FOR IMMEDIATE RELEASE **31 March 2008**

2007 PRELIMINARY RESULTS

Bond International Software plc, the specialist provider of software for the international recruitment and human resources industries, with operations in the UK, USA, Hong Kong and Australia, today announces its preliminary results for the year ended 31 December 2007.

KEY POINTS

- Revenue up 71**%** to **£29.5m** (2006: £17.2m).
- Recurring revenue up by 86% to **£12.8m** (2006 £6.9m)
- Operating profit before amortisation up by 49% at **£7.1m (**2006: £4.8m).
- Pre-tax Profit up 12% to **£5.1m** (2006 : £4.6m).
- Adjusted* basic EPS up 4% to **14.6p** (2006: 14.0p).
- Proposed dividend of 1.6p per share (2006: 1.4p per share).
- Acquisition of Gowi and Strictly Education
- Major contract wins including Michael Page International in the UK and Vaco in the US

* Adjusted for the amortisation of intangible assets and share based payments expense.

Commenting on the results Chief Executive Steve Russell, said:

"*We are encouraged by trading conditions in the first quarter of 2008 and with significant orders in the UK and US, a high level of recurring revenue and our diversification into the wider human capital management arena through the acquisitions of Gowi Group and Strictly Education, we approach the first half of 2008 with some confidence. We believe that the strength of our business will enable the group to withstand the effects of any downturn and continue to investigate expansion opportunities via targeted acquisitions.*"

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BOND INTERNATIONAL SOFTWARE PLC
Chairman's Statement

FINANCIAL OVERVIEW

I am delighted to present the 2007 annual report for Bond International Software plc.

This has been another excellent year for the group. Revenues have increased by 71% to £29,459,000 compared with 2006 revenues of £17,209,000. This has been achieved through a combination of organic growth of 10% together with the acquisitions of Gowi Group Limited and Strictly Education Limited which took place in January and February respectively. I am particularly pleased to report that revenues of a recurring nature such as software support and rental income rose to £12,770,000 in 2007 compared with £6,853,000 in 2006. Recurring income represented 43% of sales (2006: 40%) and covered 62% of overheads (2006: 59%).

The growth in revenues has enabled the group to increase operating profit before amortisation of intangible assets by 49% to £7,133,000 (2006: £4,785,000) and profit before tax by 12% to £5,111,000 (2006: £4,554,000).

These are the first full accounts to be prepared by the group on the basis of International Financial Reporting Standards ("IFRS"). Whilst the adoption of IFRS has no impact on the operations of the group, the results for the year ended 31 December 2006 and the balance sheets at 1 January 2006 (the effective date of transition to IFRS) and 31 December 2006 have been restated in accordance with IFRS. Reconciliations of prior period's results, balance sheets and cash flows under IFRS are presented in note 31 of the financial statements together with explanations of how IFRS has been applied.

Following the introduction of IFRS basic earnings per share fell to 11.66p compared with 13.66p in 2006 as a result of the amortisation of intangible assets arising on the above acquisitions coupled with an increase in the effective tax rate from 19% in 2006 to 28% in 2007. In order to assist in understanding the underlying operating performance of the group, we are also reporting adjusted earnings per share excluding the effects of the amortisation of intangible assets arising on acquisition and the valuation of share based payments. On this basis the adjusted profit after tax was up nearly 21% to £4,550,000 (2006: £3,770,000) and the adjusted earnings per share were up 4 % to 14.56p (2006: 14.0p).

On the basis of these strong results the directors are very pleased to recommend, a dividend of 1.6p per share to be paid on 4 July 2008 to shareholders on the register at 13 June 2008.

ACQUISITIONS

As I explained in last year's annual report and in the half year statement, we made two acquisitions in the first quarter of 2007, both of which have made a valuable contribution to the group's financial performance. We are pleased with the way these new businesses have bedded into the group and we believe that there are yet further benefits to be gained through cross selling and product rationalisation.

STAFF

The group now employs nearly 400 staff in our offices around the world. A motivated and committed workforce is vital to the continuing development of the business and on behalf of the board I would like to thank all of the staff for their continuing hard work, loyalty and dedication to the group.

PROSPECTS

Despite the expectation of adverse market conditions, we have seen no deterioration in trading in the first quarter of 2008. We have recently announced significant contracts to supply staffing software both here and internationally and our corporate business continues to grow at an encouraging rate. Our contract with Michael Page International is one of the largest the group has ever signed and further underlines the strength of our product range following the significant investment we have made over the last few years.

We are excited about the progress we are making in the corporate market and have already announced contracts with a number of household names this year.

Whilst we cannot predict what the future holds, we believe that the current, broader based group is well placed to withstand the current economic downturn, with cash in the bank, an increasing level of recurring income and a strong order book. In fact we believe that this presents an opportunity for further expansion through targeted acquisitions and we will continue to identify and investigate potential targets in the forthcoming year.

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Martin Baldwin
Chairman
31 March 2008

BOND INTERNATIONAL SOFTWARE PLC
Group Chief Executive's Report

OVERVIEW

The group has undergone significant change over the last twelve months, particularly following the acquisitions of Gowi and Strictly Education. We have seen operating profits before the amortisation of intangible assets increase by 49% to £7.1m in 2007 compared to £4.8m in 2006. We have increased recurring revenues, secured a further multi territory deal and made significant progress in the integration of the two acquisitions that were made in early 2007.

Following these acquisitions the group has changed from being primarily a supplier of software and services to the recruitment industry to a point where the broader spectrum of our products, and the markets to which they appeal, firmly places us in the Human Capital Management Software marketplace.

As a result, the group is now organised in four principal divisions covering recruitment software, HR and payroll systems, outsourcing and web services. The operations and financial performance of each division are covered in detail below.

RECRUITMENT SOFTWARE DIVISION

Revenues from the sales of recruitment software grew by 10% to £18,906,000 (2006: £17,209,000) and are analysed by revenue type and geographical area as follows:

Revenue by type	2007 £000	2006 £000 (restated)
Software sales & services	11,264	10,085
Software support	5,643	5,563
Software rental income	1,672	1,290
	18,579	16,938
Hardware and other sales	327	271
	18,906	**17,209**

Revenue by location of operating company	2007 £000	2006 £000 (restated)
United Kingdom	12,185	11,037
USA	5,745	5,434
Asia Pacific	976	738
	18,906	**17,209**

Last year saw growth in revenues in all the geographical areas in which we operate with the principal driver being the deployment of the latest generation of Adapt. The group has also benefited from the ongoing world wide deployment of software under the contract signed with Manpower in late 2006. The start of 2008 has seen no let up in the level of activity with major contracts announced with Michael Page International in the UK and Vaco in the US.

Support revenues continue to grow, although at a more modest rate as more clients opt to take our products on an ASP basis which provides a monthly rental income rather than the traditional licence sale and support income.

The corporate business goes from strength to strength, with notable orders over the last 12 months from BMI, Jet2, Knight Frank, Habitat and Liverpool Direct to name but a few. The

strength of the corporate business is that it tends to be sold on a rental basis for a minimum term of three years which, in turn, increases our recurring income.

The group's eEmpACT division, acquired in 2005, continued to make excellent progress in 2007 with revenues up by 14% from $4.4m in 2006 to $5.0m although some of the benefit was lost to the group through the weakening US dollar. We signed 44 new customers in the small to medium range whilst at the same time managing to increase the average sale values for each new customer by 33%. The company further strengthened its customer base with the acquisition of Traxstar in September which, whilst only a small deal, added 33 new customers. The company also completed its three year development of Version 14 of the eEmpACT product for the temporary staffing industry which incorporates a full back office accounting and payroll system and which has generated significant interest amongst sales prospects. We are also able to utilise this technology in conjunction with other group products in the US.

Operating margins for the recruitment software division improved to 32% from 30% in 2006 allowing the group to increase operating profit before the amortisation of intangibles by nearly 17% to £6,178,000 (2006: £5,281,000).

HR AND PAYROLL DIVISION

As part of the strategy to diversify into the wider Human Capital Management arena the group acquired two HR products and a payroll product as part of the Gowi acquisition in January 2007. Gowi itself had been acquisitive prior to January 2007 and the HR and payroll division comprised three separate operating companies when the group bought Gowi. As a result much of 2007 was spent consolidating those operations in order to take advantage of the synergies and efficiencies created by the consolidation. At the start of 2008 the group moved to the second stage by bringing the HR and payroll operation closer to the recruitment software division to better focus on the cross selling opportunities between our recruitment products, and the more generic HR and Payroll products.

One of the strengths of the HR and payroll division is the very high level of recurring income which covers approximately 82% of the operating costs of the business.

The HR and payroll division generated revenues for the group of £4,776,000 in the period from the date of acquisition in January 2007 through to the end of the financial year. Of this £3,068,000 or 64% represented income of a recurring nature.

OUTSOURCED HR AND PAYROLL SERVICES DIVISION

Following the acquisition of Strictly Education in February 2007, the group now provides outsourced services into the state school sector. Traditionally these services would have been provided to schools by their local education authority but increasingly they are being encouraged to look to the private sector for more efficient and cost effective services. The company utilises the group's products to provide outsourced HR, payroll, property management and financial services to nearly 400 primary and secondary schools. With nearly 30,000 schools in the state sector, there is significant opportunity to expand this business both through increasing the number of customers as well as broadening the range of services offered.

As well as broadening the group's portfolio of products, one of the strengths of the business is the level of recurring revenue through annual contracts which at £1,740,000 represented 74% of total revenues generated by the business since the date of acquisition.

Overall the Strictly Education business generated revenues of £2,366,000 and an operating profit before the amortisation of intangible assets of £572,000 in just under 11 months since the date of acquisition.

Also included within this division are the operations of Gowi Services Limited who provide outsourced development services principally to the group. The company did undertake a limited amount of development work for third parties which generated revenues of £175,000 in 2007 although following a reorganisation the company made a small loss of £120,000.

WEB SERVICES DIVISION

Abacus Software Limited, which was acquired as part of Gowi in January 2007, is a developer of web based services and offers consultancy, design, development and hosting to its clients, primarily in the Media and Public Sectors. Although it is often categorised as a new media agency (and makes the NMA top 100) the business is development driven and most of its sites are built around in-house software products. They are for the most part content management based, but Abacus does also provide recruitment management solutions, primarily to public sector organisations.

Last year saw the company deliver its best ever set of results generating revenues of £3,236,000 in the period since acquisition and an operating profit before the amortisation of intangible assets of £627,000. Revenues were up 23% on the previous year. Following major contract wins with Times Supplements Limited and Ocean Media, new business sales represented almost 45% of revenues as against a typical 30%.

Abacus has started the current year with a strong order book which, coupled with new business already won, means that it is shaping up for a strong first half of the year despite current concerns about the UK economy.

PRODUCT STRATEGY

We continue to invest a significant proportion of our revenue in enhancing our products with expenditure on development rising to £4,429,000 in 2007 which is 15 % of revenues compared with £2,603,000 in 2006. Following the release of the latest version of Adapt in 2006 the focus of development is shifting towards configuring new products using Adapt technology. Further development will be undertaken on achieving a consistent technical platform across the group's entire product range.

PEOPLE

Bond has seen a considerable amount of growth over the last three years both organically and through acquisition. Our ability to achieve this growth is in no small part down to the hard work of our staff and I would like to thank them personally for helping us in the development of the group.

We are committed to developing not only our products and services but also our people and as we take the group on to the next stage of its development it is great to have such a loyal and committed workforce.

OUTLOOK

Despite the current uncertainties in the financial markets we remain encouraged by the trading conditions in the first quarter of 2008 and as I mentioned earlier we have signed significant orders both here and in the US. Strong order books and the high level of recurring income we have built through organic growth and acquisition mean that we can approach the first half of 2008 with some confidence. Looking further ahead we wait to see how changing market conditions will affect the capital investment plans of our clients and prospects but believe that the strength of our business will enable the group to withstand the effects of any downturn. Our decision to diversify into the wider human capital management arena through the acquisition of Gowi and Strictly Education and through the development of products for sale into the much larger corporate market, means around 40% of the group's revenues are now generated outside the recruitment sector.

Steve Russell
Group Chief Executive

28 March 2008

BOND INTERNATIONAL SOFTWARE PLC
Consolidated income statement for the year ended 31 December 2007

	Note	**2007** £000	**2006** £000 (restated)
Revenue	2	29,459	17,209
Cost of sales		(1,608)	(915)
Gross profit		27,851	16,294
Post-acquisition reorganisation costs		(132)	-
Administrative expenses		(20,586)	(11,509)
Total administrative expenses		(20,718)	(11,509)
Operating profit before amortisation of intangible assets	2	7,133	4,785
Amortisation of intangible fixed assets		(1,883)	(309)
Operating profit		5,250	4,476
Finance income		67	144
Finance costs		(206)	(66)
Profit on ordinary activities before tax		5,111	4,554
Income tax expense		(1,466)	(875)
Profit for the year attributable to equity shareholders of the company	7	**3,645**	**3,679**

Earnings per share (pence)	4	**2007**	**2006** (restated)
Basic		11.66p	13.66p
Diluted		11.38p	13.36p

The operating profit for the year arises from the group's continuing operations.

BOND INTERNATIONAL SOFTWARE PLC
Consolidated statement of recognised income and expense for the year ended 31 December 2007

	2007 £000	**2006** £000 (restated)
Currency translation differences on foreign currency net investments	5	(246)
Net income/(expense) recognised directly in equity	5	(246)
Profit for the financial year	3,645	3,679
Total recognised income for the year attributable to the equity holders of the company	**3,650**	**3,433**

BOND INTERNATIONAL SOFTWARE PLC
Consolidated balance sheet at 31 December 2007

	Note	2007 £000	2006 £000 (restated)
ASSETS			
Non-current assets			
Goodwill		13,908	4,869
Other intangible assets		14,053	5,050
Property, plant and equipment		2,884	2,523
Deferred tax asset		835	425
		31,680	12,867
Current assets			
Inventories		60	-
Trade and other receivables		8,599	3,594
Cash and cash equivalents		1,257	8,770
		9,916	12,364
Total assets		**41,596**	**25,231**
EQUITY			
Share capital		328	281
Share premium account		17,622	9,180
Equity option reserve		441	266
Currency translation reserve		(241)	(246)
Retained earnings		11,176	7,928
Total equity attributable to equity shareholders	7	**29,326**	**17,409**
LIABILITIES			
Non-current liabilities			
Borrowings		281	428
Deferred tax liabilities		2,919	292
		3,200	720
Current liabilities			
Trade and other payables		8,538	6,263
Current income tax liabilities		368	614
Borrowings		164	225
		9,070	7,102
Total liabilities		**12,270**	**7,822**
Total liabilities and equity		**41,596**	**25,231**

BOND INTERNATIONAL SOFTWARE PLC
Consolidated cash flow statement for the year ended 31 December 2007

	Note	2007 £000	2006 £000 (restated)
Cash flows from operating activities			
Cash generated from operations	6	3,195	6,219
Net interest (paid)/received		(139)	78
Income tax paid		(953)	(774)
Net cash from operating activities		2,103	5,523
Cash flows from investing activities			
Acquisition of subsidiary undertakings net of cash and overdrafts acquired		(8,618)	-
Purchase of property, plant and equipment		(535)	(415)
Purchase of intangible assets		(2,849)	(2,072)
Proceeds from sale of property, plant and equipment		6	36
Net cash flow used in investing activities		(11,996)	(2,451)
Cash flows from financing activities			
Issue of ordinary share capital		4,992	3,000
Increase in bank loans		15	-
Repayment of bank loans		(1,971)	(86)
Repayment of other loans		(69)	(368)
New finance leases		-	111
Repayment of finance leases		(55)	(145)
Equity dividend paid	5	(427)	(252)
Net cash flow from financing activities		2,485	2,260
(Decrease)/Increase in cash and cash equivalents for the period		**(7,408)**	**5,332**
Cash and cash equivalents at the beginning of the year		8,770	3,511
Effect of foreign exchange rate changes		(105)	(73)
Cash and cash equivalents at end of year		**1,257**	**8,770**

BOND INTERNATIONAL SOFTWARE PLC
Notes

1. **Basis of preparation**

The above financial information does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The above figures for the year ended 31 December 2007 are an abridged version of the company's accounts which will be reported on by the auditors, despatched to the shareholders and filed with the Registrar of Companies shortly.

The audited accounts for the year ended 31 December 2006 have been delivered to the Registrar of Companies and the report of the auditors was unqualified and did not contain statements under Section 237(2) or (3) Companies Act 1985.

Following the adoption of International Financial Reporting Standards ("IFRS"), the financial information in this announcement has been prepared on the basis of the accounting policies set out in the interim financial statements for the 6 months ended 30 June 2007. The 2006 financial information is restated as a result of adopting IFRS.

The announcement was approved by the board of directors on 28 March 2008.

2. **Segmental Review**

(a) Primary business segment

Segmental information is presented in respect of the group's business segments. The primary business segments are based on the group's reporting structure.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate and head office expenses.

	2007 £000	2006 £000 (restated)
Revenue		
Recruitment Software	18,906	17,209
HR and Payroll Software	4,776	-
Outsourcing	2,541	-
Web services	3,236	-
	29,459	**17,209**
Operating profit before the amortisation of intangible assets		
Recruitment Software	6,178	5,281
HR and Payroll Software	747	-
Outsourcing	452	-
Web services	627	-
Central departments	(871)	(496)
	7,133	**4,785**
Profit before interest and tax		
Recruitment Software	5,268	4,972
HR and Payroll Software	27	-
Outsourcing	319	-
Web services	507	-
Central departments	(871)	(496)
	5,250	**4,476**

BOND INTERNATIONAL SOFTWARE PLC
Notes (cont'd)

(b) Segmental analysis of revenues by location of operating company

	2007 £000	2006 £000 (restated)
Revenue		
United Kingdom	22,738	11,037
Asia Pacific	976	738
North America	5,745	5,434
	29,459	**17,209**

(c) Revenues by income type are:

	2007 £000	2006 £000 (restated)
Sales		
Software sales & services	**16,322**	10,085
Hardware and other sales	**367**	271
	16,689	10,356
Recurring income		
Software support	**8,715**	5,563
Software rental income	**1,367**	1,290
Software as a service	**2,688**	-
	12,770	6,853
Total revenues	**29,459**	17,209

(d) Revenue and operating profit from acquisitions

	2007 £000	2006 £000 (restated)
Revenue		
Continuing operations	18,906	17,209
Acquisitions		
Gowi Group Limited	8,187	-
Strictly Education Limited	2,366	-
	10,553	**-**
Total revenue	**29,459**	**17,209**
Operating profit		
Continuing operations	5,456	4,785
Acquisitions		
Gowi Group Limited	1,104	-
Strictly Education Limited	573	-
	1,677	**-**
Total operating profit before amortisation of intangible assets	**7,133**	**4,785**

3. Taxation

	2007 £000	**2006** £000 (restated)
Current tax expense		
UK Corporation tax	483	962
Foreign tax	70	38
Adjustment in respect of prior years	2	-
Total current tax	555	1,000
Deferred tax expense		
Origination and reversal of temporary differences	64	195
Tax losses	847	(320)
	911	(125)
Total taxation reported in the consolidated financial statements	**1,466**	**875**

4. Earnings per share

The basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of ordinary shares in issue during the year.

The diluted earnings per share is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of ordinary shares in issue during the year (adjusted for the effects of potentially dilutive share options).

The calculation of earnings per share is based on the following data:

	2007			**2006**		
	Basic	Potentially dilutive share options	Diluted	Basic	Potentially dilutive share options	Diluted
Earnings:						
Profit after tax (£'000)	3,645	-	3,645	3,679	-	3,679
Weighted average number of shares (000's)	31,249	791	32,040	26,933	601	27,534
Earnings per share (pence)	11.66	(0.28)	11.38	13.66	(0.30)	13.36

The Chairman's Statement discusses a comparison between the earnings per share adjusted for the impact of the amortisation of certain intangible assets and share based payments. The adjusted earnings per share is based on attributable profit calculated as follows:

	2007 £000	**2006** £000 (restated)
Profit for the financial period	3,645	3,679
Adjustments:		
Amortisation of intangible assets arising on acquisitions	958	-
Share based payment expense	204	130
Taxation effect	(257)	(39)
Adjusted profit	**4,550**	**3,770**
Adjusted earnings per share		
Basic	14.56p	14.00p
Diluted	14.20p	13.69p

5. Dividends

	2007 £000	**2006** £000 (restated)
Amounts recognised as distributions to equity holders in the period:		
Final dividend paid in the year ended 31 December 2007 of 1.4p per share (2006: 1.0p per share)	427	252
Proposed final dividend for the year ended 31 December 2007 of 1.6 per share (2006: 1.4p per share)	527	427

The proposed final dividend was approved by the Board of Directors on 28 March 2008 is payable to all shareholders on the Register of Members on 13 June 2008 and is subject to the approval of shareholders at the Annual General Meeting. In accordance with IAS10 'Events after the balance sheet date', the proposed final dividend has not been included as a liability in these financial statements.

6. Reconciliation of net operating profit to net cash flow from operations

	2007 £000	**2006** £000 (restated)
Operating profit	5,250	4,476
Depreciation of property, plant & equipment	401	310
Amortisation of intangible assets	1,883	309
Loss/(profit) on sale of tangible fixed assets	1	(15)
Share based payment expense	204	130
Increase in inventories	(29)	-
Increase in trade and other receivables	(2,577)	(627)
(Decrease)/Increase in trade and other payables	(1,938)	1,636
Cash generated from operations	**3,195**	**6,219**

7. Consolidated statement of changes in equity

	Share capital £000	Share premium £000	Equity option reserve £000	Currency translation reserve £000	Retained earnings £000	Total £000
At 1 January 2006	252	6,209	189	-	4,448	11,098
Currency translation differences	-	-	-	(246)	-	(246)
Issue of ordinary shares	29	3,071	-	-	-	3,100
Expenses of share issue	-	(100)	-	-	-	(100)
Share based payment expense	-	-	130	-	-	130
Share options lapsed or exercised	-	-	(53)	-	53	-
Profit for the financial year	-	-	-	-	3,679	3,679
Dividend paid	-	-	-	-	(252)	(252)
At 31 December 2006	281	9,180	266	(246)	7,928	17,409
Currency translation differences	-	-	-	5	-	5
Issue of ordinary shares	47	8,605	-	-	-	8,652
Expenses of share issue	-	(163)	-	-	-	(163)
Share based payment expense	-	-	205	-	-	205
Share options lapsed or exercised	-	-	(30)	-	30	-
Profit for the financial year	-	-	-	-	3,645	3,645
Dividend paid	-	-	-	-	(427)	(427)
At 31 December 2007	**328**	**17,622**	**441**	**(241)**	**11,176**	**29,326**

8. Report and Accounts

Copies of the Report and Accounts will be circulated to shareholders shortly and may be obtained after the posting date from the Company Secretary, Bond International Software Plc, Courtlands, Parklands Avenue, Goring by Sea, Worthing, West Sussex, BN12 4NG.