Interim Results for the six months ended 31 December 2014

26/03/2015

ARCONTECH GROUP PLC
("Arcontech" or the "Group")

INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2014

Arcontech (AIM: ARC), the provider of products and services for real-time financial market data processing and trading, is pleased to report its unaudited results for the six months ended 31 December 2014.

Financial and business highlights:

• Turnover increased by 7% to £1,041,599 (six months ended 31 December 2013: £976,578).
• Operating profit increased to £115,900 (six months ended 31 December 2013: loss of £68,976).
• Annual run-rate of recurring revenues at 31 December 2014 amount to £2.1 million (2013: £1.9 million) and cover 112% of the cost base.
• Net cash of £1,073,948 at 31 December 2014 (31 December 2013: £664,098).

Richard Last, Chairman of Arcontech, said:

"The Board is pleased that the Group is making progress in delivering increasing levels of turnover and profitability in the medium to longer term. However, the level of profitability for the current year ending 30 June 2015 is uncertain, due to a significant customer requesting the termination of its contract 18 months early for reasons outside of our control. We are currently working to resolve the situation. Although we expect to achieve new sales wins before the year end, due to revenue on our contracts being taken to profit on a monthly basis, it is unlikely that we will be able to fully compensate for the loss of revenue should the contract be terminated. Nevertheless, the Board believes Arcontech will deliver a positive result for the six months ending 30 June 2015. With current net cash balances in excess of £1.2m and a healthy sales pipeline, we remain positive about the Group's prospects."

Enquiries:

Arcontech Group plc
Richard Last, Chairman and Non-Executive Director 07713 214484
Matthew Jeffs, Chief Executive 020 7256 2300

finnCap Ltd
Charlotte Stranner/ Simon Hicks 020 7220 0500

To access more information on the Group please visit: http://www.arcontech.com

The interim report will only be available to view online enabling the Group to communicate with shareholders in a more environmentally friendly and cost effective manner.