The following replaces the Final Results of DM plc released on 19 March 2007 at 8.31 a.m. under RNS number 1833T.

There was an error in the Consolidated Cash Flow Statement in the above announcement, requiring restatement of the 2006 Final Results, which has now been made. This correction does not affect either the text or the Profit & Loss and Balance Sheet statements.

All other details remain unchanged and the full amended text appears below.

DM plc: Ticker: DMP/ Index: AIM / Sector: Leisure facilities

DM plc
("DM" or the "Group")

FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2006

DM, the direct marketing group specialising in database management and home gaming, announces its results for the year ended 31 December 2006.

Overview - another excellent year with progress on all fronts:

- Record financial results for the third full year running;
- Turnover up 61 per cent to £16.86 million (2005: £10.48 million);
- Profit before tax, interest and goodwill amortisation from operating activities up 89 per cent to £3.96 million (2005: £2.10 million - excluding one-off profit from acquisition);
- Group consolidated profit before tax up 36 per cent to £3.26 million (2005: £2.39 million);
- EPS up 24 per cent to 1.73 pence (2005: 1.40 pence);
- Successful acquisition and integration of two additional businesses;
- All subsidiaries profitable at the year end; and
- Inaugural dividend of 0.1 pence per share.

£'000	2006	2005	2004
Turnover	16,860	10,481	4,201
PBT	3,256	2,388	1,317
EPS	1.73p	1.40p	0.70p

DM Chairman, Adrian Williams said:

"DM's expertise lies in understanding the industry and recognising opportunities within the sector. This is demonstrated by the successful and rapid turnaround to profitability of our latest acquisition, "The Winners Club".

"I am confident that the Group is capable of even greater achievements. It is highly cash generative, which we expect to maintain as we continue to build the breadth of the business, and our database levels and renting activities continue to improve. Our aim is to maintain our position as a leader in response orientated gaming, which should translate into increased returns for our shareholders."

CHAIRMAN'S STATEMENT

I am very pleased to report DM's results for the year ended 31 December 2006, which has been another strong year for the Group. During the year we further strengthened our position as the leading UK direct marketing group specialising in database management and home gaming, both by growing organically and by making selective acquisitions that complement our existing operations.

Financial results

The hard work and progress we have made has yet again been translated into record results. For the year ended 31 December 2006, the Group reported turnover of £16.86 million (2005: £10.48 million), an increase of 61 per cent over the same period in 2005. Profit before tax, interest and goodwill amortisation from operating activities increased 89 per cent to £3.96 million (2005: £2.10 million - excluding the one-off profit generated from the early satisfaction of the Purely Creative earn-out). Overall, the Group consolidated profit before tax increased 36 per cent to £3.26 million (2005: £2.39 million). Earnings per share increased by 24 per cent to 1.73 pence (2005: 1.40 pence).

The Group acquired specialist competition promoter and list broker, Dodd Marketing Limited ("Dodd Marketing"), for a maximum consideration of £9 million in April 2006. It also acquired the core trading subsidiaries of AIM listed Invox's Home Gaming division - The Winners Club Limited and TPC Telecoms Limited (together "The Winners Club") - for a consideration of up to £2 million in October 2006. The two acquisitions complement our other subsidiaries, enhancing DM's position in the direct marketing industry and bringing into the Group comprehensive coverage of the addressed mail sector.

These results only include circa eight months contribution from Dodd Marketing and three months results of The Winners Club. As indicated previously, the integration of both businesses is progressing well and we have already turned The Winners Club, from loss making at acquisition, into a pre-tax profit, meaning that all of our subsidiaries are profitable.

Over the period the Group has been highly cash generative. As previously indicated the Board has always intended to implement a progressive dividend policy when it was appropriate to do so. This year the Board is proposing to commence the payment of a dividend of 0.1 pence per share which will be paid on 15 May 2007 to shareholders on the register as at the close of business on 20 April 2007.

Business Review

2006 has been another year of progress with the Group gaining real critical mass in the direct marketing and home gaming sector. The Group has three core divisions:

- Gamecards and Scratchcards
- Direct Mail
- Database Products

Gamecards and Scratchcards

This division designs, promotes and distributes a response orientated proprietary range of games of skill and chance. Revenue is generated by respondents telephoning premium rate lines or responding by text or by post. We are the UK market leader in this profitable and cash generative sector. This is a major strength since these activities constantly generate more new customers for the benefit of our other divisions.

Direct Mail

This division promotes our own proprietary games via Royal Mail addressed mail to UK consumers. Building on our core capabilities of response orientated competitions and database ownership and management, we have developed a specialist range of products and services to generate clients and profit from their subsequent responses. Careful analysis of response patterns and experienced campaign management allow us to continue to generate high margins.

The acquisition of The Winners Club will allow us to enjoy cross selling opportunities. We expect to see the benefits of this co-operation during 2007 following successful testing in the final quarter of 2006.

Database Products

This division has a total database of over six million customers and is the largest response database in the UK in our market sector. It owns a number of response driven databases from which it generates rental income via list brokers, including its in-house broker and via websites including www.lists.co.uk.

We have a number of joint ventures in place to share data with financial institutions including Cornhill and AXA Sun Life, which are proving successful.

Essentially, databases are rented out to companies who in turn utilise the data to conduct targeted direct marketing programmes for products such as home, contents and motor insurance. AXA in particular has started to show some of the promise that we had hoped for with favourable results from early tests.

We believe there is considerable opportunity to generate significant benefits through synergies with our existing operations and the database operations of our new acquisition, The Winners Club.

Outlook

We enjoyed strong growth throughout 2006 as we focused on strengthening our UK market leadership in response based home gaming via direct marketing. The Board is happy with the progress made, which has yet again been translated into impressive financial results as we have begun to benefit from the cross selling and synergistic benefits coming through our various subsidiaries. We will continue to explore further complementary acquisition opportunities of both businesses and relevant databases. Our key focus in 2007 is to drive the growth of our three divisions organically.

The first half of 2007 has started strongly and we expect continued like for like progress across all of our operating divisions. Over the festive period we moved to a new and larger office to allow the growing business to expand and accommodate the future growth of the business. Yet again I would like to thank all the employees of the Group for their hard work and commitment in delivering another set of record results. We have made a huge leap forward since we listed the Group in 2004 and I strongly believe that we can continue to grow the Group well into the future.

A J Williams
Chairman
19 March 2007

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	Continuing Operations 2006 £000	Acquisitions 2006 £000	Total 2006 £000	Total 2005 £000
Group Turnover		11,319	5,541	16,860	10,481
Cost of sales		(7,740)	(3,150)	(10,890)	(7,212)
Gross Profit		3,579	2,391	5,970	3,269
Administrative Expenses					
Goodwill Amortisation		(2)	(259)	(261)	-
Other Admin Expenses		(1,272)	(741)	(2,013)	(1,137)
Other operating income		-	-	-	295
Operating Profit		2,305	1,391	3,696	2,427
Interest Payable				(466)	(58)
Interest Receivable				26	19
Profit on ordinary activities before tax for the financial year				3,256	2,388
Taxation				(1,056)	(647)
Profit on ordinary activities after tax for the financial year				2,200	1,741
Earnings per share - basic	3			1.73p	1.40p
Earnings per share - diluted	3			1.73p	1.40p

There were no recognised gains or losses for the year other than those stated above.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2006

	2006 £000	2005 £000
Fixed assets		
Intangible assets	10,490	80
Tangible assets	145	175
	10,635	255
Current assets		
Stocks	138	-
Debtors	2,996	1,963
Cash at bank	1,706	3,105

	4,840	5,068
Creditors: amounts falling due within one year	(5,273)	(4,200)
Net current assets	(433)	868
Total assets less current liabilities	10,202	1,123
Creditors: amounts falling due after more than one year	(6,272)	(422)
Provisions for liabilities	(10)	(15)
Net assets	3,920	686
Capital and reserves		
Called up share capital	1,329	1,251
Share premium account	1,064	108
Merger reserve account	(3,108)	(3,108)
Profit and loss account	4,635	2,435
Shareholders' funds (all equity)	3,920	686

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2006

	2006 £000	2005 £000
Fixed assets		
Investments	16,091	5,548
Current assets		
Debtors	1,568	2
Cash at bank	36	291
	1,604	293
Creditors: amounts falling due within one year	(3,937)	(1,188)
Net current assets	(2,333)	(895)
Total assets less current liabilities	13,758	4,653
Creditors: amounts falling due after more than one year	(6,272)	(422)
Net assets	7,486	4,231
Capital and reserves		
Called up share capital	1,329	1,251
Share premium account	2,286	2,286
Merger reserve account	1,063	108
Profit and loss account	2,808	586
Shareholders' funds (all equity)	7,486	4,231

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006

	2006 £000	2005 £000
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	3,696	2,427
Depreciation of tangible fixed assets	47	35
Amortisation of intangible fixed assets	275	-
(Increase)in stocks	(138)	-
(Increase)/decrease in debtors	(1,033)	592
(Decrease)in creditors	(230)	(46)
Net cash inflow from operating activities	2,617	3,008
Returns on investment and servicing of finance		
Interest received	26	19
Interest paid	(466)	(58)
Taxation	(1,119)	(325)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(17)	(127)
Purchase of intangible fixed assets	(51)	-
Acquisition and disposals		
Purchase of subsidiary undertaking	(9,555)	(440)
Cash acquired with subsidiaries	417	238
Cash (outflow)/inflow before financing	(8,148)	2,315
Financing		
Issue of equity shares	34	-
New bank loan	9,135	-
Repayment of debt	(1,350)	(1,078)
(Decrease)/Increase in cash for the period	(329)	1,237

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2006

1. This preliminary announcement does not consist of a full set of statutory accounts for the year ended 31 December 2006, within the meaning of Section 240 Companies Act 1985.

2. **Accounting policies**

Basis of Preparation
The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of Consolidation
The acquisition of Strike Lucky Games Limited on 6 October 2004 has been accounted for as a reverse acquisition as explained in previous accounts. The acquisitions of Purely Creative Limited, Cyberdyne Entertainment Limited, Dodd Marketing Limited, The Winners Club Ltd and TPC Telecoms Ltd have been accounted for using acquisition accounting. The results of companies acquired in the period are consolidated from the date of acquisition. A separate profit and loss account for the parent company has not been presented by virtue of section 230 Companies Act 1985.

Turnover
Turnover generated as a result of telephone calls is recognised at the point the call is made. Other turnover is recognised at the point at

which the goods or services are supplied. All turnover arose within the United Kingdom and Ireland and is stated net of value added tax.

Investments
Fixed asset investments are stated at cost except where, in the opinion of the Directors, there has been an impairment in the value of an investment, in which case an appropriate adjustment is made.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:-

Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	10%-25% reducing balance

Stock
This is valued at the lower of cost and net realisable value, on a first in first out basis.

Intangible Assets and Amortisation
Goodwill, representing the excess of the fair value of the consideration given and the associated costs over the fair value of the separable net assets acquired, is capitalised. It is amortised in equal instalments over its estimated useful life. The estimated useful life is the period over which the Directors estimate that the value of the underlying business acquired is expected to exceed the value of the underlying assets. The Directors review the carrying value of goodwill if there are indications of impairment and adjustment is made to the carrying value as required.

Other intangible assets represent data lists. These are also amortised over their estimated useful economic life.

Operating leases
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

Deferred taxation
Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse based on tax rates enacted at the balance sheet date.

Foreign currencies
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All exchange differences arising on translation are taken to the profit and loss account.

3. **Earnings per share**

The calculation of earnings per share is based on the profit for the financial period of £2,200,000 (2005 - £1,749,000) and a weighted average number of shares in issue during the period of 127,267,684 (2005: 124,449,337) ordinary shares. The share options in issue are non-dilutive.

4. The full statutory accounts, upon which the auditors have expressed an unqualified opinion, will be filed with the Registrar of Companies before 30 June 2007.

5. The annual report and accounts will be posted to shareholders by 30 June 2007 and will be available upon application from the Company's registered office at Green Heys, Walford Road, Ross on Wye, Herefordshire, HR9 5PQ.

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