonald will receive 35,877 Consideration Shares following which he will hold 45,877 FD ordinary shares representing 0.2 per cent of the enlarged issued share capital.

Application has been made for the 183,185 Consideration Shares to be admitted to trading on AIM and ESM and it is expected that admission will take place on 27 March 2015. The Consideration Shares

will rank pari passu with the existing shares of the Company. Following this allotment, the total issued share capital of the Company will increase to 23,165,961 ordinary shares.

**Brian Conlon, Chief Executive Officer of FD, commented:** "ActivateClients is a low-risk, earnings-enhancing acquisition for the Company that will deliver synergies on a number of levels. It provides additional technology capabilities, particularly in HTML5, and its staff possess software development skills that will be useful across a range of projects FD is working on. We welcome its staff to the Company."

**Enquiries:**

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**About First Derivatives**

FD is a global technology provider with nearly 20 years of experience of working with some of the world's largest finance, technology and energy institutions. It holds a 65% stake in Palo Alto-based Kx Systems, developer of the world-leading database technology, kdb+. It employs over 1,200 people worldwide and has operations in London, New York, Stockholm, Singapore, Hong Kong, Tokyo, Sydney, Toronto, Philadelphia, Dublin, Belfast and its headquarters in Newry. For further information, please visit [www.firstderivatives.com](http://www.firstderivatives.com)