For release at 07.00 a.m. Wednesday, 6 August 2014

STATPRO GROUP PLC
(“StatPro”, “the Group”, or “the Company”)

Interim results for the six months ended 30 June 2014

StatPro Group plc (AIM: SOG), the AIM listed provider of portfolio analysis and asset pricing services for the global asset management industry, announces its interim results for the six months ended 30 June 2014.

	Six months ended 30 June 2014	Six months ended 30 June 2013	Change	Constant currency
Revenue	**£15.71 million**	£16.53 million	-5%	+4%
Profit before tax	**£1.08 million**	£1.89 million	-43%	-28%
Adjusted profit before tax*	**£1.26 million**	£2.56 million	-51%	-40%
Adjusted EBITDA*	**£2.03 million**	£3.24 million	-37%	-27%
Adjusted operating profit margin*	**8.9%**	16.2%		
Annualised recurring contract value	**£28.40 million**	£30.33 million	-6%	+2%
Earnings per share – basic	**1.0p**	1.9p	-47%	
– adjusted*	**1.3p**	2.9p	-55%	
Interim dividend per share	**0.85p**	0.85p	-	

Financial Highlights:

- Annualised recurring revenue contract value for StatPro Revolution up 85% to £3.98 million (2013: £2.15 million**)
- StatPro Revolution related recurring revenue*** increased to £9.91 million and 40% of total software revenue (2013: £5.78 million** and 24%)
- Adjusted EBITDA* reduced to £2.03 million (2013: £3.24 million) mainly due to increased expenditure on sales people, marketing activities, and development as part of cloud transition
- Net cancellation rate for StatPro Seven 1% (2013: 3%)
- Net cash of £3.18 million (2013: £2.84 million)

Operating Highlights:

- StatPro Revolution client numbers increased to 322 at 30 June 2014 (2013: 220)
- StatPro R+, the cloud replacement for StatPro Seven, on track for full launch in 2015
- New premium StatPro Revolution module launched
- Partnership with NASDAQ indexes signed in July 2014
- Continued growth of the sales pipeline

* Adjusted profit before tax, adjusted earnings per share, adjusted operating profit and adjusted EBITDA are profit before tax, earnings per share, operating profit and EBITDA after adjustment for amortisation of acquired intangible assets, share based payments and exceptional items (notes 2, 4 and 5).
** At constant currency.
*** Defined as the total recurring revenue from clients whose subscription includes StatPro Revolution.

Commenting on the results, Justin Wheatley, Chief Executive of StatPro said: "Sales of StatPro Revolution have grown strongly every year since launch three years ago and the service has been improving constantly. 40% of our total annualised software revenue now comes from clients who have adopted elements of our new cloud technology, demonstrating our progression to the cloud, and importantly revenue from the areas of the business in which we are investing, being StatPro Revolution, Data and Risk, grew solidly in the period.

"The combination of an improving product and the increased capacity of our sales team will bolster further growth. Our technology lead over our competitors is significant and this is the strategic key to our success. We look forward to the rest of 2014."

- Ends -

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A briefing for analysts will be held at 9.30am today at the offices of Newgate Threadneedle, Sky Light City Tower, 50 Basinghall Street, London, EC2V 5DE

About StatPro

StatPro is a global provider of portfolio analytics for the investment community. Our cloud-based services provide vital analysis of portfolio performance, attribution and risk. Hundreds of investment professionals use our cloud services directly or through a fund administrator/partner to perform sophisticated analysis, reporting and distribution every day.

With 20 years of experience and expertise, we believe analytics should be sophisticated yet simple and useful as well as secure. StatPro data coverage includes global equities, global bonds, global mutual funds, most families of benchmarks, FX rates, sector classifications and much else besides.

StatPro has grown its recurring revenue from less than £1 million in 1999 to around £28 million at 30 June 2014. StatPro floated on the main market of the London Stock Exchange in May 2000 and transferred its listing to AIM in June 2003. The Group has operations in Europe, North America, South Africa, Asia and Australia and approximately 500 clients in 36 countries around the world. Approximately 80% of recurring revenues are generated outside the UK.

CHIEF EXECUTIVE'S REVIEW

Highlights

We continue to make solid progress on the execution of our strategy to transition fully to a cloud-based business, utilising the benefits of this technology delivery model to broaden our addressable market, streamline our development activity and increase the functionality and usability of our portfolio analysis and reporting software.

StatPro Revolution annualised recurring revenues increased by 85% (at constant currency) to £3.98 million (2013: £2.15 million). StatPro Revolution client numbers increased to 322, up from 220 at the end of June 2013. The strength of sterling has had an impact on our headline numbers, but on a constant currency basis, overall revenue for the first half would have been up 4%, whereas it was down year on year by 5% to £15.71 million (2013: £16.53 million). Owing mainly to increased spending on sales people, marketing activities, and R&D to accelerate development of new features, profit before tax was down 43% as anticipated (28% at constant currency) to £1.08 million (2013: £1.89 million). Although StatPro Seven is no longer the focus of our sales, net recurring annualised revenue from StatPro Seven eased only 1% in the period, which was better than expected. Net cash remained strong at £3.18 million (2013: £2.84 million).

StatPro Revolution and Seven

We are shortly coming to the end of our development project to replace StatPro Seven functionality with the combination of StatPro Revolution and StatPro R+. This development remains on track for release in H1 2015. This is key to the successful conversion of our large client base of StatPro Seven users. Given the number of clients we now have, this process of conversion is likely to take several years. It is therefore comforting that StatPro Revolution related revenues (the total annualised value of all software contracts we have with clients who also subscribe to StatPro Revolution) have increased to £9.91 million (2013: £5.78 million). It is our view that clients that have already subscribed to StatPro Revolution are more likely to convert their StatPro Seven contracts to StatPro Revolution and StatPro R+. Encouragingly, there are several clients that, having seen the beta version of StatPro R+, have contracted to achieve this conversion even before the full release is available and we are actively working on several similar contracts.

Cloud adoption

When we first set out to market StatPro Revolution, there was considerable resistance to the idea of cloud computing. Worries about scale and security were frequently raised. Over the last three years we have seen that resistance turn to enthusiasm as asset managers have understood the considerable advantages and additional efficiency of cloud computing in general. We believe that our timing has been propitious, significantly ahead of any competitors, and the considerable investment we have made means that we are now well placed to benefit from what seems likely to be a widespread adoption of cloud-based solutions in the financial services industry.

Strategy

Our strategy remains to focus on three distinct areas: our existing clients, fund administrators and direct sales to new clients, such as the private wealth market and hedge funds. By value our larger sales have been to existing clients where we have strong relationships; by number we continue to add many new hedge fund and private wealth clients. We have also steadily grown our fund administrator partners to 36 up from 26 in June 2013.

In May 2014 we decided to increase the minimum subscription fee for new clients of StatPro Revolution to $18,000 per annum, up from the original $1,200 per annum. We have not changed the per portfolio tariff, but we decided, after reviewing our client base, that the lower value deals, which were useful originally to get client exposure, no longer made commercial sense. This allows us to focus on the many prospects who can afford $18,000 and still achieve excellent value for money. As a consequence, we anticipate that the rate of growth of new client numbers going forward may be lower than the rate of growth by value, as we increase the average value per client relationship.

We are seeing positive trends in the underlying customer metrics of StatPro Revolution. There has been strong growth in the number of StatPro Revolution clients paying between £10,000 and £50,000 per annum, demonstrating the meaningful revenue which can be generated by the service. Importantly, approximately one third of sales over the last 12 months have been up-sales to clients that had already subscribed to StatPro Revolution. Smaller clients have frequently grown their subscriptions, hence the near doubling of clients in the £2,000 to £10,000 range per annum to 100 (2013: 54). A full breakdown of StatPro Revolution clients by revenue band is included in the Financial Review.

It is important to emphasise that even at $18,000 per annum, StatPro Revolution offers excellent value for money compared to other solutions. Clients still pay the same per portfolio and can share information on every portfolio with as many people as they wish. It will mean that for the moment we will focus our sales efforts on businesses with $500 million in assets or more. Our research indicates that there are well over 10,000 businesses that match this level.

A focus for us is to help our clients increase usage of our services as much as possible, to ensure that the service becomes embedded in their day-to-day operations. As our service is relatively new and sophisticated, this requires hands-on training and education of our clients. Where we have been able to do this successfully, the rewards have been clear. For this reason, we are aiming to bolster our client services team. We also anticipate that we will need more client service resource to manage the conversion of existing clients from StatPro Seven to StatPro Revolution and R+.

Development

We have made three StatPro Revolution releases this year offering several significant enhancements to our users. We continue to improve our UCITS module (supports the requirements of the European Directive related to Undertakings for Collective Investment in Transferable Securities) and have added an AIFMD (Alternative Investment Fund Managers Directive) function to it. The annualised revenue of this premium module (within the StatPro Revolution total recurring revenue) is now £0.57 million (2013: nil) and growing steadily. We have also added an enhanced reporting function that allows clients to batch reports, and another module that enables clients to construct their own report templates. We have also added a number of additional attribution calculations so that StatPro Revolution now matches the number of attribution options in StatPro Seven. By the end of 2014, all the equity performance and attribution features within StatPro Seven will have been replicated in StatPro Revolution. Since many clients use only the equity module of StatPro Seven, we will focus on those clients first for conversions.

We are developing the fixed income module to match the level of functions in StatPro Seven, and we expect this to be finished in H1 2015. We are also developing our advanced risk module with completion expected in H1 2015.

Development of StatPro R+ is also progressing well. We remain on schedule to complete the release of the internal performance module in H1 2015 and we plan to start the process of client migration clients with simpler configurations during H1 2015.

People

I remain constantly impressed with the quality of people working at StatPro, their knowledge, energy and drive. There is a palpable sense of excitement as we come to the end of the first phase of StatPro Revolution's growth and embark on the next stage, where we aim to convert many more of our clients onto the new technology of the cloud.

Dividend

The board is pleased to announce an interim dividend of 0.85p (2013: 0.85p) in line with our dividend policy of balancing the requirements of shareholders and investment in the business with our cash projections.

Outlook

Sales of StatPro Revolution have grown strongly every year since launch three years ago and the service has been improving constantly. The combination of an improving product and the increased capacity of our sales team will ensure further growth. Our technology lead over our competitors is significant and this is the strategic key to our success. We look forward to the rest of 2014.

Justin Wheatley
Group Chief Executive

FINANCIAL REVIEW

Overview
The results for H1 2014 reflect the investment that is being made as we move the business from a traditional software group to a pure cloud solutions supplier. In line with our cloud strategy, we have increased spending (committed in 2013 and in H1 2014) on recruiting more sales people, additional marketing activities to promote our cloud solutions, and R&D to accelerate development of new features and this has led to lower profits, as expected. The results have also been impacted by a stronger sterling compared to H1 2013. Nevertheless, we have made excellent progress in our transition strategy; we now have around 500 clients as a Group (approximately 60% increase since the launch of StatPro Revolution just over three years ago). Also 40% of our software revenue comes from organisations that subscribe for some StatPro Revolution portfolios and this provides the Group with an excellent foundation for further growth.

Whilst broadly maintaining the current level of expenditure on StatPro Seven, we are providing a good level of support for those clients while encouraging their migration to StatPro Revolution and, in due course, StatPro R+. We experienced a net cancellation rate of only 1% for StatPro Seven/Data (2013: 3%), which is very encouraging as it suggests that there is a lot of resilience in our client-base.

Revenue
Revenue reduced by 5% (but increased by 4% at constant currency) to £15.71 million (2013: £16.53 million). The revenue in the EMEAA region reduced by 3% (4% increase at constant currency) to £10.16 million (2013: £10.43 million), and revenue in the North American region reduced by 9% (4% increase at constant currency) to £5.55 million (2013: £6.10 million). Recurring revenue in the period was 92% (2013: 93%) of total revenue. New recurring revenue contracted in H1 2014 was higher than the comparative period. The net cancellation rate for StatPro Seven/Data was only 1% (2013: 3%), which was better than management's expectations. There was an increase of 107% in revenue for StatPro Revolution in H1 2014 compared to the prior year. Data revenue in H1 2014 was lower by 11% than the comparative period although this was an increase of 4% at constant currency. Professional services revenue grew by 5% (14% at constant currency) to £1.18 million (2013: £1.12 million).

The split of revenue by type is as follows:

	Six months to 30 June 2014 £ million	Six months to 30 June 2013 £ million	Year to 31 December 2013 £ million
Revenue			
Software licences - StatPro Seven	**10.92**	12.45	24.02
Software licences - StatPro Revolution	**1.70**	0.82	2.19
Software licences - total	**12.62**	13.27	26.21
Data fees	**1.91**	2.14	4.21
Total recurring revenue	**14.53**	15.41	30.42
Professional services and other revenue	**1.18**	1.12	2.07
Total revenue	**15.71**	16.53	32.49

Recurring revenue
The annualised value of contracted recurring revenue at 30 June 2014 of £28.40 million was 2% higher compared to the prior year at constant currency (2013: £27.73 million) but 6% lower at actual rates (2013: £30.33 million) as illustrated below:

Annualised recurring revenue

Software licences and data fees	2014 £ million	2013 £ million
At 31 December 2013	**28.72**	29.52
Net impact of exchange rates	**(0.80)**	(1.83)
At 1 January 2014 (at 30 June 2014 rates)	**27.92**	27.69
New contracted revenue	**1.84**	1.35
Cancellations/reductions	**(1.36)**	(1.31)
Net increase	**0.48**	0.04
At 30 June 2014	**28.40**	27.73

The proportion by value of recurring software licences on multi-year contracts (licence agreements with more than one year remaining contractually committed) was 75% at the end of June 2014 (2013: 81%). The average contract duration at the end of June 2014 was 16 months (2013: 16 months). New business from existing clients was 73% (2013: 80%) and the proportion of software clients on our SaaS solution increased to 59% (2013: 53%).

StatPro Revolution revenue profile

The revenue distribution profile for StatPro Revolution is as follows:

StatPro Revolution	Annualised revenue	Number of clients	Average revenue per client	Annualised revenue*	Number of clients	Average revenue per client
Annualised revenue bands	June 2014	June 2014	June 2014	June 2013	June 2013	June 2013
	£'000s	Number	£'000s	£'000s	Number	£'000s
<£2k	**153**	**155**	**1.0**	123	136	0.9
£2k - £10k	**389**	**100**	**3.9**	236	54	4.4
£10k-£50k	**1,036**	**43**	**24.1**	347	16	21.7
£50k-£100k	**1,074**	**16**	**67.1**	738	10	73.8
>£100k	**1,325**	**8**	**165.6**	707	4	176.8
Total	**3,977**	**322**	**12.4**	2,151	220	9.8

* at constant currency

Having established a good base level of clients for StatPro Revolution, the focus of the sales strategy is to increase the revenue per client relationship; year on year, the increase in average value per client was 26%.

Underlying performance

Following a review of how we report the results as we manage the cloud transition, we have amended the way we analyse the underlying performance. By considering what the revenues and cost components would be if StatPro Revolution and our cloud activities were a stand-alone business unit, we believe that this leads to a more useful and fairer way of presenting the information to investors and other stakeholders to help them understand the key business metrics. We previously reported underlying EBITDA by analysing the revenue and expenditure for StatPro Revolution separately, with everything else falling within "StatPro Seven/Data". Our conclusion is that we should include the revenue and costs for both Data (as the data feed is essential for the functionality of StatPro Revolution) and also StatPro Risk (as the risk service, which computes the risk numbers, is also an essential cloud-based component of StatPro Revolution) within the cloud element. This analysis highlights the parts of the business where we are investing significantly and the revenues are growing, compared with the remaining traditional business, with its high EBITDA margin and very cash-generative features.

This re-classification of the revenues and costs results in the following analysis of underlying performance (at constant currency):

Revenue	**Six months to 30 June 2014**	Six months to 30 June 2013*	Change
	£ million	£ million	%
StatPro Revolution, Risk and Data	5.28	4.14	28%
StatPro Seven and non-cloud	10.43	11.04	(6%)
	15.71	15.18	3%
FX	-	1.35	
Group revenue	15.71	16.53	(5%)

Adjusted EBITDA	**Six months to 30 June 2014**	Six months to 30 June 2013*	Change
	£ million	£ million	%
StatPro Revolution, Risk and Data	(3.04)	(2.98)	(2%)
StatPro Seven and non-cloud	5.07	5.80	(13%)
	2.03	2.82	(28%)
FX	-	0.42	
Adjusted EBITDA	2.03	3.24	(37%)
Adjusted EBITDA margin			
StatPro Revolution, Risk and Data	-57.6%	-72.0%	
StatPro Seven and non-cloud	48.6%	52.5%	
Adjusted EBITDA margin - total	12.9%	19.6%	

* At H1 2014 average currency rates.

Operating expenses

The average number of employees during the first six months of 2014 was higher than the comparative period at 253 (2013: 246). The number of employees currently in the Group is 253, situated in eleven offices in Europe, North America, South Africa, Asia and Australia. Operating expenses (before amortisation of intangible assets and exceptional items), of which the largest component relates to employee costs, increased by 3% (13% at constant currency) to £12.57 million in the first half of 2014 (2013: £12.16 million), mainly as a result of increased expenditure on cloud services. We also had some additional costs relating to our project to streamline certain internal support services (for example, creating a scalable shared-services finance team) and the creation of key hubs for client services (in London and Boston initially, and later Hong Kong).

Exceptional items

There were no exceptional items in H1 2014. The exceptional charge of £0.34 million in H1 2013 related to the increase in provision in relation to the SiSoft acquisition deferred consideration. Further details are provided in note 4.

Investment in intangible assets

Total spend on research and development in H1 2014 was flat year on year (up 8% at constant currency) at £2.30 million (2013: £2.31 million) representing a marginally higher level of investment at 15% of total revenue (2013: 14%). The focus on cloud technology has allowed us to be more productive whilst continuing to invest in innovative improvements. Capitalisation of intangible assets increased to £2.21 million (2013: £1.83 million), of which £0.41 million relates to purchased intangibles (2013: £0.12 million) and the amortisation of intangible assets (excluding acquired intangible assets) increased slightly year on year to £1.83 million (2013: £1.80 million).

Earnings before interest, tax, depreciation and amortisation
The adjusted EBITDA in H1 2014 reduced by 37% (27% at constant currency) to £2.03 million (2013: £3.24 million). The adjusted EBITDA margin was 12.9% (2013: 19.6%).

Finance income and expense
The net financing expense was £0.13 million (2013: £0.12 million) and mainly relates to non-cash financing charges. We exercised our option to extend our financing facilities with The Royal Bank of Scotland plc until May 2017, subject to customary covenants and terms.

Profit before taxation
Profit before tax reduced by 43% (28% at constant currency) to £1.08 million from £1.89 million; adjusted profit before tax reduced by 51% (40% at constant currency) to £1.26 million (2013: £2.56 million).

Taxation
The total tax charge was £0.38 million (2013: £0.59 million), a tax rate of approximately 36% (2013: 31%). This is higher than the current standard UK tax rate due to the impact of higher overseas rates and some unrelieved overseas losses.

Earnings per share
Basic earnings per share reduced by 47% to 1.0p (2013: 1.9p); the adjusted earnings per share reduced to 1.3p (2013: 2.9p). The average number of shares in issue in the period was 67.48 million (2013: 67.48 million). The diluted earnings per share was 1.0p (2013: 1.9p) based on potentially dilutive shares outstanding of 0.07 million (2013: 0.07 million).

Cash flow
Cash generated from operations during the first six months of 2014 was £4.49 million (2013: £3.45 million). Our net cash was £3.18 million at 30 June 2014 (2013: £2.84 million); this was below the December 2013 level (£4.00 million) as we paid the increased final dividend for 2013 (1.95 pence per share) of £1.32 million (2012 final paid in H1 2013: £1.28 million) and there was a higher than normal expenditure on PPE of £1.19 million (2013: £0.38 million), related to cloud and SaaS infrastructure and the leasehold improvements for our new London Head office.

Balance sheet
The Group's net assets decreased to £45.64 million at June 2014 (Dec 2013: £46.91 million), mainly due to the currency impact on goodwill. The level of trade and other receivables increased to £6.47 million (Dec 2013: £6.17 million). The major component of creditors is deferred income, a non-cash liability, which increased to £13.27 million (Dec 2013: £12.72 million). Provisions of £0.89 million (Dec 2013: £0.98 million), relate to deferred contingent consideration for the acquisition of the non-controlling interest in SiSoft Sarl (see notes 4 and 11) and onerous contracts.

Share capital and treasury stock
No shares were issued during the period (2013: nil). At 30 June 2014, there were 67,703,650 shares (Dec 2013: 67,703,650 shares) in issue including 225,000 held in treasury (67,478,650 excluding treasury shares). The treasury shares do not accrue dividends and are excluded from the earnings per share calculation.

Interim dividend
The directors have declared an interim dividend of 0.85 pence per ordinary share (2013: 0.85 pence), which will be paid on 5 November 2014 to shareholders on the register at the close of business on 10 October 2014.

Principal risks and uncertainties
The directors continue to evaluate the principal business risks and uncertainties affecting the Group and further discussion of the principal risks and uncertainties can be found on pages 28 to 31 of the 2013 Annual Report.

Andrew Fabian
Finance Director

Group Income Statement
For the six months ended 30 June 2014

	Notes	**Unaudited**	Unaudited	Audited
		Six months to 30 June	Six months to 30 June	Year to 31 December
		2014	2013	2013
		£'000s	£'000s	£'000s
Revenue		**15,709**	16,525	32,486
Operating expenses before amortisation of intangible assets and exceptional items		**(12,574)**	(12,157)	(24,712)
Amortisation of acquired intangible assets		**(94)**	(223)	(402)
Amortisation of other intangible assets		**(1,825)**	(1,797)	(3,639)
Exceptional item - increase in deferred consideration	4	**-**	(343)	(347)
Operating expenses		**(14,493)**	(14,520)	(29,100)
Operating profit		**1,216**	2,005	3,386
Finance income		**8**	31	35
Finance expense		**(142)**	(146)	(308)
Net finance expense		**(134)**	(115)	(273)
Profit before taxation		**1,082**	1,890	3,113
Taxation		**(384)**	(593)	(1,030)
Profit for the period		**698**	1,297	2,083
Earnings per share – basic	2	**1.0p**	1.9p	3.1p
– diluted	2	**1.0p**	1.9p	3.1p

Group Statement of Comprehensive Income
For the six months ended 30 June 2014

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Profit for the period	**698**	1,297	2,083
Other comprehensive income:			
Net exchange differences	**(747)**	33	(3,126)
Total comprehensive (loss)/income for the period	**(49)**	1,330	(1,043)

Group Balance Sheet
At 30 June 2014

	Notes	**Unaudited**	Unaudited	Audited
		Six months to 30 June	Six months to 30 June	Year to 31 December
		2014	2013	2013
		£'000s	£'000s	£'000s
Non-current assets				
Goodwill	10	**46,737**	51,788	47,927
Other intangible assets	10	**5,885**	5,903	5,597
Property, plant and equipment		**2,498**	1,946	1,883
Other receivables		**145**	121	135
Deferred tax assets		**535**	421	450
		55,800	60,179	55,992
Current assets				
Trade and other receivables		**6,468**	7,776	6,167
Financial instruments - other		**26**	3	102
Current tax assets		**11**	-	29
Cash and cash equivalents		**3,193**	2,854	4,014
		9,698	10,633	10,312
Liabilities				
Current liabilities				
Financial liabilities - borrowings		**(12)**	(13)	(12)
Financial instruments - other		**-**	(48)	(1)
Trade and other payables		**(4,510)**	(3,903)	(4,400)
Current tax liabilities		**(398)**	(520)	(581)
Deferred income		**(13,179)**	(13,500)	(12,678)
Provisions	11	**(769)**	(1,960)	(842)
		(18,868)	(19,944)	(18,514)
Net current liabilities		**(9,170)**	(9,311)	(8,202)
Non-current liabilities				
Other creditors		**(129)**	(193)	(154)
Deferred tax liabilities		**(644)**	(792)	(549)
Deferred income		**(94)**	(69)	(41)
Provisions	11	**(120)**	(47)	(138)
		(987)	(1,101)	(882)
Net assets		**45,643**	49,767	46,908
Shareholders' equity				
Share capital	12	**677**	677	677
Share premium		**23,472**	23,472	23,472
Shares to be issued		**63**	63	63
Treasury shares	12	**(249)**	(249)	(249)
Other reserves		**6,903**	10,809	7,650
Retained earnings		**14,777**	14,995	15,295
Total shareholders' equity		**45,643**	49,767	46,908

Group Statement of Cash Flows
For the six months ended 30 June 2014

	Notes	**Unaudited Six months to 30 June 2014**	Unaudited Six months to 30 June 2013	Audited Year to 31 December 2013
		£'000s	£'000s	£'000s
Operating activities				
Cash generated from operations	7	**4,492**	3,449	9,403
Finance income		**8**	31	35
Finance costs		**(8)**	(56)	(133)
Tax received		**79**	-	-
Tax paid		**(626)**	(768)	(1,616)
Net cash flow from operating activities		**3,945**	2,656	7,689
Investing activities				
Payment of contingent consideration		**-**	-	(990)
Investment in intangible assets		**(2,209)**	(1,828)	(3,482)
Purchase of property, plant and equipment		**(1,192)**	(382)	(930)
Proceeds from the disposal of property, plant and equipment		**5**	**-**	-
Net cash flow used in investing activities		**(3,396)**	(2,210)	(5,402)
Financing activities				
Dividends paid to shareholders		**(1,316)**	(1,282)	(1,856)
Net cash flow used in financing activities		**(1,316)**	(1,282)	(1,856)
Net (decrease)/increase in cash and cash equivalents		**(767)**	(836)	431
Cash and cash equivalents at start of period		**4,014**	3,681	3,681
Effect of exchange rate movements		**(54)**	9	(98)
Cash and cash equivalents at end of period		**3,193**	2,854	4,014

Group Statement of Changes in Shareholders' Equity
For the six months ended 30 June 2014

Unaudited	**Share capital £'000s**	**Share premium £'000s**	**Shares to be issued £'000s**	**Treasury shares £'000s**	**Other reserves * £'000s**	**Retained earnings £'000s**	**Total equity £'000s**
At 1 January 2013	677	23,472	63	(249)	10,776	14,881	49,620
Profit for the period	-	-	-	-	-	1,297	1,297
Other comprehensive income	-	-	-	-	33	-	33
Total comprehensive income	-	-	-	-	33	1,297	1,330
Transactions with owners:							
Share based payment transactions	-	-	-	-	-	99	99
Dividends	-	-	-	-	-	(1,282)	(1,282)
At 30 June 2013	**677**	**23,472**	**63**	**(249)**	**10,809**	**14,995**	**49,767**

Unaudited	**Share capital £'000s**	**Share premium £'000s**	**Shares to be issued £'000s**	**Treasury shares £'000s**	**Other reserves * £'000s**	**Retained earnings £'000s**	**Total equity £'000s**
At 1 January 2014	677	23,472	63	(249)	7,650	15,295	46,908
Profit for the period	-	-	-	-	-	698	698
Other comprehensive income	-	-	-	-	(747)	-	(747)
Total comprehensive income	-	-	-	-	(747)	698	(49)
Transactions with owners:							
Share based payment transactions	-	-	-	-	-	88	88
Tax relating to share option scheme	-	-	-	-	-	12	12
Dividends	-	-	-	-	-	(1,316)	(1,316)
At 30 June 2014	**677**	**23,472**	**63**	**(249)**	**6,903**	**14,777**	**45,643**

* Other reserves includes a merger reserve of £2,369,000 (2013: £2,369,000) and a translation reserve surplus of £4,534,000 (2013: £8,440,000). The merger reserve arose on acquisitions and represents the difference between the fair value and the nominal value of the shares issued. The translation reserve incorporates the gains and losses on revaluation of the net assets and liabilities of subsidiary undertakings and other currency gains and losses that are presented in equity.

Notes to the interim financial information
For the six months ended 30 June 2014

1. This interim report was approved by the Board of directors on 5 August 2014. The financial information set out in this interim report has been prepared under IFRS as adopted by the European Union and on the basis of the accounting policies set out in the statutory accounts of StatPro Group plc for the year ended 31 December 2013, amended as explained below. The following new standards, amendments to standards and interpretations are mandatory for the first time in the current period and have no significant impact on the Group consolidated results or financial position.

International Accounting Standards ("IAS/IFRS")

IAS 27 (amended)	Consolidated and separate financial statements
IAS 28 (amended)	Investments in associates and joint ventures
IAS 32 (amendment)	Offsetting financial assets and liabilities
IAS 36 (amendment)	Recoverable amount disclosure for non-financial assets
IAS 39 (amendment)	Novation of derivatives and continuation of hedge accounting
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of interest in other entities
IFRIC 21	Levies

This report is not prepared in accordance with IAS 34, which is not mandatory. This interim report has not been audited but has been reviewed in accordance with ISRE 2410 by the Company's auditors, Ernst & Young LLP. The financial information does not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. Statutory accounts for StatPro Group plc for the year ended 31 December 2013 reported under IFRS have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. Copies of this report will be posted or provided electronically to shareholders. Further copies are available free of charge on request from the Company Secretary at the Company's registered office, Mansel Court, Mansel Road, London SW19 4AA.

Basis of preparation – going concern
After making appropriate enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Board continues to adopt the going concern basis in preparing the interim report.

2. Earnings per share
Basic earnings per share has been calculated based on the profit after taxation of £0.70 million (2013: £1.30 million) and the weighted average number of shares of 67.48 million (2013: 67.48 million). The diluted earnings per share were 1.0p (2013: 1.9p) based on potentially dilutive shares outstanding of 0.07 million (2013: 0.07 million).

	Earnings Six months to 30 June 2014	**Weighted average number of shares Six months to 30 June 2014**	**Earnings per share Six months to 30 June 2014**	Earnings Six months to 30 June 2013	Weighted average number of shares Six months to 30 June 2013	Earnings per share Six months to 30 June 2013
	Unaudited	**Unaudited**	**Unaudited**	Unaudited	Unaudited	Unaudited
	£'000s	**'000s**	**pence**	£'000s	'000s	pence
Earnings per share - basic	**698**	**67,479**	**1.0**	1,297	67,479	1.9
Potentially dilutive shares	**-**	**67**	**(0.0)**	-	70	(0.0)
Earnings per share - diluted	**698**	**67,546**	**1.0**	1,297	67,549	1.9

Adjusted earnings per share are shown in the table below.

	Earnings Six months to 30 June	**Weighted average number of shares Six months to 30 June**	**Earnings per share Six months to 30 June**	Earnings Six months to 30 June	Weighted average number of shares Six months to 30 June	Earnings per share Six months to 30 June
	2014	**2014**	**2014**	2013	2013	2013
	Unaudited	**Unaudited**	**Unaudited**	Unaudited	Unaudited	Unaudited
	£'000s	**'000s**	**pence**	£'000s	'000s	pence
Earnings per share – basic	**698**	**67,479**	**1.0**	1,297	67,479	1.9
Add back: amortisation of acquired intangible assets	**94**	**-**	**0.2**	223	-	0.3
Add back: share based payments	**88**	**-**	**0.1**	99	-	0.2
Add back: exceptional item	**-**	**-**	**-**	343	-	0.5
Adjusted earnings per share	**880**	**67,479**	**1.3**	1,962	67,479	2.9
Potentially dilutive shares	**-**	**67**	**(0.0)**	-	70	(0.0)
Adjusted earnings per share - diluted	**880**	**67,546**	**1.3**	1,962	67,549	2.9

3. Revenue analysis

Revenue for the period is analysed as follows:

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
EMEAA	**10,157**	10,425	20,449
North America	**5,552**	6,100	12,037
Total	**15,709**	16,525	32,486

The revenue in the EMEAA region reduced by 3% but was up 4% increase at constant currency and revenue in the North American region reduced by 9% but was up 4% increase at constant currency.

4. Exceptional items

There were no exceptional items in H1 2014.

In H1 2013 there was an exceptional charge of £0.34 million related to an increase in deferred consideration for SiSoft. The French Court made a provisional judgment in 2013 regarding the remaining 45% non-controlling interest and the Court appointed an expert to review the remaining elements at dispute to assist in evaluating the merits and the quantification of the claim. There is no tax deduction available on this provision as it relates to a capital item. The Board remains confident that our analysis of the case is robust and will provide a further update when appropriate.

5. Adjusted profit before taxation, adjusted operating profit margin, and adjusted EBITDA

a) Adjusted profit before taxation

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Profit before taxation	**1,082**	1,890	3,113
Add back: Amortisation on acquired intangible assets	**94**	223	402
Add back: Share based payments	**88**	99	192
Add back: Exceptional items	**-**	343	347
Adjusted profit before tax	**1,264**	2,555	4,054

b) Adjusted operating profit

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	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Operating profit	**1,216**	2,005	3,386
Add back: Amortisation on acquired intangible assets	**94**	223	402
Add back: Share based payments	**88**	99	192
Add back: Exceptional items	**-**	343	347
Adjusted operating profit	**1,398**	2,670	4,327
Adjusted operating margin	**8.9%**	16.2%	13.3%

c) Adjusted EBITDA

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Operating profit	**1,216**	2,005	3,386
Add back: Depreciation of property, plant and equipment	**479**	439	898
Add back: Amortisation on purchased intangible assets	**152**	133	238
Add back: Amortisation on acquired intangible assets	**94**	223	402
Add back: Share based payments	**88**	99	192
Add back: Exceptional items	**-**	343	347
Adjusted EBITDA	**2,029**	3,242	5,463
Adjusted EBITDA margin	**12.9%**	19.6%	16.8%

6. Free cash flow

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Cash generated from operations	**4,492**	3,449	9,403
Net interest paid	**-**	(25)	(98)
Net tax paid	**(547)**	(768)	(1,616)
Purchase of property, plant and equipment	**(1,192)**	(382)	(930)
Investment in intangible assets	**(2,209)**	(1,828)	(3,482)
Free cash flow	**544**	446	3,277

7. Reconciliation of profit before tax to net cash inflow from operating activities

	Unaudited Six months to 30 June	Unaudited Six months to 30 June	Audited Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
Profit before taxation	**1,082**	1,890	3,113
Net finance expense	**134**	115	273
Operating profit	**1,216**	2,005	3,386
Exceptional items	**-**	343	347
Operating profit before exceptional items	**1,216**	2,348	3,733
Depreciation of property, plant and equipment	**479**	439	898
Loss on disposal of property, plant and equipment	**53**	-	-
Amortisation of intangible assets	**1,919**	2,020	4,041
(Increase)/decrease in receivables	**(305)**	(638)	993
Increase/(decrease) in payables and provisions	**174**	(708)	(107)
Increase/(decrease) in deferred income	**868**	(111)	(347)
Share based payments	**88**	99	192
Net cash inflow from operating activities	**4,492**	3,449	9,403

8. Reconciliation of net cash flow to movement in net cash

	Unaudited	Unaudited	Audited
	Six months to 30 June	Six months to 30 June	Year to 31 December
	2014	2013	2013
	£'000s	£'000s	£'000s
(Decrease)/increase in cash and cash equivalents in the period	**(767)**	(836)	431
Exchange movements	**(54)**	10	(96)
Movement in net cash	**(821)**	(826)	335
Net cash at beginning of period	**4,002**	3,667	3,667
Net cash at end of period	**3,181**	2,841	4,002

9. Dividend

An interim dividend for 2014 of 0.85 pence per Ordinary Share (2013: 0.85 pence) will be paid on 5 November 2014 to shareholders on the register on 10 October 2014. A final dividend for 2013 of 1.95 pence per ordinary share was paid on 21 May 2014.

10. Goodwill and other intangible assets

The decrease in goodwill since 31 December 2013 of £1.19 million relates to exchange losses on revaluation of goodwill denominated in foreign currencies. Other intangible assets comprise internally generated development costs capitalised, acquired intangible assets (client contracts) and purchased intangible assets.

11. Provisions

Provisions of £0.89 million at 30 June 2014 (Dec 2013: £0.98 million) relate to deferred contingent consideration for the acquisition of the non-controlling interest in SiSoft Sarl and onerous contracts.

12. Share capital and treasury shares

No shares were issued during the period. At 30 June 2014, there were 67,703,650 shares (Dec 2013: 67,703,650 shares) in issue including 225,000 shares held in treasury (67,478,650 excluding treasury shares). The treasury shares do not accrue dividends and are excluded from the earnings per share calculation.

Independent review report to StatPro Group plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2014, which comprises the Group Income Statement, Group Statement of Comprehensive Income, Group Balance Sheet, Group Statement of Cash Flows, Group Statement of Changes in Shareholders' Equity and the related notes 1 to 12. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the Interim Report in accordance with the AIM Rules issued by the London Stock Exchange which require that it is presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRS's as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the AIM Rules issued by the London Stock Exchange.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2014 is not prepared, in all material respects, in accordance with the accounting policies outlined in Note 1, which comply with IFRS's as adopted by the European Union and in accordance with the AIM Rules issued by the London Stock Exchange.

Ernst & Young LLP
London
5 August 2014