



**Contacts:**

Paul Byrne  
Chief Financial Officer  
Trintech Group PLC  
+353 1 207 4000  
paul.byrne@trintech.com

**TRINTECH REPORTS FISCAL YEAR 2004 SECOND QUARTER FINANCIAL RESULTS**

**Dublin, Ireland/Dallas, Texas** – August 27, 2003 – Trintech Group Plc (NASDAQ: TTPA: Prime Standard: TTP), a leading provider of transaction management and payment infrastructure solutions, today announced second quarter revenues of \$10.1 million and a basic and diluted net loss per equivalent American Depositary Share (ADS) of (\$0.12) as calculated in accordance with U.S. generally accepted accounting principles (GAAP), compared with a basic and diluted net loss per equivalent ADS of (\$0.33) for the second quarter last year.

Non-GAAP pro forma reporting excludes amortization, depreciation, stock compensation, restructuring charges, acquisition adjustments and inventory write downs. The pro forma net loss per equivalent ADS for the second quarter was (\$0.04) compared to (\$0.16) in the corresponding quarter last year.

**Highlights**

- Tenth consecutive quarter of declining pro forma operating expenses, which fell strongly by 20% in Q2, compared to the corresponding period last year.
- Pro forma basic and diluted net loss per equivalent ADS declined 78% in Q2, compared to the corresponding period last year. Pro forma basic and diluted net loss per equivalent ADS for the quarter ended July 31, 2003 was \$(0.04) compared with pro forma basic and diluted net loss per equivalent ADS of \$(0.16) for the corresponding quarter ended July 31, 2002.
- Cash usage was \$1.2 million for Q2 with Trintech's balance sheet remaining strong with closing net cash and cash equivalent balances of \$41.6 million. This includes expenditure of \$58,000 in respect of the Share Buyback Programme in the quarter.

Cyril McGuire, Chairman and Chief Executive Officer commenting on the results said: "Trintech's results for Q2 were in line with market expectations, with key performance metrics of stable revenue, improved margins, lower operating costs and reduced losses remaining on track. Our goal is to make Trintech more competitive, more responsive to customer needs and better positioned to pursue new growth opportunities. Our strategy is to focus on our key profitable products and leverage our core competency in transaction and payment solutions into new growth markets. Our financial position remains strong and we achieved an important milestone of cashflow breakeven from an operating perspective in Q2."

Recent highlights include:

- Trintech announced the release of its web-enabled ReconNET Bank Fee Analysis 6.6 system. The updated solution helps companies significantly reduce bank fees by detecting and recovering fee overcharges, as well as providing detailed analysis for optimizing banking processes and services.
- Trintech announced a distribution agreement with Box Technologies Limited, a premier supplier of IT hardware and retail integration services, in order to distribute Trintech's Chip and PIN solution (PayWare SmartPIN) throughout the UK.
- Trintech announced that Thermae Bath Spa selected and implemented Trintech's bank-accredited, PayWare Merchant, to process all its card payment transactions, including EMV Chip and PIN.
- Trintech announced that Mac's Convenience Stores LLC, a division of Alimentation Couche-Tard Inc., selected ReconNET to provide transaction reconciliation and cash management for over 500 North American locations.
- Trintech held its fourth Annual General Meeting (AGM) as a public company in Dublin, Ireland on July 18<sup>th</sup>. The resolution renewing the terms of our share buy back agreement with Deutsche Bank AG was approved.
- Toni & Guy, a wholly owned subsidiary of Mascolo Limited, chose ReconNET 6.5 to manage its store reconciliation and cash management needs for its company-owned and managed franchise businesses in the UK.
- Trintech announced that De Vere Hotels has implemented PayWare Merchant to process all card payment transactions from its 35 locations across the UK and Jersey.

Results Overview:

Revenue for the six months ended July 31, 2003 was \$20.3 million compared with \$21.0 million for the six months ended July 31, 2002, a decrease of 3%. Second quarter revenue decreased 8% to \$10.1 million compared with \$10.9 million for the corresponding quarter last year.

First half product revenue increased 21% to \$4.4 million this year from \$3.6 million last year. Q2 product revenue remained flat at \$1.8 million compared with the corresponding quarter last year.

First half license revenue increased 3% to \$11.4 million from \$11.0 million. Q2 software license revenue increased 1% to \$5.9 million this quarter as compared to the corresponding quarter last year.

First half service revenue fell 28% to \$4.5 million from \$6.3 million last year. Service revenue decreased 27% to \$2.4 million this quarter as compared to the corresponding quarter last year.

First half total pro forma operating expenses decreased by 26% to \$13.3 million as compared to the corresponding period last year. Total pro forma operating expenses decreased by 20% to \$6.6 million this quarter as compared to the corresponding quarter last year.

First half pro forma gross margin was \$11.5 million, an increase from \$10.4 million in the corresponding period, last fiscal year. First half GAAP gross margin was \$10.8 million, an increase from \$6.8 million in the corresponding period last year. Pro forma gross margin for the second quarter was \$5.9 million, an increase from \$5.4 million in the corresponding quarter last year. GAAP gross margin for the second quarter was \$5.5 million, an increase from \$4.1 million in the corresponding quarter, last fiscal year.

“Trintech continues to take the measured steps required to turn the corner in terms of our ability to generate improved margins, cashflow and profits. In Q2, we increased our pro forma gross margins to 58% from 50% for Q2 last year and we were cashflow breakeven from operations in that our decrease in working capital was greater than the pro forma loss for the quarter. We are dedicated to differentiating our solutions to bolster our market presence and build earnings momentum. This will provide the foundation for sustained profitability and enhanced shareholder value,” said Paul Byrne, Chief Financial Officer.

Trintech will host a conference call to discuss its financials results and business outlook beginning at 15:30hrs (UK Time) today, August 27, 2003. Please see advisory below for information on the call.

***A web simulcast of Trintech’s conference call reviewing our performance  
for Q2 fiscal year 2004 and our business outlook for Q3 and fiscal year 2004***

***will be broadcast live today, Wednesday August 27, 2003***

***at 15:30hrs (UK Time), 10:30hrs (NY Time) and 07:30hrs (CA Time)***

***and thereafter for 10 days at [www.trintech.com](http://www.trintech.com).***

***An instant telephone replay will also be available for 10 days by dialing T: +44 1452 550 000 and  
entering the following access number (374953 #).***

### **About Trintech**

Trintech is a leading provider of transaction management and payment infrastructure solutions to financial institutions, payment processors, enterprise retailers and network operators globally. Built on over 15 years of experience, Trintech’s solutions manage each area of the payment transaction cycle from authentication, authorization, settlement, dispute resolution and reconciliation – enabling our customers to reduce transactions costs, eliminate fraud, minimize risk, maximize cashflow and increase profitability. Trintech can be contacted in Ireland at Trintech Building, South County Business Park, Leopardstown, Dublin 18 (Tel: +353-1-207-4000), in the US at 15851 Dallas Parkway, Suite 855, Addison, TX 75001 (Tel: +1-972 701 9802), and in the UK at 186-192 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AF (T: +44 (0) 1707 827000 and at [www.trintech.com](http://www.trintech.com)

This news release contains "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any "forward looking statements" in this press release are subject to certain risks and uncertainties that could cause actual results to differ materially from those stated. "Forward looking statements" in this press release include statements, among others, relating to Trintech's business strategy and its ability to bolster its market presence and build earnings momentum by differentiating its solutions and financial model, and Trintech's ability to build a foundation for sustained profitability and enhanced shareholder value. Factors that could cause or contribute to such differences include Trintech's ability to extract costs from its business, its ability to accurately predict future sales, the long term health of Trintech's business and ability to improve performance of the organization, the rate of migration to chip-based credit and debit cards, the ability of its customers to fulfill their commitments to adopt Trintech's secure payment technology, the availability of financial resources to continue investment in research and development and sales and marketing programs, the growth of the secure payments software and services market, Trintech's ability to develop, market and sell secure payments and eCommerce software, the market acceptance of the security standards for payment transactions, the ability to improve and expand the functionality of products, the ability to develop strategic relationships, the ability to react to rapid technological change rapidly, the ability to resize the organization, reduce costs, consolidate locations, combine operations and eliminate redundancies in the organization and the effects of macroeconomic uncertainty on the demand for Trintech's products. Actual performance may also be affected by other factors more fully discussed in Trintech's Form 6-K for the fiscal quarter ended April 30, 2003, filed with the US. Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)). Lastly, Trintech assumes no obligation to update these forward-looking statements.

**TRINTECH GROUP PLC**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
*(U.S. dollars in thousands, except share and per share data)*

	<u>July 31,</u> <u>2003</u>	<u>January 31,</u> <u>2003</u>
<b>ASSETS</b>		
<i>Current assets:</i>		
Cash and cash equivalents	\$ 39,941	\$ 42,559
Restricted cash	2,679	3,132
Accounts receivable, net of allowance for doubtful accounts of \$2,185 and \$1,884 respectively	8,980	10,085
Inventories	1,299	3,077
Value added taxes	425	617
Prepaid expenses and other assets	<u>2,542</u>	<u>2,665</u>
Total current assets	55,866	62,135
Property and equipment, net	1,247	1,674
Other non-current assets	2,235	3,095
Goodwill, net of accumulated amortization and impairment of \$85,619 at July 31, 2003 and January 31, 2003 respectively	<u>6,609</u>	<u>6,609</u>
Total assets	<u>\$ 65,957</u>	<u>\$ 73,513</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<i>Current liabilities:</i>		
Bank overdraft	\$ 1,061	\$ -
Accounts payable	3,172	4,130
Accrued payroll and related expenses	2,007	2,439
Other accrued liabilities	9,320	10,602
Value added taxes	516	365
Warranty reserve	415	625
Deferred revenue	<u>8,416</u>	<u>8,394</u>
Total current liabilities	<u>24,907</u>	<u>26,555</u>
<i>Non-current liabilities:</i>		
Capital leases due after more than one year	245	343
Government grants repayable and related loans	144	137
Deferred consideration	-	475
Provision for lease abandonment	<u>-</u>	<u>920</u>
Total non-current liabilities	<u>389</u>	<u>1,875</u>
Series B preference shares, \$0.0027 par value 10,000,000 authorized; None issued and outstanding	-	-
<i>Shareholders' equity:</i>		
Ordinary Shares, \$0.0027 par value: 100,000,000 shares authorized; 30,156,809 and 30,523,413 shares issued and outstanding at		

July 31, 2003 and January 31, 2003 respectively	83	83
Additional paid-in capital	245,672	245,622
Treasury shares (587,852 shares)	(621)	(140)
Accumulated deficit	(201,498)	(199,015)
Deferred stock compensation	(8)	(34)
Accumulated other comprehensive loss	(2,967)	(1,433)
Total shareholders' equity	<u>40,661</u>	<u>45,083</u>
Total liabilities and shareholders' equity	<u>\$ 65,957</u>	<u>\$ 73,513</u>

**TRINTECH GROUP PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(U.S. dollars in thousands, except share and per share data)*

	Three months ended July 31,		Six months ended July 31,	
	2003	2002	2003	2002
Revenue:				
Product	\$ 1,820	\$ 1,824	\$ 4,393	\$ 3,623
License	5,875	5,836	11,365	11,023
Service	2,358	3,242	4,516	6,314
Total Revenue	<u>10,053</u>	<u>10,902</u>	<u>20,274</u>	<u>20,960</u>
Cost of revenue:				
Product	1,489	2,179	3,508	4,703
License	1,338	2,424	2,698	4,773
Service	1,719	2,179	3,263	4,673
Total Cost of Revenue	<u>4,546</u>	<u>6,782</u>	<u>9,469</u>	<u>14,149</u>
Gross Margin	5,507	4,120	10,805	6,811
Operating expenses:				
Research & development	2,007	2,526	3,945	5,673
Sales & marketing	2,261	2,603	4,553	5,738
General & administrative	2,733	3,783	5,604	7,751
Restructuring charge	434	-	434	3,500
Amortization of purchased intangible assets	98	643	196	1,286
Goodwill impairment reversal on the adjustment of acquisition deferred consideration	-	-	(1,149)	-
Stock compensation	6	21	20	42
Total operating expenses	<u>7,539</u>	<u>9,576</u>	<u>13,603</u>	<u>23,990</u>
Income (loss) from operations	(2,032)	(5,456)	(2,798)	(17,179)
Interest income, net	60	205	160	402
Exchange gain, net	159	195	155	307
Income (loss) before provision for income taxes	(1,813)	(5,056)	(2,483)	(16,470)
Provision for income taxes	-	(48)	-	(108)
Net income (loss)	<u>\$ (1,813)</u>	<u>\$ (5,104)</u>	<u>\$ (2,483)</u>	<u>\$ (16,578)</u>

Basic and diluted net income (loss) per Ordinary Share	\$ (0.06)	\$ (0.17)	\$ (0.08)	\$ (0.54)
Shares used in computing basic and diluted net income (loss) per Ordinary Share	30,156,466	30,561,435	30,274,558	30,553,301
Basic and diluted net income (loss) per equivalent American Depositary Share	\$ (0.12)	\$ (0.33)	\$ (0.16)	\$ (1.09)

**TRINTECH GROUP PLC**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(U.S. dollars in thousands)*

	Six months ended July 31,	
	2003	2002
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ (2,483)	\$ (16,578)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Depreciation and amortization	1,664	5,136
Stock compensation	20	42
(Profit) on marketable securities	-	(303)
Purchase of marketable securities	-	(168,191)
Sale of marketable securities	-	177,018
Effect of changes in foreign currency exchange rates	(880)	(1,061)
Changes in operating assets and liabilities:		
Reductions in restricted cash deposits	453	-
Inventories	1,825	(1,963)
Accounts receivable	1,321	5,610
Prepaid expenses and other assets	173	489
Value added tax receivable	234	483
Accounts payable	(1,070)	(1,612)
Accrued payroll and related expenses	(493)	(623)
Deferred revenues	(69)	(136)
Value added tax payable	177	(212)
Warranty reserve	(237)	(22)
Government grants repayable and related loans	(395)	(20)
Other accrued liabilities	(1,269)	2,517
<b>Net cash (used in) provided by operating activities</b>	<u>(1,029)</u>	<u>574</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(329)	(144)
Payments relating to acquisitions	(1,763)	(1,211)
<b>Net cash used in investing activities</b>	<u>(2,092)</u>	<u>(1,355)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on capital leases	(223)	(300)
Issuance of ordinary shares	87	77
Repurchase of ordinary shares	(512)	-
Expense of share issue	-	(18)
Proceeds under bank overdraft facility	1,020	-
<b>Net cash provided by (used in) financing activities</b>	<u>372</u>	<u>(241)</u>
Net decrease in cash and cash equivalents	(2,749)	(1,022)
Effect of exchange rate changes on cash and cash equivalents	131	344
Cash and cash equivalents at beginning of period	<u>42,559</u>	<u>6,750</u>

<b>Cash and cash equivalents at end of period</b>	<u>\$ 39,941</u>	<u>\$ 6,072</u>
Supplemental disclosure of cash flow information		
Interest paid	<u>\$ 49</u>	<u>\$ 26</u>
Taxes paid	<u>\$ 59</u>	<u>\$ 108</u>
Supplemental disclosure of non-cash flow information		
Acquisition of property and equipment under capital leases	<u>\$ 87</u>	<u>\$ 331</u>

**TRINTECH GROUP PLC**  
**PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS EXCLUDING THE EFFECT**  
**OF AMORTIZATION, DEPRECIATION, STOCK COMPENSATION,**  
**RESTRUCTURING CHARGES, ACQUISITION ADJUSTMENTS & INVENTORY WRITE DOWNS**  
*(U.S. dollars in thousands, except share and per share data)*

	<u>Three months</u> <u>ended July 31,</u>		<u>Six months</u> <u>ended July 31,</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Revenue:				
Product	\$ 1,820	\$ 1,824	\$ 4,393	\$ 3,623
License	5,875	5,836	11,365	11,023
Service	<u>2,358</u>	<u>3,242</u>	<u>4,516</u>	<u>6,314</u>
Total Revenue	<u>10,053</u>	<u>10,902</u>	<u>20,274</u>	<u>20,960</u>
Cost of revenue:				
Product	1,473	2,038	3,473	3,506
License	1,006	1,244	2,034	2,414
Service	<u>1,719</u>	<u>2,179</u>	<u>3,263</u>	<u>4,673</u>
Total Cost of Revenue	<u>4,198</u>	<u>5,461</u>	<u>8,770</u>	<u>10,593</u>
Gross margin	5,855	5,441	11,504	10,367
Operating expenses:				
Research & development	1,909	2,384	3,757	5,395
Sales & marketing	2,253	2,569	4,537	5,669
General & administrative	<u>2,445</u>	<u>3,336</u>	<u>5,039</u>	<u>6,883</u>
Total operating expenses	<u>6,607</u>	<u>8,289</u>	<u>13,333</u>	<u>17,947</u>
Income (loss) from operations	(752)	(2,848)	(1,829)	(7,580)
Interest income, net	60	205	160	402
Exchange gain, net	<u>159</u>	<u>195</u>	<u>155</u>	<u>307</u>
Income (loss) before provision for income taxes	(533)	(2,448)	(1,514)	(6,871)
Provision for income taxes	<u>-</u>	<u>(48)</u>	<u>-</u>	<u>(108)</u>
Net income (loss)	<u>\$ (533)</u>	<u>\$ (2,496)</u>	<u>\$ (1,514)</u>	<u>\$ (6,979)</u>
Basic and diluted net income (loss) per Ordinary Share	<u>\$ (0.02)</u>	<u>\$ (0.08)</u>	<u>\$ (0.05)</u>	<u>\$ (0.23)</u>



Shares used in computing basic and diluted net  
income (loss) per Ordinary Share

30,156,466    30,561,435    30,274,558    30,553,301

Basic and diluted net income (loss)  
per equivalent American Depositary Share

\$ (0.04)    \$ (0.16)    \$ (0.10)    \$ (0.46)

**TRINTECH GROUP PLC**  
**RECONCILIATION OF NON-GAAP PRO FORMA CONDENSED STATEMENTS OF OPERATIONS**  
**TO GAAP CONDENSED STATEMENTS OF OPERATIONS**  
*(U.S. dollars in thousands, except share and per share data)*

	Three months ended July 31, 2003			Three months ended July 31, 2002		
	<u>GAAP As Reported</u>	<u>Adjusts</u>	<u>Non-GAAP Pro Forma</u>	<u>GAAP As Reported</u>	<u>Adjusts</u>	<u>Non-GAAP Pro Forma</u>
Revenue:						
Product	\$ 1,820	\$ -	\$ 1,820	\$ 1,824	\$ -	\$ 1,824
License	5,875	-	5,875	5,836	-	5,836
Service	2,358	-	2,358	3,242	-	3,242
Total Revenue	10,053	-	10,053	10,902	-	10,902
Cost of revenue:						
Product	1,489	(16) (1)	1,473	2,179	(141) (1)	2,038
License	1,338	(332) (2)	1,006	2,424	(1,180) (2)	1,244
Service	1,719	-	1,719	2,179	-	2,179
Total Cost of Revenue	4,546	(348)	4,198	6,782	(1,321)	5,461
Gross Margin	5,507	348	5,855	4,120	1,321	5,441
Operating expenses:						
Research & development	2,007	(98) (1)	1,909	2,526	(142) (1)	2,384
Sales & marketing	2,261	(8) (1)	2,253	2,603	(34) (1)	2,569
General & administrative	2,733	(288) (1)	2,445	3,783	(447) (1)	3,336
Restructuring charge	434	(434)	-	-	-	-
Amort. of purchased intang. assets	98	(98)	-	643	(643)	-
Stock compensation	6	(6)	-	21	(21)	-
Total operating expenses	7,539	(932)	6,607	9,576	(1,287)	8,289
Income (loss) from operations	(2,032)	1,280	(752)	(5,456)	2,608	(2,848)
Interest income, net	60	-	60	205	-	205
Exchange gain, net	159	-	159	195	-	195
Income (loss) before provision for income taxes	(1,813)	1,280	(533)	(5,056)	2,608	(2,448)
Provision for income taxes	-	-	-	(48)	-	(48)
Net income (loss)	\$ (1,813)	1,280	(533)	\$ (5,104)	2,608	(2,496)
Basic and diluted net income (loss) per Ordinary Share	\$ (0.06)	0.04	(0.02)	\$ (0.17)	0.09	(0.08)
Shares used in computing basic and diluted net income (loss) per Ordinary Share	30,156,466	-	30,156,466	30,561,435	-	30,561,435

Basic and diluted net income (loss) per equivalent American Depositary Share	\$ (0.12)	\$ 0.08	\$ (0.04)	\$ (0.33)	\$ 0.17	\$ (0.16)
---	-----------	---------	-----------	-----------	---------	-----------

- (1) Adjusted to exclude depreciation. The total depreciation charge was \$410,000 and \$764,000 in the three months ended July 31, 2003 and 2002, respectively.
- (2) Adjusted to exclude the amortization of acquired technology of \$332,000 and \$1,180,000 in the three months ended July 31, 2003 and 2002, respectively.

**TRINTECH GROUP PLC**  
**RECONCILIATION OF NON-GAAP PRO FORMA CONDENSED STATEMENTS OF OPERATIONS**  
**TO GAAP CONDENSED STATEMENTS OF OPERATIONS**  
*(U.S. dollars in thousands, except share and per share data)*

	Six Months ended July 31, 2003			Six Months ended July 31, 2002		
	<u>GAAP As Reported</u>	<u>Adjusts</u>	<u>Non-GAAP Pro Forma</u>	<u>GAAP As Reported</u>	<u>Adjusts</u>	<u>Non-GAAP Pro Forma</u>
Revenue:						
Product	\$ 4,393	\$ -	\$ 4,393	\$ 3,623	\$ -	\$ 3,623
License	11,365	-	11,365	11,023	-	11,023
Service	4,516	-	4,516	6,314	-	6,314
Total Revenue	20,274	-	20,274	20,960	-	20,960
Cost of revenue:						
Product	3,508	(35) (1)	3,473	4,703	(1,197) (1)(3)	3,506
License	2,698	(664) (2)	2,034	4,773	(2,359) (2)	2,414
Service	3,263	-	3,263	4,673	-	4,673
Total Cost of Revenue	9,469	(699)	8,770	14,149	(3,556)	10,593
Gross Margin	10,805	699	11,504	6,811	3,556	10,367
Operating expenses:						
Research & development	3,945	(188) (1)	3,757	5,673	(278) (1)	5,395
Sales & marketing	4,553	(16) (1)	4,537	5,738	(69) (1)	5,669
General & administrative	5,604	(565) (1)	5,039	7,751	(868) (1)	6,883
Restructuring charge	434	(434)	-	3,500	(3,500)	-
Amort. of purchased intang. assets	196	(196)	-	1,286	(1,286)	-
Goodwill impairment reversal on adjust. of acq. deferred consideration	(1,149)	1,149	-	-	-	-
Stock compensation	20	(20)	-	42	(42)	-
Total operating expenses	13,603	(270)	13,333	23,990	(6,043)	17,947
Income (loss) from operations	(2,798)	969	(1,829)	(17,179)	9,599	(7,580)
Interest income, net	160	-	160	402	-	402
Exchange gain, net	155	-	155	307	-	307
Income (loss) before provision for income taxes	(2,483)	969	(1,514)	(16,470)	9,599	(6,871)
Provision for income taxes	-	-	-	(108)	-	(108)
Net income (loss)	\$ (2,483)	969	(1,514)	\$ (16,578)	9,599	(6,979)
Basic and diluted net income (loss) per Ordinary Share	\$ (0.08)	0.03	(0.05)	\$ (0.54)	0.31	(0.23)
Shares used in computing basic and diluted net income (loss) per Ordinary Share	30,274,558	-	30,274,558	30,553,301	-	30,553,301

Basic and diluted net income (loss)								
per equivalent American Depositary Share	\$	(0.16)	\$	0.06	\$	(0.10)	\$	(1.09)
							\$	0.63
							\$	(0.46)

- (1) Adjusted to exclude depreciation. The total depreciation charge was \$804,000 and \$1,492,000 in the six months ended July 31, 2003 and 2002, respectively.
- (2) Adjusted to exclude the amortization of acquired technology of \$664,000 and \$2,359,000 in the six months ended July 31, 2003 and 2002, respectively.
- (3) Adjusted to exclude a provision for loss in net realizable value for excess inventory of \$920,000 in the six months ended July 31, 2002.

**- ENDS -**