

13 February 2015

Aeorema Communications plc ('Aeorema' or 'the Company')
Interim Results

Aeorema Communications plc, the AIM-traded live events agency, announces its results for the six months ended 31 December 2014.

Overview

- Pre-tax profits of £101, 316 on a turnover of £1,658,315
- Stronger second half anticipated with new client wins and repeat work
- Strong cash position of £1,219,527 after payment in the period of a dividend and special dividend totalling £452,500

Chairman's Statement

The Company remains strong as it continues to build its position as a provider of live events under one brand, Cheerful 21st.

We have a robust balance sheet with £1,219,527 cash in the bank (2014: £1,466,352) and good revenue generation of £1,658,315 (2014: £1,812,493), slightly down due to a project being cancelled although we remain ahead of our budget. We anticipate a stronger second half and are pleased to have added some new clients along with confirmation of our larger summer projects. During the six months we achieved a pre-tax profit of £105,316 (2014: £225,941). Operational costs were £702,238 (2014: £700,102).

The Board has continued to focus upon the Company's strategy, which brings innovative live event products and solutions to a range of highly sophisticated customers including senior leaders and partners in global professional and engineering services, technology and telecoms firms. We have made good progress in supporting these clients resulting in excellent feedback and considerable repeat work.

Over the past six months we were rewarded with nominations and wins at the EVCOM awards, the official industry body for the visual communications sector, for the work we are doing under our new single brand.

It is imperative that we remain cautious and keep a tight rein on costs as there is still volatility in the market. However, whilst keeping this in mind, we see great opportunities ahead, as we build on the creative capabilities of our team and deliver unique products to create growth under strong leadership. I want to thank all our colleagues at for their hard work, and our shareholders for their continued support.

M Hale

Chairman

13 February 2015

AEOREMA COMMUNICATIONS PLC
CONDENSED CONSOLIDATED INCOME STATEMENT
For the period ended 31 December 2014

		Unaudited 6 Months to 31 December 2014	Unaudited 6 Months to 31 December 2013	Audited Year to 30 June 2014
	Notes	£	£	£
Continuing Operations				
Revenue		1,658,315	1,812,493	4,764,584
Cost of sales		(855,113)	(886,630)	(2,794,629)
Gross profit		803,202	925,863	1,969,955
Administrative expenses		(702,238)	(700,102)	(1,465,520)
Operating profit		100,964	225,761	504,435
Finance income		352	180	406
Profit before taxation		101,316	225,941	504,841
Taxation	5	(6,664)	(23,132)	(89,145)
Profit for the period from continuing operations		94,652	202,809	415,696
Basic and diluted earnings per share from continuing operations				
Basic (pence)	6	1.10675	2.50772	5.02290
Diluted (pence)	6	1.01227	2.27585	4.55487

There are no other comprehensive income items

AEOREMA COMMUNICATIONS PLC
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
For the period ended 31 December 2014

		Unaudited 6 Months to 31 December 2014	Unaudited 6 Months to 31 December 2013	Audited Year to 30 June 2014
	Notes	£	£	£
Non-current assets				
Intangible assets		365,154	365,154	365,154
Property, plant and equipment		57,008	88,776	67,449
Deferred taxation		17,481	8,277	24,145
		439,643	462,207	456,748
Current assets				
Inventories		2,674	2,675	2,674
Trade and other receivables		939,962	569,131	1,475,921
Cash and cash equivalents		1,219,527	1,466,352	1,620,895
		2,162,163	2,038,158	3,099,490
Total assets		2,601,806	2,500,365	3,556,238
Current liabilities				
Trade and other payables		(945,796)	(872,057)	(1,589,007)
		(945,796)	(872,057)	(1,589,007)
Net assets		1,656,010	1,628,308	1,967,231
Equity attributable to equity holder:				
Share capital	8	1,131,313	1,042,188	1,079,688
Merger reserve		23,712	16,650	16,650
Other reserve		-	-	19,500
Share based payment reserve		118,412	103,529	110,972
Capital contribution reserve		257,812	257,812	257,812
Retained earnings		124,761	208,129	482,609
Total equity		1,656,010	1,628,308	1,967,231

AEOREMA COMMUNICATIONS PLC
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 December 2014

	Share capital	Merger reserve	Other reserve	Share-based payment reserve	Capital contribution reserve	Retained earnings	Total equity
	£	£	£	£	£	£	£
At 1 July 2013	1,004,688	16,650	-	96,083	257,812	125,883	1,501,116
Issue of shares	37,500	-	-	-	-	-	37,500
Payment of dividends	-	-	-	-	-	(120,563)	(120,563)
Comprehensive income for the period	-	-	-	-	-	202,809	202,809
Share based payment	-	-	-	7,446	-	-	7,446
At 31 December 2013	1,042,188	16,650	-	103,529	257,812	208,129	1,628,308
At 1 January 2014	1,042,188	16,650	-	103,529	257,812	208,129	1,628,308
Issue of shares	37,500	-	19,500	-	-	-	57,000
Comprehensive income for the period	-	-	-	-	-	212,886	212,886
Share based payment	-	-	-	7,443	-	-	7,443
Tax credit relating to share option scheme	-	-	-	-	-	61,594	61,594
At 30 June 2014	1,079,688	16,650	19,500	110,972	257,812	482,609	1,967,231
At 1 July 2014	1,079,688	16,650	19,500	110,972	257,812	482,609	1,967,231
Issue of shares	32,125	7,062	-	-	-	-	39,187
Payment of dividends	-	-	-	-	-	(452,500)	(452,500)
Comprehensive income for the period	-	-	-	-	-	94,652	94,652
Share based payment	-	-	-	7,440	-	-	7,440
Transfer	19,500	-	(19,500)	-	-	-	-
At 31 December 2014	1,131,313	23,712	-	118,412	257,812	124,761	1,656,010

AEOREMA COMMUNICATIONS PLC
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 31 December 2014

	Unaudited 6 Months to 31 December 2014 £	Unaudited 6 Months to 31 December 2013 £	Audited Year to 30 June 2014 £
Cash flow from operating activities			
Profit before taxation	101,316	225,941	504,841
Adjustments for:			
Depreciation of property, plant and equipment	18,625	18,360	51,579
Loss on disposal of property, plant and equipment	5,390	-	-
Share based payment expense	7,440	7,446	14,889
Finance income	(352)	(180)	(406)
	<hr/>	<hr/>	<hr/>
Operating cash flow before movement in working capital	132,419	251,567	570,903
Increase/(decrease) in trade and other payables	(643,211)	(291,453)	448,630
(Increase)/decrease in trade and other receivables	535,959	37,426	(869,364)
Cash generated / (used) in operating activities	<hr/> 25,167	<hr/> (2,460)	<hr/> 150,169
Taxation paid	-	-	(43,418)
Cash flow from investing activities			
Finance income	352	180	406
Purchase of property, plant and equipment	(23,574)	(30,095)	(41,988)
Proceeds from the sale of property, plant and equipment	10,000	-	-
Net cash used in investing activities	<hr/> (13,222)	<hr/> (29,915)	<hr/> (41,582)
Cash flow from financing activities			
Income from share issue	39,187	37,500	94,500
Dividends paid	(452,500)	(120,563)	(120,564)
Net cash used in financing activities	<hr/> (413,313)	<hr/> (83,063)	<hr/> (26,064)
Net increase / (decrease) in cash and cash equivalents	<hr/> (401,368)	<hr/> (115,438)	<hr/> 39,105
Cash and cash equivalents at beginning of period	1,620,895	1,581,790	1,581,790
Cash and cash equivalents at end of period	<hr/> 1,219,527	<hr/> 1,466,352	<hr/> 1,620,895

AEOREMA COMMUNICATIONS PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the period ended 31 December 2014

1. General information

Aeorema Communications plc is a public limited company incorporated within the United Kingdom. The company is domiciled in the United Kingdom and its principal place of business is 23-31 Great Titchfield Street, London, W1W 7PA. The Company's ordinary shares are traded on AIM market of the London Stock Exchange.

These condensed consolidated interim financial statements for the period ending 31 December 2014 (including comparatives for the periods ended 31 December 2013 and 30 June 2014) were approved by the board of directors on 12 February 2015.

The financial information set out in this interim report does not constitute statutory accounts for the purposes of section 434 of the Companies Act (2006). The Group's statutory financial statements for the year ended 30 June 2014, prepared under International Financial Reporting Standards (IFRS), have been filed with the Registrar of Companies. The auditor's report for those financial statements was unqualified and did not contain a statement under section 498 (2) or section 498 (3) of the Companies Act (2006).

The interim financial statements have been prepared using the accounting policies set out in the Group's 2014 statutory accounts and have not been audited.

Copies of the annual statutory financial statements and the interim report can be found on our website at www.aeorema.com or can be requested from the Company Secretary at the Company's registered office: 64 New Cavendish Street, London, W1G 8TB.

2. Basis of preparation

These condensed consolidated interim financial statements for the period ended 31 December 2014 have been prepared in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2014, which have been prepared in accordance with IFRS as adopted by the European Union

3. Summary of significant accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2014, as described in those annual financial statements. There has been no impact on the Group's financial position or performance from new and amended IFRS and IFRIC interpretations mandatory as of 1 July 2014.

4. Revenue and segmental results

The Company uses several factors in identifying and analysing reportable segments, including the basis of organisation such as differences in products and geographical areas. The Board of Directors, being the chief operating decision makers, have determined that for the period ended 31 December 2014 there is only one reportable operating segment.

5. Income tax charge

Income period tax is accrued based on the estimated average annual effective income tax rate of 21 percent (2013: 21 percent).

6. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit attributable to ordinary owners of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares in ordinary shares.

The following reflects the income and share data used and dilutive earnings per share computations:

	Unaudited 6 Months to 31 December 2014	Unaudited 6 Months to 31 December 2013	Audited Year to 30 June 2014
Earnings per share attributable to owners of parent	94,652	202,809	415,696
Number of shares			
Basic weighted average number of shares	8,866,598	8,087,500	8,276,021
Effect of dilutive share options	483,902	823,993	850,380
Diluted weighted average number of shares	9,350,500	8,911,493	9,126,401

7. Dividends

During the interim period a dividend of 5 pence (2013: 1.5 pence) per share was paid to holders of the Company's ordinary shares.

8. Issued capital

Issued capital as at 31 December 2014 amounted to £1,131,313 (2013: £1,042,188). 104,000 shares were issued on 2 July 2014, 9,000 shares were issued on 7 July 2014 and 300,000 shares were issued on 21 October 2014. In the prior period 300,000 shares were issued on 28 November 2013.

9. Related party transactions

The Group has a related party relationship with its subsidiaries and its directors. Transactions between Group companies, which are related parties, have been eliminated on consolidation and are therefore not included in these consolidated interim financial statements.

	Unaudited 6 months to 31 December 2014 £	Unaudited 6 months to 31 December 2013 £
Subsidiaries		
Amounts owed by/(to) subsidiaries	317,743	154,653
Amounts owed by/(to) subsidiaries	317,743	154,653

Aeorema Communications plc is a guarantor for a lease entered into by Aeorema Limited, its subsidiary undertaking.

Harris & Trotter LLP is a firm in which S Garbutta is a member. The following was charged to the Group in respect of professional services.

	Unaudited 6 Months to 31 December 2014	Unaudited 6 Months to 31 December 2013
	£	£
Harris & Trotter LLP		
Aeorema Communications plc	12,160	7,500
Aeorema Limited	23,435	7,825
	35,595	15,325

The compensation of key management (including directors) of the Group is as follows:

	Unaudited 6 Months to 31 December 2014	Unaudited 6 Months to 31 December 2013
	£	£
Short-term employee benefits	156,131	135,339
Post-employment benefits	43,494	41,178
	199,625	176,517

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For further information visit www.aeorema.com or contact:

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