

On-line

On-line PLC
Unaudited Interim Results
for the Six Months
1 July to 31 December 2016

Registered Number: 3203042 (England and Wales)

On-line PLC

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

Unaudited Interim Results for the Six Months Ended 31 December 2016

On-line today announces unaudited interim results for the six months ended 31 December 2016.

Chairman's Statement

Here are our interim accounts and statement.

On-Line plc results have remained stable and as you know we are working hard to push ADVFN which has made good progress in the past 6 months with the value of our shareholding improving.

ADVFN PLC

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

2016 was a year of change at ADVFN. We have, after many years of striving for growth, realigned ourselves to work towards profit. These interim results for the six month period to 31 December 2016 sees us hit this target and realise a profit after tax, albeit this was due largely to foreign exchange gains.

Turning away from growth in order to cut costs has resulted in our sales falling to £3,826,000 from £4,274,000. However, the P&L during this period has gone from a £442,000 loss after tax to an £18,000 profit after tax, a considerable reversal. Whilst this profit may be a meagre one it is, never the less, a milestone.

This result has been produced as a consequence of a number of proactive changes in our business: our headcount reduced, the closure of non-core markets, restrained marketing and the decommissioning of localised web content.

The second half of the 2016 calendar year improved due to the surprise turn-up results of Brexit and President Trump. The outlook, while stronger, is still mixed with much fragility in our marketplace.

We are on an even keel and we expect to remain on the current course. In the short term, this will be heavily dependent on the appetite for trading and investing in our key markets. This outcome in our view is, to some extent, hedged because our main markets are in the UK, US and Brazil and as such are disparate.

We believe that by this time next year we will be in a good position to re-examine a strategy for growth. This will depend on our success in the next 12 months, which in the era of Brexit and President Trump is difficult to predict.

This new politico-economic era could pan out well for ADVFN as, in the past, chaos and uncertainty has worked in our favour. In the meantime, we will continue to work further to improve our performance.

Financial performance

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

	Six Months ended 31 December 2016	Six Months ended 31 December 2015
	£'000	£'000
Turnover	3,826	4,274
Profit/(loss) for the period	18	(442)
Operating Loss	(66)	(538)
Profit/(Loss) per share (see note 3)	0.07 p	(1.75)p

Michael Hodges

Chairman

27 March 2017

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Statement of comprehensive income for the six months ended 31 December 2016

	Six months ended 31 December 2016 Unaudited £'000	Six months ended 31 December 2015 Unaudited £'000	Year ended 30 June 2016 Audited £'000	
Note				
Turnover	44	41	85	
Administrative expenses	(31)	(37)	(73)	
Operating profit	13	4	12	
Interest payable	(1)	-	-	
Profit on ordinary activities before taxation	12	4	12	
Tax on profit on ordinary activities	-	-	-	
Profit for the financial year	12	4	12	
Other comprehensive income	-	-	-	
Total comprehensive income for the period	12	4	12	
Earnings per share				
Basic profit per ordinary share	2	0.16 p	0.05 p	0.16 p
Diluted profit per ordinary share	2	0.16 p	0.05 p	0.15 p

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**Balance sheet
at 31 December 2016**

	Note	31 December 2016 Unaudited £'000	31 December 2015 Unaudited £'000	30 June 2016 Audited £'000
Non-current assets				
Investments	3	868	868	868
Current assets				
Debtors		170	112	159
Cash at bank and in hand		-	-	-
		170	112	159
Total assets		1,038	980	1,027
Equity and liabilities				
Equity				
Called up share capital		3,242	3,242	3,242
Share premium account		2,205	2,205	2,205
Option valuation reserve		38	36	36
Profit and loss account		(4,531)	(4,551)	(4,543)
		954	932	940
Current liabilities				
Trade and other payables		35	32	32
Borrowings (bank overdraft)		49	16	55
		84	48	87
Total equity and liabilities		1,038	980	1,027

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**Statement of changes in equity
at 31 December 2016**

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
At 1 July 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	3,242	2,205	36	(4,551)	932
Equity settled share options	-	-	-	-	-
Transactions with owners	-	-	-	-	-
Profit for the period after tax	-	-	-	8	8
Total comprehensive income	-	-	-	8	8
At 30 June 2016	3,242	2,205	36	(4,543)	940
Equity settled share options	-	-	2	-	2
Transactions with owners	-	-	2	-	2
Profit for the period after tax	-	-	-	12	12
Total comprehensive income	-	-	-	12	12
At 31 December 2016	3,242	2,205	38	(4,531)	954

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**Cash flow statements
for the six months ended 31 December 2016**

	Six months ended 31 December 2016 Unaudited £'000	Six months ended 31 December 2015 Unaudited £'000	Year ended 30 June 2016 Audited £'000
Cash flows from operating activities			
Profit for the period	12	4	12
Share based payments	2	1	1
Increase in trade and other receivables	(11)	(32)	(79)
Increase/(decrease) in trade and other payables	3	(13)	(13)
Net cash used by operating activities	6	(40)	(79)
(Decrease)/increase in cash and cash equivalents	6	(40)	(79)
Cash and cash equivalents at the start of the period	(55)	24	24
Cash and cash equivalents at the end of the period	(49)	(16)	(55)

Cash and cash equivalents

	Six months ended 31 December 2016 Unaudited £'000	Six months ended 31 December 2015 Unaudited £'000	Year ended 30 June 2016 Audited £'000
Cash at bank	-	-	-
Borrowings (bank overdraft)	(49)	(16)	(55)
	(49)	(16)	(55)

**Notes to the interim statement
for the six months ended 31 December 2016**

1. Basis of preparation

The 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 under the historical cost convention.

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

The unaudited interim financial information is for the six month period ended 31 December 2016. 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 2016.

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.

2. Earnings per ordinary share

	Six months ended 31 December 2016 £'000	Six months ended 31 December 2015 £'000	Year ended 30 June 2016 £'000
Profit for the period	12	4	12
	Shares	Shares	Shares
Weighted average number of Ordinary shares	7,662,348	7,662,348	7,662,348
Dilutive effect of options	-	168,750	129,000
Weighted average Ordinary shares for diluted earnings per share	<u>7,662,348</u>	<u>7,831,098</u>	<u>7,791,348</u>
Earnings per share			
Basic earnings per share	0.16 p	0.05p	0.16 p
Diluted earnings per share	<u>0.16 p</u>	<u>0.05p</u>	<u>0.15 p</u>

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.

In addition, the share price of On-Line plc has moved to the point where the options are no longer dilutive and therefore the basic and diluted earnings per share are the same.

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Notes to the interim statement for the six months ended 31 December 2016

3. Fixed asset investments

	Six months ended 31 December 2016 £'000	Six months ended 31 December 2015 £'000	Year ended 30 June 2016 £'000
At historical cost	868	868	868
Percentage ownership	18.05%	18.13%	18.05%

The Company owns 18.05% (2015: 18.13%) of ADVFN plc (ADVFN) which 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 investment in ADVFN plc is treated for the purposes of financial reporting as an associate due to the common directorships held between ADVFN plc and On-line plc and the resulting level of significant influence over the associate.

4. Dividends

The directors do not recommend the payment of a dividend.

5. 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/>.