16 September 2015

Anpario plc (AIM: ANP)

Anpario plc, the international producer and distributor of natural feed additives for animal health, hygiene and nutrition is pleased to announce its interim results for the six months to 30 June 2015.

Financial and operational highlights[1]

Financial highlights

- 11% rise in adjusted EBITDA[2] to £1.9m (2014: £1.7m)
- 9% improvement in gross profit to £5.0m (2014: £4.6m)
- 8% increase in profit before tax from continuing operations to £1.6m (2014: £1.5m)
- 5% increase in underlying earnings per share from continuing operations[3] to 7.53p (2014: 7.14p)
- Cash balances of £7.9m at 30 June 2015 (31 Dec 2014: £6.6m)

Operational highlights

- Strong profit growth in the Americas and Asia Pacific of 17% and 11% respectively
- UK division continues to develop strongly with 27% growth in gross profit
- China subsidiary progresses with 31% growth in sales
- Brazilian subsidiary secures ownership of product registrations and import licence
- Group focused on higher margin additive products following sale of Organic feed division

Richard S Rose, Chairman, commented:
"The second half has started well and we are confident of maintaining the momentum of the first six months' performance. Our strong balance sheet, backed by the cash generative nature of the business leaves Anpario well positioned to finance further organic growth and also able to consider selective investments or earnings enhancing acquisitions as they arise."

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[1] *All prior-year values have been restated to reflect the disposal of the Organic division as discontinued operations.*

[2] *Adjusted EBITDA represents operating profit £1.58m (2014: £1.48m) adjusted for: share based payments £0.14m (2014: £0.07m); depreciation, amortisation and impairment charges of £0.19m (2014: £0.17m).*

[3] *Underlying earnings per share from continuing operations represents profit from continuing operations for the period before unwinding of discount on contingent consideration divided by the weighted average number of shares in issue.*

Chairman's Statement

Anpario has delivered a good performance for the six months to 30 June 2015 with further profit growth.

The Group is a leading international supplier of nutritional and biosecurity led natural products to food producers worldwide, offering a comprehensive solution to their problems. The global agricultural markets offer exciting prospects for growth: demand for meat protein is expanding worldwide and food producers are under increasing pressure to ensure production is aligned with best practice to maximise performance and minimise disease risk.

Anpario's strategy of establishing subsidiaries in its key sales regions continues to deliver value with strong organic growth in China, the UK and the US. The Group is now focused on the manufacture and sale of higher margin feed additive products having disposed of its UK Organic feed business.

Financial Review

Profit before tax from continuing operations increased by 8% to £1.6m (2014: £1.5m). Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) rose by 11% to £1.9m (2014: £1.7m). During the period there has been a 4% reduction in revenue as the business continues to focus on selling specialist feed additives into growth markets. This strategy, coupled with the positive effect of operational gearing has resulted in a gross profit improvement of 9% to £5.0 m (2014: £4.6m) with gross margin advancing by over five percentage points to 44.7% (2014: 39.3%).

In March 2015 the group disposed of its interest in the manufacture of Organic feed in the UK. The potential maximum cash consideration of £0.75m includes £0.25m deferred consideration relating to a performance linked earnout. Based on management's latest forecast of the expected earnout, £0.13m has been recognised in the accounts for the six months to 30 June 2015.

Basic earnings per share from continuing operations increased by 7% to 7.53p (2014: 7.02p). Underlying earnings per share increased by 5% in the period.

The balance sheet remains strong and debt free and at the period end the cash balance had reached £7.9m (30 June 2014: £5.7m). The Group has maintained its policy of capital investment to enhance efficiency with £0.5m spent in the period principally in plant improvement, product development and protection of global brand and product trademarks.

Operations – International Agriculture

The division continued its positive progress in its key regions of Asia Pacific and Latin America generating profit growth of 11% and 17% respectively in the first six months compared with the equivalent period last year. Within Latin America, sales to customers in Argentina, Bolivia, Chile, Colombia, and Costa Rica each delivered double-digit growth. There was a similar positive performance in Asia with sales in Bangladesh, India, Indonesia and the Philippines advancing strongly.

The Philippines achieved a 48% increase in volume in the first half of the year and demonstrates the increases in volumes which can be generated by working alongside partners to directly access end users. A great deal has been learned from this specific initiative, which will now be applied selectively in other countries during the second half of the year, focusing on specific product groups to drive further advances in sales and profit.

The objective over recent years has been to progressively rebalance sales away from higher volume, low margin commodity type products to focus on the added value, higher margin opportunities. This performance mirrors a similar trend in the UK which delivered a strong 27% increase in gross profit in the half year from a 3% reduction in volume and 5% increase in revenue.

Anpario's toxin binder category provides a clear example of the effect of this rebalancing strategy where the flagship brands, Neutox and Ultrabond, increased volume by 21% and 36% respectively, whilst the non-branded products reduced volume by 69%. The net result for the category was a reduction of 13% in volume and 3% in revenue but an impressive 16% increase in gross profit.

The ongoing political challenges in parts of the Middle East and Africa limited progress in Egypt, Iran and Nigeria in particular. Within Europe, the import ban implemented by the Russian government has affected sales to that country and also to some of its neighbours. The Group continues its prudent approach limiting its financial exposure in high risk countries, including Greece. The geographical diversity of the Group continues to demonstrate its value and there are early signs of improvement in some of these troubled territories which the Group is well placed to capitalise on.

In the US, our initial focus has been on the swine and poultry segments where we have made sales. Our technology has been well received by a number of key agricultural groups whom we are working closely with to demonstrate the performance and health benefits of our products. The removal of antibiotics from meat production in the US continues to be high on the agenda of many producers, especially in the poultry segment. In addition to launching Orego-Stim in the US and our key acidifier range, we have recently decided to launch Credence, our tablet disinfectant, which sanitises the drinking lines in poultry houses and water troughs for livestock and can also be used as a surface disinfectant. It is these features which have particularly interested US customers, who are looking for a package of measures to help them reduce the use of antibiotics and keep animals healthy for improved performance.

Our US subsidiary has also begun to target the ruminant sector, offering products which have performed well in the dairy segment in the UK and Ireland. Initial feedback from customers is encouraging and a number are testing the efficacy of these products.

Operations - UK Agriculture

The division has maintained its momentum in the first six months of the year and delivered strong double-digit growth in gross profit through its focus on the value added product groups within the portfolio. This success has been driven by the implementation of the life stage management initiative of our acidifier and phytogenic range in swine and poultry along with good progress in the ruminant sector with Ultrabond, our mycotoxin binder. These performance improvements enable farmers to maximise the price paid for milk, which is particularly pertinent in current market conditions.

The aim is to replicate this success throughout Continental Europe where there is an opportunity to access end users more easily and this has resulted in the consolidation of responsibilities for Europe and the UK as a single reporting division. This will enable greater resources to be applied to utilise the experience gained in the UK throughout Europe.

The divestment of the Organic animal feed division, Vitrition, in March has removed the effect on Anpario of the volatility inherent in that market and enabled the UK Agriculture division to focus on the strength of its specialty feed additive portfolio.

Innovation and development

A key platform for growth, as outlined in the strategic review in the 2014 annual report, is to combine science and marketing to add value to our offering and to differentiate Anpario from its competitors. Our research effort has been an important element in this process as is the need for greater specialisation in our key product areas. During the first half of the year, the Group has taken steps to realign the structure of the International Division on a species rather than product basis. The increased expertise in these areas is already providing a consistent solution that is focused on the needs of our customers and distributors. The improvement in the calibre of support available to the Group has already been successfully deployed in our subsidiaries in the US and China, with Brazil to follow later in the year. The Chinese subsidiary has successfully weathered the recent pricing volatility within the swine sector with an impressive 31% growth in local revenue in the first half of the year. Advancements into the poultry and feed mill sectors have started to contribute positively and look promising areas for growth.

The Group has prioritised its research effort by working closely with customers and leading universities to demonstrate the quality and value of its product portfolio in enhancing the health and performance of livestock. The flagship product groups of acidifiers and phytogenics are uniquely positioned as they offer a complete solution for all life stages of the animal, from birth to breeding, yet provide specific products that have been formulated with each life stage in mind, enabling the individual requirements of each consumer to be met, maximising their returns.

Our products have demonstrated an improvement of both primary and secondary antibody responses to specific challenges, a significant finding in disease management that is currently being evaluated further. The implication of improving the immunity of animals to disease not only supports the improvement in performance of animals consuming our products but would also facilitate the opportunity to reduce the use of medications such as antibiotics in animal feed when our products are included.

Outlook

The second half has started well and we are confident of maintaining the momentum of the first six months' performance. Our strong balance sheet, backed by the cash generative nature of the business, leaves Anpario well positioned to finance further organic growth and also able to consider selective investments or earnings enhancing acquisitions as they arise.

Richard S Rose
Chairman
16 September 2015

Unaudited consolidated income statement

for the six months ended 30 June 2015

	Notes	six months to 30/06/15 £000	restated[1] six months to 30/06/14 £000	restated[1] year ended 31/12/14 £000
Continuing operations				
Revenue	3	**11,143**	11,609	23,449
Cost of sales		**(6,164)**	(7,052)	(13,953)
Gross profit		**4,979**	4,557	9,496
Administrative expenses		**(3,396)**	(3,078)	(6,447)
Operating profit		**1,583**	1,479	3,049
Finance income		**27**	27	48
Finance cost of contingent consideration		**-**	(21)	(21)
Profit before income tax		**1,610**	1,485	3,076
Income tax expense		**(151)**	(195)	(107)
Profit for the period from continuing operations		**1,459**	1,290	2,969
Discontinued operations				
Profit for the period from discontinued operations (attributable to owners of the parent)	8	**368**	84	191
Profit for the period		**1,827**	1,374	3,160
Profit attributable to:				
Owners of the parent		**1,827**	1,374	3,160
Profit for the period		**1,827**	1,374	3,160
Basic earnings per share from continuing operations	4	7.53p	7.02p	16.14p
Diluted earnings per share from continuing operations	4	7.31p	6.37p	14.76p
Basic earnings per share	4	9.43p	7.48p	17.18p
Diluted earnings per share	4	9.16p	6.78p	15.71p

Unaudited consolidated statement of comprehensive income

for the six months ended 30 June 2015

	six months to 30/06/15 £000	restated[1] six months to 30/06/14 £000	restated[1] year ended 31/12/14 £000
Profit for the period	1,827	1,374	3,160
Items that may be subsequently reclassified to profit or loss:			
Exchange difference on translating foreign operations	(39)	(1)	(42)
Total comprehensive income for the period	1,788	1,373	3,118
Attributable to the owners of the parent:	1,788	1,373	3,118
Total comprehensive income attributable to equity shareholders arises from:			
– Continuing operations	1,420	1,289	2,927
– Discontinued operations	368	84	191
Total comprehensive income for the period	1,788	1,373	3,118

[1] Prior Year comparatives have been restated following the disposal of a discontinued operation as disclosed in note

Unaudited consolidated balance sheet

as at 30 June 2015

	Notes	**as at 30/06/15 £000**	as at 30/06/14 £000	as at 31/12/14 £000
Intangible assets	5	**10,014**	9,386	9,826
Property, plant and equipment	6	**3,083**	3,196	3,018
Deferred tax assets		**179**	204	179
Non-current assets		**13,276**	12,786	13,023
Inventories		**1,646**	1,585	1,711
Trade and other receivables		**6,975**	7,286	7,699
Cash and cash equivalents		**7,938**	5,698	6,631
Current assets		**16,559**	14,569	16,041
Total assets		**29,835**	27,355	29,064
Called up share capital	7	**5,040**	4,592	4,622
Share premium	7	**7,528**	3,973	4,051
Other reserves		**(3,807)**	(348)	(389)
Retained earnings		**16,289**	13,353	14,462
Total equity		**25,050**	21,570	22,746
Deferred tax liabilities		**1,044**	990	1,044
Non-current liabilities		**1,044**	990	1,044
Trade and other payables		**3,474**	4,358	5,129
Current income tax liabilities		**267**	437	145
Current liabilities		**3,741**	4,795	5,274
Total liabilities		**4,785**	5,785	6,318
Total equity and liabilities		**29,835**	27,355	29,064

Unaudited consolidated statement of changes in equity

for the six months ended 30 June 2015

	Called up share capital	Share premium	Other reserves	Retained earnings	Total equity
	£000	£000	£000	£000	£000
Balance at 1 January 2014	**4,573**	**3,922**	**(345)**	**11,979**	**20,129**
Profit for the period	-	-	-	1,374	1,374
Currency translation differences	-	-	(1)	-	(1)
Total comprehensive income for the period	-	-	(1)	1,374	1,373
Issue of share capital	19	51	-	-	70
Share-based payment adjustments	-	-	(2)	-	(2)
Transactions with owners	19	51	(2)	-	68
Balance at 30 June 2014	**4,592**	**3,973**	**(348)**	**13,353**	**21,570**
Profit for the period	-	-	-	1,786	**1,786**
Currency translation differences	-	-	(41)	-	**(41)**
Total comprehensive income for the period	-	-	(41)	1,786	**1,745**
Issue of share capital	30	78	-	-	**108**
Purchase of treasury shares	-	-	(116)	-	**(116)**
Share-based payment adjustments	-	-	116	-	**116**
Dividends relating to 2013	-	-	-	(677)	**(677)**
Transactions with owners	30	78	-	(677)	**(569)**
Balance at 31 December 2014	**4,622**	**4,051**	**(389)**	**14,462**	**22,746**
Profit for the period	-	-	-	1,827	1,827
Currency translation differences	-	-	(39)	-	(39)
Total comprehensive income for the period	-	-	(39)	1,827	1,788
Issue of share capital	418	3,477	-	-	3,895
Joint-share ownership plan	-	-	(3,415)	-	(3,415)
Share-based payment adjustments	-	-	36	-	36
Transactions with owners	418	3,477	(3,379)	-	516
Balance at 30 June 2015	**5,040**	**7,528**	**(3,807)**	**16,289**	**25,050**

Unaudited consolidated statements of cash flows

for the six months ended 30 June 2015

	six months to 30/06/15 £000	six months to 30/06/14 £000	year ended 31/12/14 £000
Cash generated from operating activities	**1,074**	1,338	3,500
Income tax paid	**(123)**	(91)	(253)
Net cash generated from operating activities	**951**	1,247	3,247
Purchases of property, plant and equipment	**(198)**	(271)	(289)
Proceeds from disposal of property, plant and equipment	**-**	19	34
Net proceeds from disposal of discontinued operations	**344**	-	-
Payments to acquire intangible assets	**(275)**	(158)	(574)
Interest received	**27**	27	48
Net cash used in investing activities	**(102)**	(383)	(781)
Purchase of treasury shares	**-**	-	(116)
Acquisition of shares by JSOP	**(3,415)**	-	-
Proceeds from issuance of shares	**3,895**	70	178
Dividend paid to Company's shareholders	**-**	-	(677)
Net cash used in financing activities	**480**	70	(615)
Net increase in cash and cash equivalents	**1,329**	934	1,851
Effect of exchange rate changes	**(22)**	(15)	1
Cash and cash equivalents at the beginning of the period	**6,631**	4,779	4,779
Cash and cash equivalents at the end of the period	**7,938**	5,698	6,631

Cash generated from operating activities	**six months to 30/06/15 £000**	restated[1] six months to 30/06/14 £000	restated[1] year ended 31/12/14 £000
Profit before income tax including discontinued operations	**1,623**	1,592	3,319
Net finance cost	**(27)**	(6)	(27)
Depreciation, amortisation and impairment	**195**	186	357
Profit on disposal of property, plant and equipment	**-**	-	(16)
Share-based payments	**36**	(2)	114
Fair value of contingent consideration	**130**	-	-
Changes in working capital:			
Inventories	**60**	214	129
Trade and other receivables	**673**	(321)	(755)
Trade and other payables	**(1,616)**	(325)	379
Net cash generated from operating activities	**1,074**	1,338	3,500

1. General information

Anpario plc ("the Company") and its subsidiaries (together "the Group") manufacture and supply high performance natural feed additives for the agricultural market with products to improve the health and output of animals.

The Company is traded on the London Stock Exchange Aim market and is incorporated and domiciled in the UK. The address of the registered office is Manton Wood Enterprise Park, Worksop, Nottinghamshire, S80 2RS.

2. Basis of preparation

The consolidated financial statements comprise the accounts of the Company and its subsidiaries drawn up to 30 June 2015.

The consolidated financial statements have been prepared on the basis of the accounting policies set out in the Group's financial statements for the year ended 31 December 2014, which are available on the Company's web site at www.anpario.com.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2014 were approved by the Board of Directors on 4 March 2015 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 (2) or (3) of the Companies Act 2006.

The consolidated interim financial information for the period ended 30 June 2015 is neither audited nor reviewed.

3. Segment information

	UK and Eire £000	International £000	Total £000
for the six months ended 30 June 2015			
Total segmental revenue	**2,051**	**9,798**	**11,849**
Inter-segment revenue	**(199)**	**(507)**	**(706)**
Revenue from external customers	**1,852**	**9,291**	**11,143**
Adjusted EBITDA	**399**	**1,514**	**1,913**
Depreciation, amortisation and impairment charges	**(2)**	**(193)**	**(195)**
Income tax expense	**(29)**	**(122)**	**(151)**
Total assets	**8,424**	**23,120**	**29,835**
Total liabilities	**(1,317)**	**(4,001)**	**(4,785)**
for the six months ended 30 June 2014 (restated)			
Total segmental revenue	1,582	10,451	12,033
Inter-segment revenue	-	(424)	(424)
Revenue from external customers	1,582	10,027	11,609
Adjusted EBITDA	129	1,599	1,728
Depreciation, amortisation and impairment charges	(22)	(159)	(181)
Income tax expense	(19)	(176)	(195)
Total assets	7,857	19,498	27,355
Total liabilities	(1,429)	(4,356)	(5,785)
Year ended 31 December 2014 (restated)			
Total segmental revenue	3,733	21,155	24,888
Inter-segment revenue	(281)	(1,158)	(1,439)
Revenue from external customers	3,452	19,997	23,449
Adjusted EBITDA	276	3,324	3,600
Depreciation, amortisation and impairment charges	(46)	(303)	(349)
Income tax credit/(expense)	59	(166)	(107)
Total assets	7,907	21,157	27,355
Total liabilities	(1,526)	(4,792)	(5,785)

A reconciliation of adjusted EBITDA to profit before income tax is provided as follows:

	six months to 30/06/15 £000	restated[1] six months to 30/06/14 £000	restated[1] year ended 31/12/14 £000
Adjusted EBITDA for reportable segments	**1,913**	1,728	3,600
Depreciation, amortisation and impairment charges	**(195)**	(181)	(349)
Share-based payment charges	**(135)**	(68)	(202)
Finance income	**27**	27	48
Finance cost of contingent consideration	**-**	(21)	(21)
Profit before income tax from continued operations	**1,610**	1,485	3,076

4. Earnings per share

	six months to 30/06/15	six months to 30/06/14	year ended 31/12/14
Weighted average number of shares in Issue (000's)	**19,366**	18,370	18,393
Adjusted for effects of dilutive potential Ordinary shares (000's)	**585**	1,881	1,717
Weighted average number for diluted earnings per share (000's)	**19,951**	20,251	20,110
Profit attributable to owners of the Parent from continuing operations (£000's)	**1,459**	1,290	2,969
Result of discontinued operations	**368**	84	191
Profit attributable to owners of the Parent (£000's)	**1,827**	1,374	3,160
Basic earnings per share from continuing operations	**7.53p**	7.02p	16.14p
Diluted earnings per share from continuing operations	**7.31p**	6.37p	14.76p
Basic earnings per share	**9.43p**	7.48p	17.18p
Diluted earnings per share	**9.16p**	6.78p	15.71p

	six months to 30/06/15 £000	six months to 30/06/14 £000	year ended 31/12/14 £000
Underlying profit attributable to owners of the Parent			
Profit attributable to owners of the Parent	**1,459**	1,290	2,969
Unwinding of discount on contingent consideration	**-**	21	21
Prior year tax adjustments	**-**	-	(318)
Underlying profit from continuing operations	**1,459**	1,311	2,672
Result of discontinued operations	**368**	84	191
Underlying profit attributable to owners of the Parent	**1,827**	1,395	2,863
Underlying earnings per share from continuing operations	**7.53p**	7.14p	14.53p
Diluted underlying earnings per share from continuing operations	**7.31p**	6.47p	13.29p
Underlying earnings per share	**9.43p**	7.59p	15.57p
Diluted underlying earnings per share	**9.16p**	6.89p	14.24p

5. Intangible assets

Group	Goodwill	Brands	Customer relationships	Patents, trademarks and registrations	Development costs	Total
	£000	£000	£000	£000	£000	£000
Cost						
As at 1 January 2015	5,490	2,210	686	423	2,392	11,201
Additions	-	-	-	26	249	275
As at 30 June 2015	**5,490**	**2,210**	**686**	**449**	**2,641**	**11,476**
Accumulated amortisation/impairment						
As at 1 January 2015	-	98	228	72	977	1,375
Charge for the period	-	18	34	26	9	87
As at 30 June 2015	**-**	**116**	**262**	**98**	**986**	**1,462**
Net book value						
As at 30 June 2015	**5,490**	**2,094**	**424**	**351**	**1,655**	**10,014**
As at 1 January 2015	5,490	2,112	458	351	1,415	9,826

6. Property, plant and equipment

Group	Land and buildings	Plant and machinery	Fixtures, fittings and equipment	Total
	£000	£000	£000	£000
Cost				
As at 1 January 2015	2,171	1,126	496	3,793
Additions	-	188	10	198
Disposals	-	(44)	-	(44)
As at 30 June 2015	**2,171**	**1,270**	**506**	**3,947**
Accumulated depreciation				
As at 1 January 2015	214	358	203	775
Charge for the period	15	58	35	108
Disposals	-	(19)	-	(19)
As at 30 June 2015	**229**	**397**	**238**	**864**
Net book value				
As at 30 June 2015	**1,942**	**873**	**268**	**3,083**
As at 1 January 2015	1,957	768	293	3,018

7. Share Capital

	Number of shares (thousands)	Share capital £000	Share premium £000	Total £000
Balance at 1 January 2014	**19,881**	**4,573**	**3,922**	**8,495**
Share options exercised	83	19	51	70
Balance at 30 June 2014	**19,964**	**4,592**	**3,973**	**8,565**
Share options exercised	130	30	78	108
Balance at 31 December 2014	**20,094**	**4,622**	**4,051**	**8,673**
New JSOP	1,177	271	3,143	3,414
Share options exercised	643	147	334	481
Balance at 30 June 2015	**21,914**	**5,040**	**7,528**	**12,568**

On 9 March 2015, a total of 1,176,718 new Ordinary Shares were allotted. The Ordinary Shares have been issued at a subscription price of 290p per Ordinary Share, being the closing price of an Ordinary Shares on 6 March 2015, pursuant to The Anpario plc Employees' JSOP (the "Plan").

The Ordinary Shares have been issued into the respective joint beneficial ownership of (i) each of the participating executive Directors and (ii) the trustee of the Trust upon and subject to the terms of joint ownership agreements ("JOAs") respectively entered into between the Director concerned, the Company and the Trustee. The subscription price has been paid by the Trust out of funds advanced to it by the Company.

The terms of the JOAs provide, inter alia, that if jointly owned shares become vested and are sold, the proceeds of sale will be divided between the joint owners so that the participating Director receives an amount equal to any growth in the market value of the jointly owned Ordinary Shares above the initial market value (£2.90 pence per share), less a "carrying cost" (equivalent to simple interest at 4.5 per cent per annum on the initial market value) and the Trust receives the initial market value of the jointly owned shares plus the carrying cost. Jointly owned Ordinary Shares will become vested if the participant remains with the Company for a minimum period of 3 years.

Options exercised during the period to 30 June 2015 under the employee share option scheme, resulted in 643,292 shares being issued (30 June 2014: 83,478 shares), with exercise proceeds of £211,000 (30 June 2014: £108,000) received.

8. Discontinued operations

On 3 March 2015, the Group sold assets, as part of the disposal of its Organic feed business, Vitrition, for £750,000 net proceeds inclusive of £250,000 relating to a production related earn out.

The post tax gain on disposal of discontinued operations was determined as follows:

	£000
Initial consideration received	500
Fair value of contingent consideration	130
Proceeds from sale of inventory	144
Total consideration	**774**
Assets disposed:	
- Property, plant and equipment	(25)
- Inventory	(144)
Costs of disposal	(156)
Pre tax gain on disposal of discontinued operation	**449**
Related tax expense	(91)
Post tax gain on disposal of discontinued operation	**358**

The results of discontinued operations was determined as follows:

	six months to 30/06/15 £000	restated[1] six months to 30/06/14 £000	restated[1] year ended 31/12/14 £000
Revenue	**481**	1,500	3,119
Cost of sales	**(460)**	(1,369)	(2,826)
Administrative expenses	**(8)**	(24)	(50)
Tax expense	**(3)**	(23)	(52)
Post tax gain on disposal of discontinued operation	**358**	-	-
Profit for the period from discontinued operations	**368**	84	191

The cash flows from discontinued operations are not material.