

SDL PLC

Preliminary results for the year ended 31 December 2008

Strong growth supported by robust repeat revenue streams and further progress in implementing GIM strategy

Maidenhead UK - 24th February 2009

SDL plc ("SDL" or "the Group"), a leader in the emerging market for Global Information Management (GIM) solutions, is pleased to announce its unaudited preliminary results for the year ended 31 December 2008.

	2008	2007	%
	£'000	£'000	Change
Income Statement:			
Revenue	158,775	117,409	+35
Profit before tax and amortization of intangibles	25,593	17,019	+49
Profit before tax	19,850	12,725	+56
Earnings per ordinary share - basic (pence)	19.21	13.07	+47
Adjusted earnings per ordinary share – basic (pence)	24.99	19.19	+41
Balance Sheet:			
Total equity	163,029	113,016	+44
Cash and cash equivalents	31,227	21,511	+45
Interest bearing loans and borrowings	-	6,055	-100

Highlights:

- Results significantly ahead of expectations
 - 35% revenue growth (22% in constant currency)
 - 24% organic revenue growth
- Good growth across all divisions:
 - Technology segment revenue growth of 59%
 - Strong desktop organic growth of 30% year on year
 - Effective integration of Idiom and Trisoft acquisitions
 - Tridion revenue growth of 16%
 - Translation Services revenue up 26%
- New customers include:
 - EMC, Fair Isaac, Vestas Wind Systems and Sony Europe (SDL Enterprise)
 - Microsoft, Citrix Systems, Symantec and Sabre Inc. (SDL Trados)
- As anticipated, Idiom achieved breakeven run rate at the operating margin level by December 2008
- Strong cash flow from operations at £26.4m (2007: £16.0m)
- Net Cash of £31.2m at the end of 2008
- Solid pipeline and conversion rate across technology businesses maintained

Mark Lancaster, Chairman and Chief Executive of SDL, commented:

"It is my pleasure to report that SDL has had another strong year in 2008, with both revenue and operating profits significantly ahead of market expectations.

"With the continued deterioration of the worldwide economic climate, 2009 may well be a challenging year. Our approach will therefore be appropriately cautious. We are however fortunate that approximately 67% of our revenue is derived from translation services and this recurring revenue stream has historically proven to be robust and resistant to economic downturns; in addition we have the benefit of the weak pound at present. We also have a net cash position of a little over £31m in cash, which gives us the flexibility and security desirable in the current environment.

"We are currently maintaining a solid pipeline and conversion rate across our technology business units, although we are seeing some delays in converting deals. We are also continuing to see good momentum in the technology markets we operate in. As we progress through 2009 we expect to see more businesses outsource their translation management, and, due to the group's leading position in both technology infrastructure and services, this should lead to more business moving to SDL solutions.

"We believe that the long term outlook for the SDL Group will continue to show strong growth as businesses are attracted to the value and efficiencies a Global Information Management Platform provides to global companies."

For further information please contact:

SDL plc

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About SDL

SDL is the leader in Global Information Management (GIM) solutions that empower organizations to accelerate the delivery of high-quality multilingual content to global markets. Its enterprise software and services integrate with existing business systems to manage the delivery of global information from authoring to publication and throughout the distributed translation supply chain.

Global industry leaders rely on SDL to provide enterprise software or hosted services for their GIM processes, including ABN-Amro, Best Western, Bosch, Canon, Chrysler, CNH, Hewlett-Packard, Microsoft, Philips, SAP, Sony, SUN Microsystems and Virgin Atlantic.

SDL has implemented more than 480 enterprise GIM solutions, has deployed over 150,000 software licenses across the GIM ecosystem and provides access to on-demand translation portals for 10 million customers per month. Over 1,000 service professionals deliver consulting, implementation and language services through its global infrastructure of more than 50 offices in 30 countries. For more information, visit www.sdl.com

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