

Publishing Technology plc interim results

Publishing Technology plc (AIM: PTO), (“Publishing Technology” or the “Group”) the AIM quoted leading provider of publisher content systems, audience development and content delivery applications, today announces its unaudited interim results for the six months to 30 June, 2013.

Chief Executive's statement and financial review

The first half of 2013 has been a period of revenue growth with revenues up 8% compared to the first half of 2012. There has been growth in all divisions of the business but particularly from significant incremental business in new products and services.

In the **advance** division, revenues were 48% higher than the first half of 2012, with time based revenues

Trade and other payables as at 30 June 2013 are £1.3m higher than the same point in 2012 because a bi-annual invoice for managed services was invoiced earlier in 2013 and because receipts for BioOne sales were higher in June 2013 than in June 2012.

Trade and other receivables are £2.39m higher at 30 June 2013 than at the same point last year partly due to the earlier invoicing mentioned above and partly due to significant accrued income as part of the ongoing large implementations.

I am confident that 2013 will show significant improvement compared to 2012 in both revenue and profitability and that this will continue into 2014 and beyond as we benefit from higher recurring revenue and lower research and development costs.

The Board does not propose the payment of an interim dividend (2012: £nil).

G M Lossius
Chief Executive Officer

Condensed Consolidated Interim Statement of Financial Position

	Note	Unaudited 30 June 2013 £'000	Unaudited 30 June 2012 £'000
Non current assets			
Goodwill		3,737	3,737
Property, plant & equipment		413	323
Investments accounted for using the equity method	3	74	7
		<u>4,224</u>	<u>4,067</u>
Current assets			
Trade and other receivables	5	5,072	2,682
		<u>5,072</u>	<u>2,682</u>
Total assets		<u><u>9,296</u></u>	<u><u>6,749</u></u>
Equity			
Share capital		841	841
Merger reserve		11,055	11,055
Reverse Acquisition reserve		(5,228)	(5,228)
Translation reserve		(848)	(908)
Investment in own shares		(7)	(7)
Retained earnings		(6,697)	(7,778)
		<u>(884)</u>	<u>(2,025)</u>
Current liabilities			
Trade and other payables	8	7,183	5,886
Borrowings	6	2,997	2,888
		<u>10,180</u>	<u>8,774</u>
Total liabilities		<u>10,180</u>	<u>8,774</u>
Total equity and liabilities		<u><u>9,296</u></u>	<u><u>6,749</u></u>

Unaudited condensed consolidated interim statement of changes in equity

Share capital	Merger reserve	Reverse acquisition reserve
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Condensed Consolidated Interim Statement of Cash Flows

	Note	Unaudited Six months ended 30 June 2013 £'000	Unaudited Six months ended 30 June 2012 £'000
Profit / (loss) before tax		416	(169)

Notes to the Unaudited Interim Report for the six months ended 30 June 2013

1. Nature of operations and general information

Publishing Technology plc (the "Company") and its subsidiaries (together 'the Group') is a provider of technology and supporting services to content providers and publishers. The nature of the Group's operations and its principal activities are set out in the full annual financial statements.

The Company is incorporated in the United Kingdom under the Companies Act 2006. The Company's registration number is 837205 and its registered office is 8100 Alec Issigonis Way, Oxford Business Park North, Oxford OX4 2HU. The condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 24 July, 2013.

The financial information set out in this interim report does not constitute statutory accounts as defined in section 404 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2012, prepared under IFRS as adopted by the European Union, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under section 498 (2) or section 498 (3) of the Companies Act 2006.

2. Basis of preparation

These unaudited condensed consolidated interim financial statements are for the six months ended 30 June 2013. They have been prepared following the recognition and measurement principles of IFRS as adopted by the European Union. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2012.

These condensed consolidated interim financial statements have been prepared on the going concern basis under the historical cost convention.

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2012.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these consolidated interim financial statements.

A detailed set of accounting policies can be found in the annual accounts available on our website, www.publishingtechnology.com or by writing to the Company Secretary at the registered office as above.

3. Equity accounted investment

The Group holds a 49% voting and equity interest in Beijing Ingenta Digital Publishing Technology Ltd (BIDPT), a joint venture company registered in the People's Republic of China. This investment was made during the 6 months to 30 June 2012.

This investment is accounted for under the equity method. BIDPT has a reporting date of 31 December. The shares are not publicly listed on a stock exchange and hence published price quotes are not available. Certain unaudited financial information on BIDPT is as follows:

	30 June 2013	30 June 2012
	£'000	£'000
Assets	249	140
Liabilities	83	129
	Six months ended	Six months ended
	30 June 2013	30 June 2012
	£'000	£'000
Revenues	357	152
Profit / (loss)	102	(92)
Profit / (loss) attributable to the Group	50	(45)
Changes in equity accounted investment	Six months to	Six months to
	30 June 2013	30 June 2012
	£'000	£'000
Investment Book Value as at 1 January	24	-
Cost of 49% investment in BIDPT	-	52
Profit / (loss) attributable to the Group	50	(45)
Investment Book Value as at 30 June	<hr/> 74	<hr/> 7

Dividends are subject to the approval of at least 51% of all shareholders of BIDPT. The Group has received no dividends.

4. Earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the earnings / (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For diluted earnings / (loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. Since all outstanding options have an exercise price in excess of the average market rate in the period there is no dilutive impact from options granted.

	Six months ended 30 June 2013	Six months ended 30 June 2012
Attributable profit / (loss) (£'000)	385	(171)
Weighted average number of ordinary shares	8,413,610	8,413,610
Profit / (loss) per share (basic and dilutive) arising from both total and continuing operations	4.58p	(2.03)p

5. Trade and other receivables

Trade and other receivables comprise the following:

	30 June 2013 £'000	30 June 2012 £'000
Trade receivables – gross	3,065	1,787
Less: provision for impairment of trade receivables		4.4(30)

6. Borrowings

	30 June 2013 £'000	30 June 2012 £'000
Bank overdrafts	1,497	1,091
Loan note	1,500	1,500
Short Term Loans	-	297
	<hr/>	<hr/>
	2,997	2,888
On demand or within one year	2,997	2,888
In second year	-	-
In third to fifth years inclusive	-	-
	<hr/>	<hr/>
	2,997	2,888
Amount due for settlement after 12 months	-	-

7. Cash and cash equivalents

	30 June 2013 £'000	30 June 2012 £'000
Cash and cash equivalents	35	-
Bank overdraft	(1,532)	(1,091)
	<hr/>	<hr/>
Cash and cash equivalents including overdraft	(1,497)	(1,091)
	<hr/>	<hr/>

8. Trade and other payables

Trade payables comprise the following:

	30 June 2013 £'000	30 June 2012 £'000
Trade payables	724	655
Social security and other taxes	510	323
Other payables	1,399	1,029
Accruals	955	912
Deferred income	3,595	2,967
	<hr/>	<hr/>
	7,183	5,886
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9. Contingencies and commitments

There were no contingencies and commitments at the end of this or the comparative period.

10. Post balance sheet events

There were no material events subsequent to the end of the interim reporting period that have not been reflected in the interim financial statements.

11. Copies of the Interim Financial Statements

A copy of the interim statement is available on the Company's website, www.publishingtechnology.com, and from the Company's registered office, 8100 Alec Issigonis Way, Oxford Business Park North, Oxford OX4 2HU.