

**FDM Group plc**

**(“FDM” or the “Company”)**

**PRE-CLOSE TRADING UPDATE**

**For the six months ended 30 June 2008**

**&**

**Appointment of Brewin Dolphin as Nomad and Broker**

***“Strong first half-year trading performance”***

FDM (AIM : FDMG), the international IT services business, today provides an update on its trading for the six month period to 30 June 2008.

In continuation of FDM's stated strategy of transforming the business into an IT services provider the Company has continued to migrate service delivery into higher margin areas and away from a freelance model. As a consequence continued improvement in gross profit margins year-on-year has been achieved.

The Mountie offering is the key component of FDM's service proposition and we have seen strong growth in Mountie numbers being placed with clients. Within our freelance business, margins have continued to improve in line with our strategy.

The London training Academy opened in January 2007 has performed well and we now plan to increase training seat capacity in response to current client demand. Our Manchester training Academy opened in December 2007 and is nearing full training capacity less than a year after opening.

Our international offices are making a solid contribution to growth as our cross-selling efforts to our global clients continue. We will look to these centres to contribute significantly to FDM's longer-term growth potential.

During the period FDM has continued to make client gains and has won a number of contracts including BT and SciSys.

To this end, trading continues in line with forecasts and the Board is confident of achieving market expectations for the year.

Following the appointment of David Templeman as Group Finance Director in November 2007, he has now been appointed Company Secretary. Jacs Flavell has stepped down from this position after 17 years of service and the Board would like to thank her for her invaluable contribution to the Company.

The Board also confirms today the appointment with immediate effect of Brewin Dolphin Limited as Nominated Advisor and Broker to the Company.

Commenting on the announcement, Rod Flavell, Chief Executive Officer of FDM said:

*“Overall the KPI's for our business remain strong as we continue to see increasing demand for our “Mountie” model from our client base. Over the past six months we have developed closer relationships with our clients, particularly those operating in*

*the financial services sector, as they see the true value of our in-house trained IT consultants.*

*Our ability to deploy modern technical skills that are in short supply worldwide and at a cost that is otherwise unobtainable onshore continues to gain traction and drive growth, illustrating the resilience of the FDM model even in the current uncertain economic climate.*

*We enter the second half of our financial year with confidence and look forward to updating the market in September when we announce our interim results.”*

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## **Notes to Editors**

About FDM Group plc

FDM Group Plc (LSE AIM: FDMG) is a global IT services company specialising in consulting and training solutions. Founded in 1984, with its HQ in the UK and a further five international offices, in 2007 FDM had over 350 employees and revenues of £50m. The Company works with over 200 blue-chip clients including the BBC, Barclays, HSBC, AA, RBS and British Airways. Over two thirds of FDM's employees are IT consultants, termed 'Mounties', who have been trained as Developers in the Sun Microsystems Java, Microsoft C#. Net toolsets, or who have joined the Finance Analyst or Test Analyst streams.