

On-line PLC

('On-line' or 'the Company')

Unaudited Interim Results for the Six Months Ended 31 December 2015

On-line today announces its unaudited interim results for the six months ended 31 December 2015.

Chairman's Statement

Here are our interim accounts and statement. As you know we are working hard to push ADVFN which has made good progress in the past 6 months.

Transition to FRS 102

The company will adopt FRS 102 for the year ending 30 June 2016 and has therefore applied that standard for the 6 month period ended 31 December 2015. The directors have decided that the investment in ADVFN should continue to be recognised as an investment in an associate and be carried at historical cost as permitted by the standard. There are no further potential adjustments to the numerical values however the disclosures have changed in line with the changes prescribed by the standard.

ADVFN PLC

Below are a few extracts from ADVFN's interim statement:

"2015 was a tumultuous year for ADVFN. An unexpected attack to wrest control from your board during the year was extremely disruptive and very costly. We were pleased to see the matter conclude satisfactorily from the Company's perspective through the intervention of the FCA. Notwithstanding this, the business has subsequently held up well during a period of radical change (as discussed further below), months of distraction and dislocation earlier.

2015 saw a sluggish bear market for the first time since 2008 and this combined with low volatility in the markets created a headwind. At the same time a broad section of exchanges exerted serious pricing pressures. This required radical price and content changes to our offering to avoid the adverse effects of this pressure. To add to this pressure, traffic has been moving quickly to our mobile platform, changing patterns of usage and revenue generation, which we have had to adapt to. As if this was not enough to keep us occupied, the internet advertising space has been revolutionized by the emergence of programmatic advertising platforms which we have had to embrace aggressively.

Consequently our sales have been depressed by 11.1% on the same period last year.

We have taken these changes as an opportunity to reorganize the business and have brought down our operating overheads significantly. The early effects of this can be seen in a fall of administrative expenses for the half year by 10.5% from £4,736,000 to £4,240,000. This has helped lower the operating loss to £538,000 from £647,000 even while top line sales have fallen.

More cost cutting benefits have been felt in the new calendar year as contract and headcount termination periods have passed with January and February showing good levels of operational performance. This has been helped by a pickup in advertising sales.

At an operational level we have seen improvement in the first few months of the calendar year of 2016. Our aim is to capitalise on last year's hard work to build upon the good start seen during January and February and continue to improve performance on a running basis in the final half of this financial year".

Financial performance

Key financial performance for ADVFN for the period has been summarised as follows:

	Six Months ended 31 December 2015	Six Months ended 31 December 2014
	£'000	£'000
Turnover	4,274	4,807
Loss for the period	(442)	(552)
Operating Loss	(538)	(647)
Loss per share	(1.75)p	(2.19)p

Michael Hodges

Chairman

24 March 2016

On-line PLC

Statement of comprehensive income for the six months ended 31 December 2015

		Six months ended 31 December 2015 Unaudited £'000	Six months ended 31 December 2014 Unaudited £'000	Year ended 30 June 2015 Audited £'000
	Note			
Turnover		41	48	94
Administrative expenses		<u>(37)</u>	<u>(50)</u>	<u>(98)</u>
Operating profit/(loss)		4	(2)	(4)
Interest payable		<u>-</u>	<u>-</u>	<u>-</u>
Profit/(loss) on ordinary activities before taxation		4	(2)	(4)
Tax on profit/(loss) on ordinary activities		<u>-</u>	<u>-</u>	<u>-</u>
Profit for the financial year		4	(2)	(4)
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>4</u></u>	<u><u>(2)</u></u>	<u><u>(4)</u></u>
Earnings per share				
Basic earnings/(loss) per share	2	0.05p	(0.03)p	(0.05)p
Diluted earnings/(loss) per share	2	<u>0.05p</u>	<u>(0.03)p</u>	<u>(0.05)p</u>

On-line PLC
Balance sheet
at 31 December 2015

		31 December 2015 Unaudited £'000	31 December 2014 Unaudited £'000	30 June 2015 Audited £'000
	Note			
Fixed assets				
Investments		868	868	868
Current assets				
Debtors		112	107	80
Cash at bank and in hand		-	-	24
		112	107	104
Current liabilities				
Trade and other payables		32	35	45
Borrowings (bank overdraft)		16	15	-
		48	50	45
Net current assets		64	57	59
Total assets less current liabilities		932	925	927
Capital and reserves				
Called up share capital		3,242	3,242	3,242
Share premium account	3	2,205	2,205	2,205
Option valuation reserve	3	36	31	35
Profit and loss account	3	(4,551)	(4,553)	(4,555)
		932	925	927

On-line PLC
Statement of changes in equity
at 31 December 2015

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
At 1 July 2014	3,242	2,205	28	(4,551)	924
Equity settled share options	-	-	3	-	3
Transactions with owners	-	-	3	-	3
Loss for the period after tax	-	-	-	(2)	(2)
Total comprehensive income	-	-	-	(2)	(2)
At 31 December 2014	3,242	2,205	31	(4,553)	925
Equity settled share options	-	-	4	-	4
Transactions with owners	-	-	4	-	4
Loss for the period after tax	-	-	-	(2)	(2)
Total comprehensive income	-	-	-	(2)	(2)
At 30 June 2015	3,242	2,205	35	(4,555)	927
Equity settled share options	-	-	1	-	1
Transactions with owners	-	-	1	-	1
Profit for the period after tax	-	-	-	4	4
Total comprehensive income	-	-	-	4	4
At 31 December 2015	<u>3,242</u>	<u>2,205</u>	<u>36</u>	<u>(4,551)</u>	<u>932</u>

On-line PLC
Cash flow statements
for the six months ended 31 December 2015

	Six months ended 31 December 2015 Unaudited £'000	Six months ended 31 December 2014 Unaudited £'000	Year ended 30 June 2015 Audited £'000
Cash flows from operating activities			
Profit for the period	4	(2)	(4)
Equity settled share based payments in the period	1	3	7
(Increase)/decrease in debtors	(32)	2	29
(Decrease)/increase in creditors	(13)	(3)	7
Net cash (outflow)/inflow from operating activities	(40)	-	39
Net (decrease)/increase in cash and cash equivalents	(40)	-	39
Cash and cash equivalents at the beginning of the period	24	(15)	(15)
Cash and cash equivalents at the end of the period	(16)	(15)	24
Cash and cash equivalents			
	Six months ended 31 December 2015 Unaudited £'000	Six months ended 31 December 2014 Unaudited £'000	Year ended 30 June 2015 Audited £'000
Cash at bank	-	-	24
Borrowings (bank overdraft)	(16)	(15)	-
	(16)	(15)	24

On-line PLC
Notes to the interim statement
for the six months ended 31 December 2014

1. Basis of preparation

The unaudited interim financial information is for the six month period ended 31 December 2015. The financial information does not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the company for the year ended 30 June 2015, which were prepared under the historical cost convention and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The interim financial information has been prepared on the going concern basis which assumes the company will continue in existence for the foreseeable future. No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. Accordingly, the directors, believe it is appropriate for the interim financial statement to be prepared on the going concern basis.

The interim financial information has not been audited nor has it been reviewed under ISRE 2410 of the Auditing Practices Board. The financial information presented does not constitute statutory accounts as defined by section 434 of the Companies Act 2006. The company statutory accounts for the year to 30 June 2015 have been filed with the Registrar of Companies. The auditors, Grant Thornton UK LLP reported on these accounts and their report was unqualified and did not contain a statement under section 498(2) or Section 498(3) of the Companies Act 2006.

Adoption of FRS 102

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

This is the first period in which the financial statements have been prepared under FRS 102. Refer to note 4 for an explanation of the transition.

The financial statements are presented in Sterling (£) and rounded to the nearest thousand.

On-line PLC

Notes to the interim statement
for the six months ended 31 December 2014

2. Earnings per ordinary share

	Six months ended 31 December 2015 £'000	Six months ended 31 December 2014 £'000	Year ended 30 June 2015 £'000
Profit/(loss) for the period	4	(2)	(4)
	Shares	Shares	Shares
Weighted average number of Ordinary shares	7,662,348	7,662,348	7,662,348
Dilutive effect of options	168,750	-	-
Weighted average Ordinary shares for diluted earnings per share	7,831,098	7,662,348	7,662,348
Profit/(loss) for the period			
Basic earnings/(loss) per share	0.05p	(0.03)p	(0.05)p
Diluted earnings/(loss) per share	0.05p	(0.03)p	(0.05)p

Where a loss occurs the diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive.

3. Fixed asset investments

	Six months ended 31 December 2015 £'000	Six months ended 31 December 2014 £'000	Year ended 30 June 2015 £'000
At historical cost	868	868	868
Percentage ownership	18.126%	18.263%	18.263%

The company owns an investment in ADVFN plc (ADVFN). ADVFN is incorporated in England and Wales and its principal activity is the development and provision of financial information, primarily via the internet, research services and the development and exploitation of ancillary internet sites.

The director's have concluded that the investment in ADVFN should continue to be recognised as an investment in an associate and be measured at historical cost as permitted by the standard.

On-line PLC
Notes to the interim statement
for the six months ended 31 December 2014

4. Transition to FRS 102

The company will adopt FRS 102 for the year ending 30 June 2016 and therefore have also applied that standard in preparing these interim statements. The directors have decided that the investment in ADVFN should continue to be recognised as an investment in an associate and be carried at historical cost as permitted by the standard. There are no further potential adjustments to the numerical values however the disclosures have changed in line with the changes prescribed by the standard.

Changes for FRS 102 adoption

There are no adjustments to the numerical values however the disclosures have changed in line with the changes prescribed by the standard.

5. Dividends

The directors do not recommend the payment of a dividend.

6. Accounts

Copies of this statement are being posted to shareholders shortly and will be available from the company's registered office at Suite 27, Essex Technology Centre, The Gables, Fyfield Road, Ongar, Essex, CM5 0GA and in electronic form from the Company's website, <http://www.on-line.co.uk/>.