11 July 2016

AMINO TECHNOLOGIES PLC

(“Amino”, the “Company” or the “Group”)

INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 MAY 2016

Transformation in action: delivering from increased scale and broadened product and service portfolio, following successful acquisition integration

Amino Technologies plc (LSE AIM: AMO), the Cambridge-based leader in digital entertainment solutions for IPTV, Internet TV and in-home multimedia distribution, announces unaudited consolidated results for the six months ended 31 May 2016.

Financial highlights:

- Revenue of £33.0m (H1 2015: £17.9m), up by £15.1m after y-o-y growth of 84%
- Gross profit up 58% to £14.4m (H1 2015: £9.1m)
    - Gross margin remains strong at 43.6% (H1 2015: 50.8%), resulting from a blended margin from the acquisitions in 2015
- Adjusted EBITDA before exceptional items increased by 30% to £5.2m(1) (H1 2015: £4.0m)
- Adjusted profit before tax up 40% to £4.2m(2) (H1 2015: £3.0m)
- Statutory loss before tax of £(0.5)m (H1 2015: statutory profit £3.6m), after exceptional items of £3.5m and amortisation of acquired intangibles of £1.1m
- Adjusted basic earnings per share of 6.0p(3) (H1 2015: 5.5p). Basic earnings per share after exceptional items was (0.8)p (H1 2015: 6.9p)
- Adjusted diluted earnings per share of 5.9p(3) (H1 2015: 5.5p). Diluted earnings per share after exceptional items was (0.8)p (H1 2015: 6.8p)
- Cash generated from operations of £6.4m (H1 2015: £3.1m) before £1.4m of exceptional cash outflows (£5.0m of cash generated after these outflows)
- Net cash of £3.1m at 31 May 2016 (H1 2015: £17.3m) after record payments of £3.0m in dividends and £1.4m of exceptional cash outflows
- Increase in interim dividend to 1.391p per share (H1 2015: 1.265p), up by 10% year on year in line with progressive dividend policy

(1) Stated after adding back exceptional costs of £3.5m and share based payment costs of £0.1m. EBITDA after these costs was £1.5m (H1 2015: £4.7m). Full details of these items are contained within notes 4 and 5 to this announcement.

(2) Stated after adding back £3.5m of exceptional costs, share based payment costs of £0.1m and £1.1m of amortisation of intangible assets on the acquisition of Booxmedia Oy (“Booxmedia”) and Entone Inc. (“Entone”) in 2015.

[3] As per [2] above, net of the tax effect of these adjustments (which were zero for the respective periods).

Operational highlights:

- Integration of 2015 acquisitions of Booxmedia and Entone successfully completed, creating a single enhanced portfolio aligned with current and future market trends

- Enhanced sales team making encouraging progress with improved sales pipeline visibility into the second half of the year

- Encouraging progress made in Latin America as operators transition to IPTV deployments in response to de-regulation

- Position in North America strengthened with tier 2/3 operators
    - Contract won with Cincinatti Bell Inc. to migrate its legacy IPTV devices to the Amino Enable™ TV software platform
    - New contracts secured with regional operators including the first deployment of the Fusion Home monitoring solution

- Solid European performance as operators transition to 4K UHD rollout
    - Renewal of contract with Vodafone Netherlands demonstrates ability to retain and grow key customer accounts
    - Launch by Dutch operator DELTA in May of cloud TV services, based on an Amino platform, underlines the growing appetite for multiscreen entertainment service delivery

Commenting on today's results, Keith Todd CBE, Non-Executive Chairman said:

"This has been an encouraging first half performance by Amino. Following the acquisitions in 2015, Amino has developed and launched an enhanced product offering, including a new 4K UHD device range, and it is pleasing to see the positive traction gained in our markets. Revenue and profit before tax and exceptional items are in line with our expectations and the closing cash position is ahead of expectations. We look forward to the second half of the year with confidence."

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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About Amino Technologies plc
Amino Technologies plc specialises in the development and delivery of IPTV/OTT solutions. With over seven million devices sold to 1,000 customers in 100 countries, Amino's award-winning solutions are deployed by major network operators and service providers worldwide. Amino Technologies plc is headquartered near Cambridge, in the UK, and is listed on the AIM market of the London Stock Exchange (AIM: symbol AMO). www.aminocom.com

Chairman's review:

The Company has delivered an encouraging first half performance with record order intake and a very strong order backlog for the second half of the year. At the same time, it has successfully completed the integration of the acquisitions made in 2015, creating a single enhanced portfolio that is aligned with current and future market trends.

As announced in the Company's trading update on 6 June 2016, revenue and profit before tax and exceptional items were in line with our expectations, with a closing cash position pleasingly ahead of expectations, as a result of continued strong cash generation. Cost savings from synergies between the businesses remain in line with previously increased expectations.

Dividends are further increased in line with the progressive dividend policy of no less than 10% growth per annum up until 30 November 2016, with a proposed interim dividend of 1.391 pence per share (H1 2015: 1.265 pence per share).

As stated at the time of the Final Results, the Company has been successfully realigned to create two drivers of growth and shareholder value – focusing on hybrid TV and Cloud services respectively. The enhanced portfolio and clear propositions have allowed the unified and enhanced and better focused sales team to make encouraging early traction demonstrated by improved sales pipeline visibility into the second half of the year.

Growth across customers and markets:

Amino's addressable markets are at varying stages of maturity but all offer opportunities for elements of the Company's enhanced portfolio, underlining the strategic rationale of the acquisitions successfully completed in 2015.

Latin America remains a key focus of sales and marketing activity as operators transition to IPTV deployments as they build out fibre networks and de-regulation opens up new opportunities for agile new market entrants. Encouraging progress was made with existing customers, with the Company securing substantial proportions of dual sourced contracts and new wins with national operators rolling out IPTV services for the first time.

The Company now enjoys a strong position in the North American tier 2/3 market with continued traction with both cable and IPTV customers. In February, a contract was announced with Cincinatti Bell Inc. to migrate its legacy IPTV devices to the Amino Enable™ TV software platform and it's pleasing to report that this is progressing well. New contracts have also been secured with a number of regional operators, including the first deployment of the Fusion Home monitoring solution. Increasingly, customers are also looking for ways to better manage network quality, with growing demand for the Engage™ service assurance platform as a value-added element in an IP device sale.

The Company has performed solidly in the European market as operators transition for the rollout of 4K Ultra HD services. The renewal of an existing contract with Vodafone Netherlands was a positive signal of the Company's ability to retain and grow key customer accounts. Likewise, the launch by Dutch operator DELTA in May of cloud TV services, based on an Amino platform, underlines the growing appetite for multiscreen entertainment service delivery.

Focused strategy:

Amino operates at the intersection of a number of key trends in the pay-TV industry. The shifting pattern in viewing behaviours and content consumption – particularly amongst younger age groups – is radically re-shaping the wider industry, and specifically the strategies of pay TV operators. At the same time, uncertainties over likely consumer take-up of 4K Ultra High Definition devices have now clarified with more certainty over likely operator deployment timescales.

The Company now sees a new era of the "connected consumer" – where all media and services will be delivered via Internet Protocol, on-demand from "the cloud" to any device, anytime and anywhere. The acquisitions made in the second half of 2015 have enabled the Company to significantly broaden its offering to align closely with this significant trend.

The successful integration and launch of a new enhanced portfolio – under a single brand – was well received at the major TV Connect industry showcase in London. Industry feedback from a number of events, including the Mobile World Congress and key trade shows in Dubai and Singapore, has also been very positive with a strong sense that Amino has successfully re-positioned itself for this new exciting era in entertainment service delivery.

Financial progress

A strong sales performance in the first half delivered revenue for the period of £33.0m (H1 2015: £17.9m), which was up by 84%, or £15.1m, with the benefit of the acquisitions of Entone Inc. and Booxmedia Oy made in during the second half of 2015.

Gross margins remained robust at 43.6%, a decrease of 7.2 percentage points from the prior year, resulting from a blended margin from the acquisitions. Gross profit increased by £5.3m to £14.4m (H1 2015: £9.1m) which represented an increase of 58%.

Operating costs were £9.3m (H1 2015: £5.2m) during the period within the enlarged Group, which included selling, general and administrative expenses of £6.1m (H1 2015: £2.9m) and research and development expenses of £3.2m (H1 2015: £2.3m).

EBITDA before exceptional items increased by 29% to £5.1m (H1 2015: £3.9m) as a result of the higher overall gross profit generated by the Group following the acquisitions, offset by a higher proportion of expensed research and development costs. EBITDA after exceptional costs of £3.5m was £1.5m (H1 2015: £4.7m).

Depreciation and amortisation of £2.1m within the period (H1 2015: £1.1m) included amortisation of £2.0m (H1 2015: £1.0m) arising within the larger Group.

Operating profit increased by 7% to £3.0m (H1 2015: £2.8m) before exceptional costs of £3.5m (H1 2015: exceptional income of £0.7m). There was a small operating loss of £(0.5)m after these exceptional items (H1 2015: £3.6m).

The exceptional costs of £3.5m incurred by the Group during the six months to 31 May 2016 can be attributed to three categories: (i) contingent post acquisition remuneration payable relating to the acquisition of Entone of £2.3m; (ii) integration costs of £0.4m (which includes additional travel and contractor costs resulting from activities to integrate the new enlarged Group) and (iii) redundancy and associated costs of £0.8m.

After exceptional cash outflows of £1.4m arising in the period (H1 2015: exceptional cash inflow of £0.7m), and a 2015 final dividend which was increased by 10%, the Company still generated cash of £5.0m from operations (H1 2015: £3.8m), which was up by £1.2m or 32% year-on-year. Operating cash flow before these exceptional items increased by £2.6m or 68% to £6.4m.

Despite the fact that record dividends of £3.0m were paid (up by £0.9m year-on-year), the Company closed the period with a net cash balance of £3.1m (H1 2015: £17.3m).

Dividend Policy

The Board is pleased to confirm that it intends to recommend an interim dividend of 1.391p per share (H1 2015: 1.265p per share), representing a 10% year-on-year increase, in line with Amino's previously stated progressive dividend policy. This will be payable on 22 September 2016. The record date for the interim dividend is 2 September 2016 and the corresponding ex-dividend date is 1 September 2016.

Outlook

With the successful integration of Booxmedia and Entone now underpinning Amino's new differentiated portfolio, and following a strong first half performance, Amino is well positioned globally in its industry and the Board remains confident of meeting market expectations for the full year.

Consolidated Income Statement

For the six months ended 31 May 2016

		Six months ended 31 May 2016 Unaudited			Six months ended 31 May 2015 Unaudited		
	Notes	**Recurring items £000s**	**Exceptional items £000s**	**Total £000s**	Recurring items £000s	Exceptional items £000s	Total £000s
Revenue	3	**33,004**	**-**	**33,004**	17,935	-	17,935
Cost of sales		**(18,605)**	**-**	**(18,605)**	(8,822)	-	(8,822)
Gross profit		**14,399**	**-**	**14,399**	9,113	-	9,113
Other income		**-**	**-**	**-**	-	744	744
Operating expenses	4	**(11,395)**	**(3,549)**	**(14,944)**	(6,276)	-	(6,276)
Operating profit/(loss)		**3,004**	**(3,549)**	**(545)**	2,837	744	3,581
Analysed as:							
Gross profit		**14,399**	**-**	**14,399**	9,113	-	9,113
Selling, general and administrative expenses	4	**(6,077)**	**(1,327)**	**(7,404)**	(2,911)	-	(2,911)
Research and development expenses	4	**(3,225)**	**(2,222)**	**(5,447)**	(2,265)	-	(2,265)
Duties refund	4	**-**	**-**	**-**	-	744	744
EBITDA		**5,097**	**(3,549)**	**1,548**	3,937	744	4,681
Depreciation		**(136)**	**-**	**(136)**	(75)	-	(75)
Amortisation	7	**(1,957)**	**-**	**(1,957)**	(1,025)	-	(1,025)
Operating profit/(loss)		**3,004**	**(3,549)**	**(545)**	2,837	744	3,581
Finance expense		**(4)**	**-**	**(4)**	-	-	-
Finance income		**-**	**-**	**-**	27	-	27
Net finance income		**(4)**	**-**	**(4)**	27	-	27
Profit/(loss) before tax		**3,000**	**(3,549)**	**(549)**	2,864	744	3,608
Corporation tax charge		**1**	**-**	**1**	(13)	-	(13)

Profit/(loss) for the period from continuing operations attributable to equity holders		**3,001**	**(3,549)**	**(548)**	2,851	744	3,595
Basic earnings per 1p ordinary share	6	4.30p		(0.79)p	5.44p		6.85p
Diluted earnings per 1p ordinary share	6	4.18p		(0.76)p	5.43p		6.84p

All amounts relate to continuing activities. The accompanying notes are an integral part of these financial statements.

Consolidated Income Statement (continued)

For the six months ended 31 May 2016

		Year ended 30 November 2015 Audited		
	Notes	Recurring items £000s	Exceptional items £000s	Total £000s
Revenue	3	41,660	-	41,660
Cost of sales		(23,016)	-	(23,016)
Gross profit		18,644	-	18,644
Other income	4	-	744	744
Operating expenses	4	(14,453)	(4,678)	(19,131)
Operating profit/(loss)		4,191	(3,934)	257
Analysed as:				
Gross profit		18,644	-	18,644
Selling, general and administrative expenses	4	(6,689)	(2,073)	(8,762)
Research and development expenses	4	(4,604)	(1,313)	(5,917)
Duties refund	4	-	744	744
EBITDA		7,351	(2,642)	4,709
Depreciation		(190)	-	(190)
Amortisation	7	(2,970)	(1,292)	(4,262)
Operating profit/(loss)		4,191	(3,934)	257
Finance expense		(3)	-	(3)
Finance income		68	-	68
Net finance income		65	-	65
Profit before corporation tax		4,256	(3,934)	322
Corporation tax credit		34	-	34
Profit for the period from continuing operations attributable to equity holders		4,290	(3,934)	356

Basic earnings per 1p ordinary share	6	7.30p	0.61p
Diluted earnings per 1p ordinary share	6	7.26p	0.60p

The accompanying notes are an integral part of these interim financial statements.

Consolidated Statement of Comprehensive Income
For the six months ended 31 May 2016

	Six months ended 31 May 2016 Unaudited £000s	Six months ended 31 May 2015 Unaudited £000s	Year ended 30 November 2015 Audited £000s
(Loss)/profit for the period	**(548)**	3,595	356
Foreign exchange difference arising on consolidation	**(100)**	11	234
Other comprehensive (expense)/ income	**(100)**	11	234
Total comprehensive (loss)/income for the period	**(648)**	3,606	590

Consolidated Balance Sheet
As at 31 May 2016

	Notes	**As at 31 May 2016 Unaudited £000s**	As at 31 May 2015 Unaudited £000s	As at 30 November 2015 Audited £000s
Assets				
Non-current assets				
Property, plant and equipment		**452**	388	553
Intangible assets	7	**48,164**	11,231	46,342
Deferred tax assets		**560**	560	560
Other receivables		**216**	162	162
		49,392	12,341	47,617
Current assets				
Inventories		**2,621**	1,303	3,651
Trade and other receivables		**12,122**	9,419	11,673
Corporation tax receivable		**-**	-	601
Cash and cash equivalents		**4,052**	17,298	2,094
		18,795	28,020	18,019
Total assets		**68,187**	40,361	65,636
Capital and reserves attributable to equity holders of the business				
Called-up share capital		**747**	583	744
Share premium		**20,510**	605	20,193
Capital redemption reserve		**6**	6	6
Foreign exchange reserves		**718**	595	818
Other reserves		**16,389**	16,389	16,389
Equity reserve		**1,826**	-	665
Retained earnings		**3,001**	10,280	6,235

Total equity	**43,197**	28,458	45,050
Liabilities			
Current liabilities			
Trade and other payables	**18,131**	11,367	14,338
Corporation tax payable	**458**	-	321
Bank loans	**1,004**	-	-
	19,593	11,367	14,659
Non-current liabilities			
Trade and other payables	**1,416**	-	1,775
Provisions	**1,922**	-	1,869
Deferred tax liability	**2,059**	536	2,283
	5,397	536	5,927
Total liabilities	**24,990**	11,903	20,586
Total equity and liabilities	**68,187**	40,361	65,636

The interim financial statements on pages 6 to 19 were approved by the Board of directors on 8 July 2016 and were signed on its behalf by Donald McGarva, Director

The accompanying notes are an integral part of these interim financial statements.

Consolidated Cash Flow Statement
As at 31 May 2016

	Notes	**Six months ended 31 May 2016 Unaudited £000s**	Six months ended 31 May 2015 Unaudited £000s	Year to 30 November 2015 Audited £000s
Cash flows from operating activities				
Cash generated from operations	8	**5,028**	3,799	5,836
Corporation tax received/(paid)		**508**	(13)	1
Net cash generated from operating activities		**5,536**	3,786	5,837
Cash flows from investing activities				
Expenditure on intangible assets		**(1,874)**	(1,139)	(3,201)
Purchase of property, plant and equipment		**(35)**	(34)	(118)
Proceeds on disposal of property, plant and equipment		**-**	-	9
Interest received		**0**	27	65
Acquisition of subsidiary		**-**	(4,512)	(38,776)
Net cash used in investing activities		**(1,909)**	(5,658)	(42,021)
Cash flows from financing activities				
Proceeds from exercise of employee share options		**202**	567	574
Proceeds from issue of new shares		**-**	-	19,858
Dividends paid		**(2,971)**	(2,043)	(2,924)
Repayment of borrowings		**-**	-	(5,100)
New bank loans raised		**1,000**	-	5,166

Net cash used in financing activities	**(1,769)**	(1,476)	17,574
Net increase in cash and cash equivalents	**1,858**	(3,348)	(18,610)
Cash and cash equivalents at start of the period	**2,094**	20,758	20,758
Effects of exchange rate fluctuations on cash held	**100**	(112)	(54)
Cash and cash equivalents at end of period	**4,052**	17,298	2,094

The accompanying notes are an integral part of these interim financial statements.

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Merger reserve	Equity reserve	Foreign exchange reserve	Capital redemption reserve	Profit and loss account	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Shareholders' equity at 30 November 2014 (audited)	579	126	16,389	-	584	6	8,113	**25,797**
Comprehensive income								
Profit for the period	-	-	-	-	-	-	3,595	**3,595**
Other comprehensive expense	-	-	-	-	11	-	-	**11**
Total comprehensive income for the period attributable to equity holders	-	-	-	-	11	-	3,595	**3,606**
Share option compensation charge	-	-	-	-	-	-	48	**48**
Exercise of employee share options	-	-	-	-	-	-	567	**567**
Issue of new shares	4	479	-	-	-	-	-	**483**
Dividends paid	-	-	-	-	-	-	(2,043)	**(2,043)**
Total transactions with owners	4	479	-	-	-	-	(1,428)	**(945)**
Total movement in shareholders' equity	4	479	-	-	11	-	2,167	**2,661**
At 31 May 2015 (unaudited)	583	605	16,389	-	595	6	10,280	**28,458**
Comprehensive income								
Loss for the period	-	-	-	-	-	-	(3,239)	**(3,239)**
Other comprehensive expense	-	-	-	-	223	-	-	**223**
Total comprehensive loss for the period attributable to equity holders	-	-	-	-	223	-	(3,239)	**(3,016)**
Share option compensation charge	-	-	-	-	-	-	68	**68**
Exercise of employee share options	-	-	-	-	-	-	7	**7**
Issue of new shares	161	20,839	-	-	-	-	-	**21,000**
Transactional costs on issue of share capital	-	(1,251)	-	-	-	-	-	**(1,251)**
Equity to be issued	-	-	-	665	-	-	-	**665**
Dividends paid	-	-	-	-	-	-	(881)	**(881)**
Total transactions with owners	161	19,588	-	665	-	-	(806)	**19,608**
Total movement in shareholders' equity	161	19,588	-	665	223	-	(4,045)	**16,592**
Shareholders' equity at 30 November 2015 (audited)	744	20,193	16,389	665	818	6	6,235	**45,050**

Comprehensive income

	Share capital	Share premium	Merger reserve	Equity reserve	Foreign exchange reserve	Capital redemption reserve	Profit and loss account	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Loss for the period	-	-	-	-	-	-	(548)	**(548)**
Other comprehensive expense	-	-	-	-	(100)	-	-	**(100)**
Total comprehensive loss for the period attributable to equity holders	-	-	-	-	(100)	-	(548)	**(648)**
Share option compensation charge	-	-	-	-	-	-	83	**83**
Movement on EBT reserves	-	-	-	-	-	-	202	**202**
Issue of new shares	3	317	-	-	-	-	-	**320**
Equity to be issued	-	-	-	1,161	-	-	-	**1,161**
Dividends paid	-	-	-	-	-	-	(2,971)	**(2,971)**
Total transactions with owners	3	317	-	1,161	-	-	(2,686)	**(1,205)**
Total movement in shareholders' equity	3	317	-	1,161	(100)	-	(3,234)	**(1,853)**
At 31 May 2016 (unaudited)	**747**	**20,510**	**16,389**	**1,826**	**718**	**6**	**3,001**	**43,197**

Notes to the interim financial statements

Six months ended 31 May 2016

1 General information

Amino Technologies plc ('the Company') and its subsidiaries (together 'the Group') specialises in IPTV software technologies and hardware platforms that enable delivery of digital programming and interactivity over IP networks, including the internet.

The Company is a public limited company which is listed on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK.

2 Basis of preparation

The financial information has been prepared in accordance with all relevant International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that had been published by 31 May 2016 as endorsed by the European Union (EU). The accounting policies adopted are consistent with those of the financial statements for the year ended 30 November 2015, as described in those financial statements. In preparing these interim financial statements the Board has not sought to adopt IAS 34 "Interim financial reporting".

The figures for the six-month periods ended 31 May 2016 and 31 May 2015 have not been audited. The figures for the year ended 30 November 2015 have been extracted from, but do not constitute, the consolidated financial statements of Amino Technologies plc for that year. Those financial statements have been delivered to the Registrar of Companies and included an auditors' report, which was unqualified and did not contain a statement under Section 498(2) or Section 498(3) Companies Act 2006.

3 Revenue

The Group has only one operating segment, being the development and sale of broadband network software and systems. All revenues, costs, assets and liabilities relate to this segment.

The geographical analysis of revenue is as follows:

	Six months ended 31 May 2016 Unaudited £000s	Six months ended 31 May 2015 Unaudited £000s	Year to 30 November 2015 Audited £000s
USA	**17,727**	9,262	19,402
Canada	**280**	1,439	1,546
	18,007	10,701	20,948
Netherlands	**7,264**	2,327	7,959
Rest of Europe	**3,116**	2,071	5,666
Finland	**1,454**	77	1,149
Chile	**1,358**	930	2,122
Rest of the World	**1,805**	1,829	3,816
	33,004	17,935	41,660

4 Exceptional items

The Group incurred exceptional costs of £3,549k during the six months to 31 May 2016.

These are summarised as follows:

	Six months ended 31 May 2016 Unaudited £000s	Six months ended 31 May 2015 Unaudited £000s	Year to 30 November 2015 Audited £000s
Costs			
Contingent post acquisition remuneration	**2,285**	-	1,310
Integration costs	**447**	-	272
Redundancy and associated costs	**817**	-	342
Acquisition costs	**-**	-	1,359
Development project rationalisation	**-**	-	1,395
	3,549	-	4,678
Income			
Duties rebate	**-**	(744)	(744)
Total exceptional costs/(income)	**3,549**	(744)	3,934

5 Adjusted Results Summary

	Six months ended 31 May 2016 Unaudited £m	Six months ended 31 May 2015 Unaudited £m	Year ended 30 November 2015 Audited £m
Statutory (loss)/profit before tax (PBT)	**(0.5)**	3.6	0.3
Exceptional items (see note 4)	**3.5**	(0.7)	3.9
PBT before exceptional items	**3.0**	2.9	4.2
Amortisation of acquired intangible assets	**1.1**	-	0.8

Share based payment costs	**0.1**	0.1	0.1
Adjusted PBT before exceptional items	**4.2**	3.0	5.1
EBITDA	**1.6**	4.6	4.7
Exceptional items (see note 4)	**3.5**	(0.7)	2.6
EBITDA before exceptional items	**5.1**	3.9	7.3
Share based payment costs	**0.1**	0.1	0.1
Adjusted EBITDA before exceptional items	**5.2**	4.0	7.4

	Six months ended 31 May 2016 Unaudited	Six months ended 31 May 2015 Unaudited	Year ended 30 November 2015 Audited
Number of shares in Basic EPS	69,838,968	52,453,196	58,799,386
Statutory Basic EPS (pence)	**(0.79)**	6.85	0.61
Basic EPS before exceptional items	**4.30**	5.44	7.30
Adjusted Basic EPS	**6.03**(1)	5.53(2)	8.83(3)
Number of shares in Diluted EPS	71,804,664	52,561,432	59,128,979
Statutory Diluted EPS (pence)	**(0.76)**	6.84	0.60
Diluted EPS before exceptional items	**4.18**	5.43	7.26
Adjusted Diluted EPS	**5.86**(1)	5.52(2)	8.78(3)
Cash generated from operations	**5.0**	3.8	5.8
Exceptional cash outflows (see note 7)	1.4	(0.7)	1.9
Adjusted cash generated from operations	**6.4**	3.1	7.7

(1) Stated after adding back £3.5m of exceptional costs, share based payment costs of £0.1m and £1.1m of amortisation of intangible assets on the acquisition of Booxmedia Oy (“Booxmedia”) and Entone Inc. (“Entone”) in 2015, net of the tax effect of these adjustments (which were zero for the respective periods).

(2) Stated after adding back £0.7m of exceptional income and share based payment costs of £0.1m, net of the tax effect of these adjustments (which were zero for the respective periods).

(3) Stated after adding back £3.9m of exceptional costs, share based payment costs of £0.1m and £0.8m of amortisation of intangible assets on the acquisition of Booxmedia Oy (“Booxmedia”) and Entone Inc. (“Entone”) in 2015, net of the tax effect of these adjustments (which were zero for the respective periods).

6 Earnings per share

	Six months ended 31 May 2016 Unaudited £000s	Six months ended 31 May 2015 Unaudited £000s	Year to 30 November 2015 Audited £000s
(Loss)/profit attributable to shareholders	**(548)**	3,595	356

Profit attributable to shareholders excluding exceptional items	**3,001**	2,851	4,290
	Number	Number	Number
Weighted average number of shares (Basic)	**69,838,968**	52,453,196	58,799,386
Weighted average number of shares (Diluted)	**71,804,664**	52,561,432	59,128,979

The calculation of basic earnings per share is based on profit after taxation and the weighted average number of ordinary shares of 1p each in issue during the period, as adjusted for shares held by an Employee Benefit Trust and held by the Company in treasury.

The profit attributable to shareholders excluding exceptional items is derived by adding back the exceptional items disclosed in note 4 to the profit attributable to ordinary shareholders.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary share options and shares to be issued in respect of the contingent post acquisition remuneration relating to the acquisition of Entone Inc. The Group has only one category of dilutive potential ordinary share options: those share options where the vesting conditions have not yet been met.

7 Intangible Assets

	Goodwill	Customer relation-ships	Trade name	IPR	Software licenses	Develop-ment costs	Acquired platform	**Total**
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	**£000s**
Cost at 30 November 2014 (audited)	4,138	-	-	291	2,024	9,789	-	**16,242**
Additions	-	-	-	-	23	1,116	-	**1,139**
Acquired on acquisition of subsidiary	4,720	398	190	-	-	-	2,092	**7,400**
Costs at 31 May 2015 (unaudited)	8,858	398	190	291	2,047	10,905	2,092	**24,781**
Additions	-	-	-	-	47	2,015	-	**2,062**
Acquired on acquisition of subsidiary	25,480	5,972	868	-	-	-	3,966	**36,286**
Cost at 30 November 2015 (audited)	34,338	6,370	1,058	291	2,094	12,920	6,058	**63,129**
Additions	1,883	-	-	-	31	1,842	-	**3,756**
Reclassified from PPE	-	-	-	-	130	-	-	**130**
Foreign exchange adjustment	-	-	-	-	4	14	-	**18**
Costs at 31 May 2016 (unaudited)	**36,221**	**6,370**	**1,058**	**291**	**2,259**	**14,776**	**6,058**	**67,033**
Amortisation at 30 November 2014 (audited)	4,138	-	-	291	1,968	6,128	-	**12,525**
Charge for the period	-	-	-	-	15	1,010	-	**1,025**
Amortisation at 31 May 2015 (unaudited)	4,138	-	-	291	1,983	7,138	-	**13,550**
Charge for the period	-	267	72	-	17	2,431	450	**3,237**
Amortisation at 30 November 2015 (audited)	4,138	267	72	291	2,000	9,569	450	**16,787**
Charge for the period	-	413	106	-	31	801	606	**1,957**

Reclassified from PPE	-	-	-	-	121	-	-	**121**
Foreign exchange adjustment	-	-	-	-	4	-	-	**4**
Amortisation at 31 May 2016 (unaudited)	**4,138**	**680**	**178**	**291**	**2,156**	**10,370**	**1,056**	**18,869**
Net book amount								
At 31 May 2016 (unaudited)	**32,083**	**5,690**	**880**	**-**	**103**	**4,406**	**5,002**	**48,164**
At 31 May 2015 (unaudited)	4,720	398	190	-	64	3,767	2,092	**11,231**
At 30 November 2015 (audited)	30,200	6,103	986	-	94	3,351	5,608	**46,342**

8 Cash generated from operations

	Six months ended 31 May 2016 Unaudited £000s	Six months ended 31 May 2015 Unaudited £000s	Year to 30 November 2015 Audited £000s
Operating profit before exceptional items	**3,004**	2,837	4,191
Exceptional costs	**(3,549)**	-	(4,678)
Exceptional income	**-**	744	744
Operating (loss)/profit	**(545)**	3,581	257
Amortisation charge	**1,957**	1,025	4,262
Depreciation charge	**136**	75	190
Loss on disposal of property, plant & equipment	**-**	10	8
Share-based payment charge	**83**	48	116
Contingent post acquisition remuneration share expense	**1,161**	-	665
Loss on derivative financial instruments	**-**	(4)	
Exchange differences	**(163)**	124	163
Decrease in inventories	**1,030**	959	3,044
(Increase) in trade and other receivables	**(503)**	(2,069)	(1,264)
Increase/(decrease) in trade and other payables	**1,872**	50	(1,605)
Cash generated from operations	**5,028**	3,799	5,836

Cash generated from operations was after £1,411k of exceptional cash outflows, which included payments of £399k for integration costs, £652k of redundancy and associated costs and £360k of contingent consideration relating to the acquisition of Booxmedia Oy which was accrued for at completion.

Cash generated from operations before these exceptional cash outflows was £6,439k (H1 2015: £3,055k).

9 Acquisition of a subsidiary

The fair value adjustments in respect of the acquisition of Entone Inc. during the year ended 30 November 2015 were provisional adjustments made using information available at that point and should have been described as such.

Since that time, an additional fair value adjustment of £1,883k has been made to non-current trade and other payables as these values have been further refined during the integration process, which has resulted in a corresponding increase in goodwill.

The revised identifiable assets acquired and liabilities assumed are as set out in the table below:

	Book value £000s	Provisional fair value adjustment £000s	Fair value £000s
Property, plant and equipment	198	-	198
Identifiable intangible assets	-	10,805	10,805
Inventory	4,432	-	4,432
Current financial assets			
Trade and other receivables	2,992	-	2,992
Cash and cash equivalents	6,867	-	6,867
Non-current trade and other receivables	77	-	77
Current financial liabilities			
Trade and other payables	(4,835)	(3,163)	(7,998)
Non-current trade and other payables	(360)	-	(360)
Non-current provision	(1,419)	-	(1,419)
Deferred tax liability	-	(1,905)	(1,905)
Total identifiable assets	7,952	5,737	13,689
Goodwill			27,442
Total consideration			**41,131**
Satisfied by:			
Cash			41,131
Total consideration transferred			**41,131**