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@UK PLC
("@UK" or the "Company")

Unaudited Interim Results for the six months ended 30 June 2012

@UK PLC (AIM:ATUK.L), the cloud ecommerce marketplace, today announces its unaudited interim results for the six months ended 30 June 2012.

Financial

- Revenues decreased by 13% to £1.095m (2011: £1.255m) due to a slow-down in company formations
- High gross margin ecommerce revenues increased by 13.5% to £563k (2011: £496k)
- Loss before tax increased to £363k (2011: £222k)
- Net Assets increased to £416k (2011: (£138k))
- Strong set of cash generating renewals for H2

Operational

- New UK sales force generated over £3.5m of proposals being submitted in H1 (2011: £0.3 m) and 77% organic growth in ecommerce revenues
- Indian office launched and profitable
- Visa collaboration progressing well, currently in discussions on two significant international customer opportunities
- First implementation of Care Marketplace has completed user acceptance testing and is proceeding into pilot
- @UK named as approved supplier within two UK public sector frameworks
    - UK Government's G-Cloud framework
    - Four year national eCommerce framework agreement for all UK public bodies

Ronald Duncan, Executive Chairman, commented, "Our new sales force is delivering a significant number of low value analysis proposals. These should convert over time into higher value marketplace implementations. Thus we expect significantly higher future revenues as these progress through the sales and implementation cycle.

"Our international expansion is progressing well, and we have two high value opportunities where we have identified tens of millions of dollars in savings.

"Last year we had a strong second half, which means that we have a strong set of cash generating renewals to fund the second half of this year. This along with expected new sales gives us confidence in our ability to deliver full year results in line with expectations."

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@UK PLC

@UK is Europe's leading Cloud Platform with over 1 million users, which is used for University and Colleges' procurement along with local authority, schools and other Government and private sector procurement.

The GeM marketplace for Universities and Colleges which launched on 1st August 2011 is the only card-based national marketplace in the world. It was successfully delivered for the 800 Universities and Colleges in the UK and the 680 National Suppliers, proving that Cloud Ecommerce delivers large complex projects for Government on time and on budget.

Richard Benyon MP Minster for the Natural Environment, launched the @UK Green Ecommerce Marketplace in October 2010, which is now the largest repository of product carbon footprints in the world.

@UK was used by the National Audit Office to identify over £500 million in savings for 25% of NHS spend. The ground breaking SpendInsight system used to identify the savings resulted in the award of 2 PhDs in artificial intelligence.

@UK delivers key Government commitments of Savings Sustainability and SME Inclusion along with support for start-ups. @UK PLC has now created over 200,000 start up businesses and launched a new Cloud-Start-Up.com service to provide a complete suite of cloud business software to start-ups along with the essentials of limited company, bank account, domain name, email, ecommerce, accounting system and membership of the @UK business club.

This has been followed by the announcement of the 2012StartUp.com campaign, which is supported by the AIM market of the London Stock Exchange, the Forum of Private Business, and BASDA, the software industry association. The campaign aims for a 27% growth of 100,000 start up companies and growth for existing businesses. It is a practical campaign that will result in companies being formed and growing through @UK's technology.

CHAIRMAN'S STATEMENT

Summary

Both our new sales team and international expansion are progressing well. Our UK sales delivered 77% organic growth in ecommerce revenues after taking out the effects of the major GeM contract win last year.

We have continued to increase the volume of proposals from 67 with a combined value of £1m, which were announced on 30 March 2012, to 140 with a value of £2.3m, which were announced on 24 May 2012, to 180 proposals with a value of £3.5m by the end of June. The proposals are converting to purchase orders and invoices and were a key element of the £212k of increased underlying ecommerce sales in the period. Given the team started in February it is still too early to determine the rate of conversion of proposals into cash, but we are continuing to build up the pipeline and refine the conversion. As we move through the second half we anticipate a significant increase in conversion and by 2013 we hope to be in a position to accurately forecast from sales activity to delivery.

We have two significant overseas opportunities. The first is in the target Asia Pacific region and the other is a US State. In both cases we have analysed billions of the organisation's spend and identified tens of millions of dollars of potential benefits through the implementation of an @UK Marketplace, demonstrating the global relevance of our system. We do not yet know how long these will take to convert into sales however the customer benefits are significant, and we would hope that they deliver in the next year.

In addition to this, our Indian office is now profitable and growing and while still early days, the signs are positive and our learning is very valuable for further roll out.

Financial results

Revenue for the six months to 30 June 2012 was £1,095,000, a decrease of 13% from £1,255,000 in the same period in 2011. This resulted in a decrease in gross profit to £841,000 (2011: £915,000).

Ecommerce revenues increased by 13.5% to £563,000 (2011 £496,000), delivering a gross profit of £510,000 (2011 £440,000) an increase of 16%. The comparable period is affected by the GeM contract win and after stripping out the effects of this significant contract win the underlying organic growth was 77% to £488,000 (2011 £276,000), resulting in an increase of 98% in gross profit to £435,000 (2011 £220,000).

Operating costs were £1,194,000 (2011: £1,122,000). After deduction of a charge for share based payments of £8,000 (2011: £9,000) the operating loss increased by 67% to £361,000 (2011: £216,000).

After finance costs of £2,000 (2011: £6,000), the loss before tax was £363,000, compared to £222,000 in 2011.

Cash increased to £94,000 (2011:£15,000).

Net Assets increased to £416,000 from the previous interim position of negative assets of £138,000.

Operational and Performance Review

The focus in the first half of the year has been in two key areas - the development of our overseas capabilities, in particular via our agreement with Visa, and the development of our UK sales team.

UK opportunities

The increased strength of our UK sales team has begun to deliver results. We now have 6 people in the team, increasing from 1 at this time last year. We have seen a significant increase in the number of SpendAnalysis and GreenAnalysis proposals being sent to NHS organisations and other public sector bodies, and we are making significant inroads into the 10,000 opportunities that we have identified.

There is a growing awareness of the need to implement Carbon Accounting across organisations, being driven by actions such as the UK Government's announcement that all companies listed on the London Stock Exchange shall be required to report their greenhouse gas (GHG) emissions from April next year. We have established ourselves as the market leader in product level carbon footprinting, and this has been an important factor in contract wins across public and private sector as organisations move from scope 1 (electric bills) to scope 3 (the entire carbon footprint of the organisation), and we believe will be a driver for future growth.

The UK private sector represents a growing area of opportunity for @UK and we are using our unique carbon reporting solution, alongside our global ecommerce solutions to help develop our presence in private sector procurement.

Another area being targetted by our UK sales team is the Social Care Marketplaces, building on the success of our leading early adopter client. There are approximately 160 local Government organisations who are required to implement individual budgets for citizens receiving care in the community and we have a lot of interest in our pilot site which is the first system to have citizens purchasing their own care.

GeM, our marketplace for all the UK's higher education sector, is progressing well, passing 10,000 users on its first anniversary. The focus for the next year is very much around growing transactions through the marketplace and ensuring that suppliers maximise their revenue generative opportunities across all of our customers. GeM suppliers are provided with a free @UK website for trading on GeM only, once they broaden out these websites across all of our buying communities they pay an annual licence fee. There are around 800 suppliers on GeM representing a significant up-sell opportunity for eCommerce and product level carbon coding.

We have delivered BASDA Utilities and Green XML and are now working on commercial pilots with the leading utility companies in preparation for rollout to their major customers. The pilots are due to complete by October 2012 followed by rollout in 2013.

The period has also seen @UK be named as an approved supplier under two UK public sector framework agreements.

In February we were delighted to be named as an approved supplier for the UK government's G-Cloud framework in each of the four lots of the framework. The G-Cloud is an initiative designed to consolidate cloud-based IT services into a shared framework for use by public authorities. Access to this framework will enable public sector IT services to be increasingly innovative, versatile and cost effective, through the ability to rent IT services on a pay per usage basis. The framework was tendered with an estimated value of £60 million. @UK believes it has a strong competitive position within the framework since it has the largest UK user base on its Platform as a Service offering, and believes it is the most efficient and greenest cloud provider.

In May, @UK was awarded a four year national eCommerce framework agreement for all UK public bodies. @UK was the only organisation named in all three lots of the framework, being Catalogue Solution, Spend Analysis and P2P Transaction Exchange and is therefore the only organisation that can provide a complete solution under the framework.The framework covers all UK public bodies, comprising the NHS, local authorities, educational establishments, police and emergency services, central Government departments and their agencies, registered charities, housing authorities and social landlords.

The Board believes both frameworks have the potential to be significant drivers of new business in future periods.

International opportunities

It is evident that our products are relevant in many markets outside the UK. While no significant revenues were derived in the period from international markets, we believe they have the potential to be significantly larger than the UK. Our initial focus is on markets that are culturally straightforward for us to do business in, with Australia and New Zealand representing significant opportunities. Whilst it is early days, we have interest in our entire product suite and in particular the combined proposition with Visa to embed electronic payment within the marketplace. In South East Asia in particular there is a real appetite for leading edge technology solutions and we hope to have live pilots up and running during 2013.

Outlook

Overall we are satisfied with progress in the first half, where we have put significant investment into building a pipeline across a wide range of opportunities.

Last year we had a strong second half, which means that we have a strong set of cash generating renewals to fund the second half of this year. This along with expected new sales gives us confidence in our ability to deliver full year results in line with expectations.

Ronald Duncan
Executive Chairman

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Notes	*6 months to 30 June 2012 £'000*	*6 months to 30 June 2011 £'000*	*Audited Year ended 31 Dec 2011 £'000*
Revenue	2	1,095	1,255	2,353
Cost of sales		(254)	(340)	(552)
Gross profit		841	915	1,801
Administrative expenses		(1,194)	(1,122)	(1,961)
Share based payments		(8)	(9)	(16)
Operating loss		(361)	(216)	(176)
Finance costs		(2)	(6)	(1)
Loss on ordinary activities before taxation		(363)	(222)	(177)
Income tax expense		11	34	89
Loss for the year attributable to equity shareholders of the parent		(352)	(188)	(88)
Loss per share - basic and diluted	3	0.5p	0.3p	0.1p

Revenue and operating loss all derive from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	30 June 2012 £'000	*30 June 2011 £'000*	*Audited 31 Dec 2011 £'000*
Assets			
Non-current assets			
Other intangible assets	344	-	240
Property, plant and equipment	93	42	43
	437	42	283
Current assets			
Trade and other receivables	352	413	385
Taxes recoverable	66	-	55
Cash and cash equivalents	94	15	420
	512	428	860
Total assets	949	470	1,143
Liabilities			
Current liabilities			
Trade and other payables	(519)	(583)	(655)
Financial liabilities - borrowings	(13)	(13)	(13)
	(532)	(596)	(668)
Non-current liabilities			
Financial liabilities - borrowings	(1)	(12)	(6)
	(1)	(12)	(6)
Total liabilities	(533)	(608)	(674)
Net assets/(liabilities)	416	(138)	469
Shareholders' equity			
Called up share capital	775	702	748
Share premium	11,087	10,369	10,823
Other reserve	630	630	630
Share based payment reserve	85	69	77
Accumulated losses	(12,161)	(11,908)	(11,809)
Total equity attributable to equity shareholders of the parent	416	(138)	469

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	6 months to 30 June 2012 £'000	*6 months to 30 June 2011 £'000*	*Audited Year ended 31 Dec 2011 £'000*
Cash flows from operating activities			
Loss before tax	(363)	(222)	(177)
Adjustments for:			
Finance expense	1	6	1
Depreciation of property, plant & equipment	20	25	38
Amortisation of other intangible assets	60	-	26
Share based payments	8	9	17
Changes in working capital			
Trade and other receivables	33	(213)	(184)
Trade and other payables	(136)	93	165
Net cash used by operations	(377)	(302)	(114)
Tax received	-	64	64
Net cash outflow from operating activities	(377)	(238)	(50)
Cash flows from investing activities			
Interest paid	(1)	(6)	(1)
Purchase of other intangible assets (including development expenditure capitalised)	(164)	-	(266)
Purchase of property, plant and equipment	(69)	(29)	(44)
Net cash used in investing activities	(234)	(35)	(311)
Cash flows from financing activities			
Issue of ordinary shares	291	265	765
Repayments of borrowings	(6)	(6)	(13)
Net cash generated from financing	285	259	752
Net increase/(decrease) in cash and cash equivalents	(326)	(14)	391
Cash and cash equivalents at beginning of period	420	29	29
Cash and cash equivalents at end of period	94	15	420

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)

	Share capital	*Share premium*	*Other reserve*	*Share based payment reserve*	*Accumul-ated losses*	*Total*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Balance as at 1 January 2011	649	10,157	630	60	(11,720)	(224)
Shares issued in the period	53	212	-	-	-	265
Loss for the period	-	-	-	-	(188)	(188)
Share based payments	-	-	-	9	-	9
Balance as at 30 June 2011	702	10,369	630	69	(11,908)	(138)
Shares issued in the period	46	454	-	-	-	500
Profit for the period	-	-	-	-	99	99
Share based payments	-	-	-	8	-	8
Balance as at 31 December 2011	748	10,823	630	77	(11,809)	469
Shares issued in the period	27	264	-	-	-	291
Loss for the period	-	-	-	-	(352)	(352)
Share based payments	-	-	-	8	-	8
Balance as at 30 June 2011	775	11,087	630	85	(12,161)	416

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

These interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report and Accounts for the year ended 31 December 2011 and the interpretation of those accounting standards underlying the accounting policies. IAS 34, Interim Financial Reporting, has not been applied. The interim financial statements have been issued in accordance with the AIM Rules of the London Stock Exchange and are unaudited. The financial information set out does not constitute statutory accounts for the purposes of section 434 of the Companies Act 2006. The auditors' report on the statutory accounts for the year ended 31 December 2011 which have been filed with the Registrar of Companies was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The preparation of financial statements requires estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although the estimates are based on management's best knowledge of the amounts, events or actions, actual results may differ from those estimates.

The interim statements for the six months ended 30 June 2012 will be published on the Company's website at www.ukplc.net.

This announcement was approved by the board of @UK PLC on • August 2012.

2. Revenue (unaudited)

Set out below is an analysis of revenue recognised and gross profit attributable between reportable segments:

Revenue	*6 months to 30 June 2012 £'000*	*6 months to 30 June 2011 £'000*	*Audited Year ended 31 Dec 2011 £'000*
Company formation services	469	606	1,022
Web and ecommerce services	563	496	1,105
Coding International Limited	63	153	226
	1,095	1,255	2,353
Gross Profit			
Company formation services	268	342	577
Web and ecommerce services	510	440	1,001
Coding International Limited	63	133	223
	841	915	1,801

3. Loss per share (unaudited)

The calculations for loss per share are based on the weighted average number of shares in issue during the period 76,662,757 (6 months to 30 June 2011: 69,870,284; year ended 31 December 2011: 70,172,119) and the following losses:

	6 months to 30 June 2012 £'000	*6 months to 30 June 2011 £'000*	*Audited Year ended 31 Dec 2011 £'000*
Unadjusted earnings:			
Loss on ordinary activities after tax	(352)	(188)	(88)
Add back:			
Share based payments	9	9	16
Adjusted earnings:	(343)	(179)	(72)

The share options and warrants are not dilutive as they would not increase the loss per share in the year.

The basic and diluted loss per share calculated on the adjusted earnings is 0.4p (6 months to 30 June 2011: 0.3p; year ended 31 December 2011: 0.1p).

4. Post Balance Sheet Events

There are no post balance sheet events requiring disclosure.