Date: 13 May 2010
On behalf of: Planet Payment, Inc. ("the Company" or "Planet Payment")
Embargoed until: 0700hrs

Planet Payment
Reports First Quarter 2010 Results

TOTAL REVENUE INCREASES 28%
MULTI-CURRENCY REVENUE INCREASES 60%

Planet Payment, Inc. **(UK: LSE:AIM: PPT and PPTR; USA: OTCQX: PLPM)**, a leading international payment processor, today announced its results for the three month period ended March 31, 2010.

During the first quarter of 2010 the Company continued to deliver solid results. Total revenue was up 28% to $13.2m (Q1'09: $10.3m), with multi-currency revenue up over 60% to $10.0m (Q1'09: $6.3m). Gross profit for the quarter increased 12% to $4.1m (Q1'09: $3.6m).

Adjusted EBITDA loss for the period was ($0.7m), compared to Q1'09 ($0.4m). On a GAAP basis, net loss for the quarter was ($1.5m) (Q1'09 loss: ($1.4m)). See Table 1 for reconciliation of net loss to Adjusted EBITDA.

The Company's revenue growth was primarily driven by a 60% increase in active multi-currency merchant locations over Q1'09. The Company's total active merchant locations now stand at over 11,000 locations, with more than 2,700 new locations activated since the first quarter of 2009. Early indicators of improving economic conditions also contributed to our strong performance. The Company's same store multi-currency volume in the hospitality, retail and e-commerce sectors rebounded in the period, as evidenced by the 40% increase in March 2010 same store volume over March 2009.

First quarter is historically the Company's slowest quarter of the year, due primarily to reduced international business travel following the Christmas holiday and around the Chinese New Year, while fourth quarter is typically the most active. Due to our product mix and broader customer base, this quarter's seasonal, sequential revenue decline of 7% compares favorably to the prior year, when first quarter 2009 revenue was down 12% as compared to fourth quarter 2008.

Planet Payment also continues to benefit from a robust new business pipeline. Approximately 45% of multi-currency transaction volume processed in the month of March 2010 was attributed to merchants activated since March 2009, with 5% of the March 2010 volume derived from merchant locations activated in the first quarter of 2010.

Since the beginning of the year, the Company extended its international reach with the roll out of new services in the Philippines, South Africa, the United Arab Emirates and with additional acquirers in Canada. In support of these new service launches, the Company's cash operating expenses increased by $0.8m or 19% as compared to the same period a year ago. The Company also continues to enhance the functionality, stability and security of its processing infrastructure to support additional bank and merchant implementations planned for the remainder of 2010.

The payment processing industry continues to undergo regulatory change and consolidation among payment processors and acquirers, which the Company believes opens up opportunities for our products.

Last year's Credit CARD Act imposed restrictions on certain fees and business practices of card issuers in the United States. Legislation currently going through the US Congress and certain state assemblies is seeking to control the amount and manner in which the card brands charge fees to merchants for their services. Canada has recently adopted a merchant "Bill of Rights" in the form of a voluntary Code of Conduct for the card payment industry, which authorities are reserving the right to enforce, if not adopted.

Additionally, the Company is currently reviewing the impact of recent changes to Visa International Operating Regulations including a new global regulatory scheme for DCC which was notified to Visa's participants on April 28 and became effective May 1, 2010, which amongst other things seek to limit new participants, including new merchant locations, from offering DCC services in North America and the Asia Pacific region. The regulations confirm that the Company can continue to provide DCC for Visa cards at existing locations. The regulations do not impact the continued availability of DCC services in the Visa Europe Region, Planet Payment's multi-currency pricing solutions, nor any of our domestic processing solutions, which are expanding areas of our business. MasterCard regulations allow for DCC in all regions and are not affected by the changes in Visa regulations.

Since 1 May 2010 the Company continues to add merchant locations to its processing systems. We also continue to implement additional acquirers for the purpose of providing DCC services as well as Planet's other processing services, including multi-current pricing, domestic processing and our e-commerce gateway.

Visa itself recently announced its acquisition of Cybersource, the largest Internet payment gateway in the United States and the formation of a joint venture for merchant acquiring in India. Certain other processors and acquirers have recently been acquired, or are reported to be subject to takeover discussions.

All of these changes mean that issuers, acquirers and merchants will likely be seeking new ways to generate revenue and save costs. Planet Payment's range of innovative services offer our customers the ability to respond to changes in market conditions in an efficient and cost effective manner. The Company is committed to providing our processor, acquirer and merchant customers with best-in-class solutions.

Commenting on the results, Philip Beck, Chairman of Planet Payment, Inc., said:

"Our first quarter revenue growth reflects continued adoption of our solutions by new customers and a strong rebound in our customers' sales volumes. Our solutions offer acquirers a creative approach within the existing credit card infrastructure and powerful marketing tools to open new sales channels. We help merchants reduce payment processing costs and cardholders enjoy informed choice and transparency at the point-of-sale, including our FX Assured, best rate guarantee service."

Current Trading

Following seasonal low-points in January and February 2010, the Company saw March and April 2010 volume and revenue return to levels achieved in Q4 2009. The Company believes that the new Visa regulations will not have a material impact on 2010 revenue (potentially affecting less than 5% of revenue) and given the current strong pipeline of business and product mix the Company believes that its financial prospects for 2010 continue to be in line with market expectations.

-End-

Additional breakdown on the Company's performance can be found in the Management Discussion and Analysis appended to this release. In accordance with the rules of the OTCQX market, the Company's First Quarter Report, including its Condensed Consolidated Financial Statements (unaudited), as of March 31, 2010 and December 31, 2009 and for the three months ended March 31, 2010 and 2009 have been posted on the OTCQX website at www.otcqx.com and on the Company's website at www.planetpayment.com .

Enquiries:

Planet Payment, Inc. www.planetpayment.com
Robert Cox (CFO)

Redleaf Communications Ltd (in the UK) planet@redleafpr.com
Emma Kane / Rebecca Sanders-Hewett/ Henry Columbine Tel: +44 20 7566 6700

Cubitt Jacobs & Prosek Communications (US PR) ecleary@cjpcom.com
Emily Cleary/ Thomas Rozycki Tel: +1 212 279 3115 x257

Canaccord Adams Limited (UK) (Nomad for Planet Payment)
Mark Williams Tel +44 20 7050 6500

Canaccord Adams Limited (UK) (DAD for Planet Payment)
Andy Viles Tel: +1 617-371-3900

About Planet Payment®

Planet Payment's Common shares trade in the UK on AIM under the symbols PPT for unrestricted Common shares and PPTR for Reg S Common shares and in the United States on the OTCQX under the symbol PLPM.

Planet Payment is a leading international payment and data processor, providing banks and their merchants with innovative solutions to accept, process and reconcile payments, anytime, anywhere and in any currency. Our customer base of more than 40 acquiring banks and processors stretches from North America, to the Middle East, to Asia Pacific, including China, Hong Kong, Macau, Taiwan, Malaysia and India.

Planet Payment is headquartered in New York and has offices in Atlanta, Beijing, Bermuda, Delaware, London, Hong Kong, Shanghai and Singapore. Visit www.planetpayment.com for more information on the Company and its services.

Forward-Looking Statements. Information contained in this announcement may include 'forward-looking statements'. All statements other than statements of historical facts included herein, including, without limitation, those regarding the financial position, business strategy, plans and objectives of management for future operations of both Planet Payment and its business partners, are forward-looking statements. Such forward-looking statements are based on a number of assumptions regarding Planet Payment's present and future business strategies, and the environment in which Planet Payment expects to operate in future, which assumptions may or may not be fulfilled in practice. Implementation of some or all of the new services referred to is subject to regulatory, or other third party approvals. Actual results may vary materially from the results anticipated by these forward-looking statements as a result of a variety of risk factors, including the risk that implementation, adoption and offering of the service by processors, acquirers, merchants and others may take longer than anticipated, or may not occur at all, regulatory changes and changes in card association regulations and practices; general economic risk and volume of international travel and commerce and others. Additional risks may arise with respect to commencing operations in new countries and regions of which Planet Payment is not fully aware at this time. See the Company's Quarterly Report for the period, filed at www.otcqx.com for other risk factors which investors should consider. These forward-looking statements speak only as to the date of this announcement and cannot be relied upon as a guide to future performance. Planet Payment expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in its expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

CONSOLIDATED CONDENSED BALANCE SHEETS
AS OF MARCH 31, 2010 AND DECEMBER 31, 2009

	March 31 2010	December 31 2009
	(unaudited)	(audited)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,082,136	$ 3,752,423
Other current assets	6,334,370	5,932,366
Total current assets	8,416,506	9,684,789
PROPERTY AND EQUIPMENT, net	1,071,724	992,633
Intangible assets, net	5,145,226	4,873,263
Other assets	286,970	297,528
TOTAL	$ 14,920,426	$ 15,848,213
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	7,697,178	7,361,465
Long-term and Convertible debt-less current maturities	9,119,795	9,036,402
Total liabilities	16,816,973	16,397,867
Stockholders' equity (deficit):	(1,896,547)	(549,654)
TOTAL	$ 14,920,426	$ 15,848,213

See notes to consolidated condensed financial statements.

CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010 AND 2009

	Three Months Ended March 31	
	2010	2009
	(unaudited)	(unaudited)
REVENUE:		
Multicurrency processing revenue	$ 10,028,340	$ 6,269,983
Other revenue	3,174,751	4,048,617
Total Revenue	13,203,091	10,318,600
COST OF SALES:		
Multicurrency processing cost of sales	6,559,481	3,956,268
Other cost of sales	2,589,642	2,738,030
Total cost of sales	9,149,123	6,694,298
Gross Profit	4,053,968	3,624,302
Total operating expenses	5,293,127	4,689,535
Loss From Operations	(1,239,159)	(1,065,233)
Total other expense	(291,062)	(286,057)
Loss before Provision for Income Taxes	(1,530,221)	(1,351,290)
Provision for income taxes	-	-
Net Loss	$ (1,530,221)	$ (1,351,290)

See notes to consolidated condensed financial statements.

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2010 AND 2009

	Three Months Ended March 31	
	2010	**2009**
	(unaudited)	(unaudited)
Cash flows from operating activities:		
Net loss	(1,530,221)	(1,351,290)
Other cash flows from operating activities	484,409	1,018,325
Net cash used in operating activities	(1,045,812)	(332,965)
Cash flows from investing activities:		
Capital expenditures	(735,967)	(445,855)
Net cash used in investing activities	(735,967)	(445,855)
Cash flows from financing activities:		
Proceeds from issuance of common stock	-	3,000,359
Proceeds from convertible debt and Loans Payable	-	389,547
Proceeds from Long term debt	132,559	-
Payment of capital-raising expense	-	(175,896)
Repayment of long term debt	(21,066)	-
Net cash provided by financing activities	111,493	3,214,010
Increase / (decrease) in cash and cash equivalents	(1,670,287)	2,435,190
Cash and cash equivalents—beginning of period	3,752,423	246,848
Cash and cash equivalents—end of period	$ 2,082,136	$ 2,682,038

See notes to consolidated condensed financial statements.

CONSOLIDATED CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY/DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2010

	Preferred Stock $0.01 Par Value—4,000,000 Shares Authorized Series A		Common Stock $0.01 par Value—70,000,000 Shares Authorized					
	Shares Issued	Par Value	Shares Issued	Par Value	Additional Paid-In Capital	Warrants	Accumulated Deficit	Total Stockholders' Equity (Deficit)
BALANCE—DECEMBER 31, 2009	2,243,750	$ 22,438	39,170,213	$ 391,701	$ 73,969,455	$ 1,517,982	$ (76,451,230)	(549,654)
Stock issued								0
Warrants exercised								0
Options exercised			10,281	103	(103)			0
Value of warrants issued						48,242		48,242
Stock option expense					135,086			135,086
Net loss							(1,530,221)	(1,530,221)
BALANCE—MARCH 31, 2010	2,243,750	22,438	39,180,494	391,804	74,104,438	1,566,224	(77,981,451)	(1,896,547)

See notes to consolidated condensed financial statements.

Notes to Consolidated Condensed Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Description — Planet Payment, Inc. (the "Company") was incorporated in the State of Delaware in October 1999 as Planet Group, Inc. and changed its name to Planet Payment, Inc. on June 18, 2007. The Company enables processors, acquiring banks and their merchants to accept, process and reconcile credit card transactions in multiple currencies, allowing cardholders to view prices and settle transactions in their native currency. The *Pay in Your Currency*™ service is the Company's suite of multi-currency processing solutions, which includes a multi-currency pricing e-commerce service and a Dynamic Currency Conversion service. The Company's *BuyVoice*™, a mobile payment and commerce solution, allows merchants to accept payments and sell product to customers using any mobile or landline phone. With the acquisition of the *iPAY*™ business, the Company also offers comprehensive Internet processing solutions for credit card and electronic check payments. On March 20, 2006, the Company's common shares were admitted to trading on the London Stock Exchange's Alternative Investment Market (AIM) market. On November 19, 2008, the Company's common shares were also admitted to trading on the OTCQX market tier operated by Pink OTC Markets Inc in the United States.

The Company is a registered third-party processor for acquiring banks under Visa, MasterCard, Discover, American Express and JCB card association rules. Visa and MasterCard operating regulations require the Company to be sponsored by an acquirer in order to process card transactions; the Company has third party processor agreements with American Express and JCB. The Company is currently registered with Visa and MasterCard for each bank with which it has a processing agreement. Accordingly, although not a member of either card association (all members are banks), the Company is required to comply with all applicable card association rules.

Interim Period Format and Scope of Condensed Statements — In the opinion of management, the unaudited consolidated condensed financial statements include all adjustments, which consist of normal recurring accruals, necessary to present fairly the financial position as of March 31, 2010 and December 31, 2009, the results of operations for the three months ended March 31, 2010 and 2009, the cash flows for the three months ended March 31, 2010 and 2009 and the changes in shareholders' equity/deficit for the three months ended March 31, 2010. In accordance with accounting principles generally accepted in the United States of America for interim financial information, these statements do not include certain information and footnote disclosures required for complete annual financial statements. The results of operations and the cash flows for the three months ended March 31, 2010 and 2009 are not necessarily indicative of the results to be expected for the full year and should be read in conjunction with the most recent annual audited consolidated financial statements of the Company as of and for the year ended December 31, 2009. Financial information for the period ended December 31, 2009 has been derived from the audited consolidated financial statements.

Principles of Consolidation — The consolidated condensed financial statements include the accounts of the Company, one wholly owned U.S. subsidiary and seven wholly owned foreign subsidiaries located in Bermuda, Canada, Hong Kong, Ireland, Isle of Man, The People's Republic of China and Singapore. All inter-company accounts and transactions are eliminated on consolidation.

Foreign Currency Translation — Statement of operations accounts are translated at the average exchange rates during the period. Assets and liabilities are translated at the balance sheet date exchange rates. The related adjustments for all accounts are included in net income. These amounts are immaterial for all periods presented and have not been reported separately.

Cash and Cash Equivalents — Cash and cash equivalents consist of cash and highly liquid debt instruments purchased with an original maturity of three months or less.

Accounts Receivable — The Company evaluates the collectability of its accounts receivable based on a combination of factors. In cases where the Company is aware of circumstances that may impair a specific customer's ability to meet its financial obligations, an allowance is recorded against amounts due thereby reducing the net recognized receivable to the amount that the Company reasonably believes will be collected. For all other customers, the Company recognizes an allowance for doubtful accounts based on the length of time the receivables are past due, the current business environment and historical experience. As of March 31, 2010 and December 31, 2009, the Company has included an allowance for doubtful accounts of approximately $1.9 million due to certain receivables being subject to litigation.

Inventory –The Company purchased certain software licenses for resale. The licenses are for a point-of-sale credit card application that has been customized to the Company's specifications, in order to support the Company's multi-currency applications. Inventory is valued at the lower of cost or market price. Cost is arrived at using the first-in, first-out method. Market price is estimated based on anticipated sales of licenses.

Property and Equipment — Property and equipment are recorded at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Equipment	5 years
Hardware	5 years
Software	5 years
Furniture and fixtures	5–7 years

Leasehold improvements are amortized using the straight-line method over the lesser of the estimated useful life of the assets or the term of the underlying lease arrangements.

Expenditures for maintenance and repairs, which do not improve or extend the useful life of the respective asset, are charged to expense as incurred.

Intangible Assets — Intangible assets are recorded at cost less accumulated depreciation. Intangible assets are being amortized on a straight-line basis over their estimated lives, as follows:

License agreements	7 years
Patents	15 years
Trademarks	15 years
Customer contracts	5 years
Capitalized Projects	5 years

The Company performs an annual impairment test comparing the estimated fair value of the intangibles to its carrying value. No impairment was recorded for the year ended December 31, 2009 and the three month period ending March 31, 2010.

The Company follows Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 350, *Intangibles, Goodwill and Other* ("ASC 350"). The Company develops software that is used in providing processing services to customers. Software development costs are capitalized once technological feasibility of the software has been established. Costs incurred prior to establishing technological feasibility are expensed as incurred. Technological feasibility is established when the Company has completed all planning, designing, coding and testing activities that are necessary to determine that a product can be produced to meet its design specifications, including functions, features and technical performance requirements. Capitalization of costs ceases when the product is available for general use. Software development costs are amortized using the straight-line method over the estimated useful life of the software, which is generally five years. During the three months ended March 31, 2010 and 2009, the amount capitalized was $407,622 and $256,257, respectively.

Security Deposits — Security deposits are primarily held by landlords to cover rental obligations and are included in other assets in the consolidated condensed financial statements.

Restricted Cash — Restricted cash is primarily held by processing partners where the Company holds a share of underwriting risk and for other potential liabilities under processing agreements and is included in other assets in the consolidated condensed financial statements.

Due to Merchants — Due to merchants represents funds collected on behalf of merchants using the iPAY gateway ACH product, which are held on average for three days before payment to the merchant, as part of our risk management procedures and the amount held is included in settlement assets and are included in current liabilities in the consolidated condensed financial statements.

Use of Estimates — The preparation of financial statements are in conformity with accounting principles generally accepted in the United States of America (GAAP) and requires management to make certain estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include valuation of stock options and warrants, provision for doubtful accounts, asset capitalization and impairment testing. Actual results could differ from those estimates.

Revenue Recognition — Processing revenue is based on the mark up and fees charged to customers for services provided in facilitating the sale of goods and services by means of credit and debit cards and does not include the gross sales price paid by the ultimate buyer. Revenues are recorded on a gross basis and offset by the associated costs of sales and are recognized at the time of settlement of the transactions.

Revenue from multi-currency processing is based on the margin earned on the conversion of credit card transactions from one currency into another currency. Multi-currency conversion revenue is recognized when the settlement proceeds of relevant credit card transactions are paid by the Card Associations to the relevant acquiring bank, with which the Company undertakes the multi-currency processing service.

Transaction based fees are earned at the time the transaction is submitted for processing. Administrative fees revenue comprises fixed monthly amounts, which are recognized at the time charged to each customer. Fees arising from referral of business to third-party processors are recognized upon receipt.

Certain members of the Company’s point-of-sale software development team provide external development and consulting services to third parties under the name Planet Technology Services (PTS). The revenue associated with PTS is principally time and materials consulting revenue that is recognized when earned and invoiced.

Income Taxes — The Company accounts for income taxes in accordance with FASB ASC 740, *Income Taxes*, which requires the recognition of deferred income taxes for differences between the bases of assets and liabilities for financial statement and income tax purposes. Deferred tax assets and liabilities represent the future tax consequence for those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred taxes are also recognized for operating losses that are available to offset future taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Fair Value of Financial Instruments — FASB ASC 825, *Financial Instruments*, requires certain disclosures regarding the fair value of financial instruments. Cash and cash equivalents, receivables, debt, accounts payable, due to merchants, accrued expenses and amounts due to affiliates are reflected in the consolidated financial statements at fair value because of the short-term nature of these instruments. The carrying value of the short term portion of the long term and convertible debt approximates fair value primarily due to the short term nature of the debt and because the interest rates applicable to the debt are consistent with current market rates.

Stock Incentive Plan — FASB ASC 718, *Compensation – Stock Compensation* ("ASC 718") requires compensation cost related to share-based payments to employees to be recognized in the financial statements based on their fair value. This method requires that the provisions of ASC 718 be applied to new awards and awards modified, repurchased or cancelled after the effective date. See Note 6 for disclosure on the Company's stock incentive plan.

Warrants — The Company has issued detachable warrants to purchase common shares as part of certain debt instruments. These warrants have been accounted for as equity in accordance with the provisions of ASC 470-20, *Debt with Conversion and Other Options.* The fair value of the warrants is determined using the Black-Scholes Merton methodology. The fair value of the warrants is expensed to interest over the expected life of the loans. See Note 7 for disclosure on the Company's warrants.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the accompanying financial statements and related notes thereto. The following discussion may contain forward-looking statements that reflect future plans, estimates, beliefs, and expected performance. The forward-looking statements are dependents upon events, risks, and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these forward-looking statements. As such, the forward-looking events discussed may not occur.

The financial information with respect to the three month periods ended March 31, 2010 and 2009 that is discussed below is unaudited. In the opinion of management, this information contains all adjustments, consisting of normal recurring accruals, necessary for the fair presentation of the results for such periods. The results of operations for the interim periods are not necessarily indicative of the results of operations for the full fiscal year. The Company provides certain non-GAAP financial measures in this statement, in order to provide investors with additional perspective of underlying business trends and results. In addition management utilizes these measures in monitoring performance. These non-GAAP key business indicators, which include Adjusted EBITDA loss, cash operating expenses and cash compensation expense, transaction volumes, merchant locations and same store sales, should not be considered replacements for and should be read in conjunction with the GAAP financial measures.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2010 Compared to the Three Months Ended March 31, 2009

Revenue: Total revenue increased 28% to $13.2m (Q1'09: $10.3m) as a result of the increase in multi-currency processing from new merchant deployments in all regions. Revenue from multi-currency processing services increased 60% to $10m (Q1'09: $6.3m), while revenue from processing services decreased 21% to $3.2m (Q1'09: $4.0m), and represented 24% of total revenue (Q1'09: 39%).

Transaction V*olume:* The Company processed total settled transaction volume of $520m, up 9% over the same period in 2009 (Q1'09: $479m). Transaction volume from multi-currency processing services increased 59% to $279m (Q1'09: $175m). Settled processing volume decreased 20.6% to $241m (Q1'09: $304m).

Gross Profit: Gross profit rose 12% to $4.1m (Q1'09: $3.6m). Overall gross margin percentage was 31% as compared to the Q1'09 gross margin percentage of 35% due to certain customers achieving processing volume tiers.

Operating Expenses: The Company's operating costs as a percentage were reduced to 40% of revenue compared to 45% in Q1'09. Operating expenses grew $0.6m, to $5.3m, (Q1'09: $4.7m). Cash operating expenses increased 19% to $4.7m (Q1'09: $3.9m) in support of service launches in new markets in 2010.

Cash compensation expenses totalled $2.8m, an increase of 18% over Q1'09, representing 60% of total cash operating expenses for the quarter (Q1'09: $2.4m, representing 60% of total cash operating expenses). Increases were to due to headcount growth from 130 at the end of March 2009 to 139 at the end of March 2010 and certain salary increases effective throughout the quarter. Other cash operating expenses increased 21% over 2009.

EBITDA: Adjusted EBITDA loss for the period was ($0.7m) compared to a loss of ($0.3m) a year ago. See Table 1 below for a reconciliation of Net loss to adjusted EBITDA

Net Loss: Net loss for the period was ($1.5m) compared to a net loss of ($1.4m) a year ago.

Table 1. Reconciliation of Net Loss to Adjusted EBITDA

For the three month periods ended March 31, 2010 and 2009

	Three Months Ended March 31	
	2010	**2009**
Net loss	$(1.5)	$(1.4)
Interest expense, net	0.3	0.3
Depreciation and amortization	0.4	0.3
Stock compensation expense	0.1	0.4
Income taxes	0.0	0.0
Other expenses	0.0	0.1
Adjusted EBITDA	($0.7)	$(0.3)