



Amino Technologies plc
Interim Report 6 months to June 2004





Amino Technologies plc

Interim Results

For the six months ended 30 June 2004

Interim Results Announcement

Amino Technologies plc ("Amino"; stock code : AMO), the Cambridge based broadband network software and systems company, presents its unaudited consolidated results for the six-month period ended 30 June 2004

Key points:

- These are Amino's maiden results since floating on AIM on 9 June 2004.
- Results reflect the early stages of commercialising Amino's technology for enabling the provision of digital TV and video services ("IPTV") across broadband telecoms networks.
- Turnover jumped to £7.42m from £0.15m in the first half last year and £0.89m in the second half of 2003.
- Profit before tax and exceptional items was £0.84m (H1 2003: loss of £1.57m; full year 2003: loss of £3.39m).
- Profit before tax was £0.51m and basic earnings per share were 2.4p.
- Net new funds raised at the time of its IPO were £6.31m and cash and short-term investments were £9.14m at 30 June 2004.
- Shipments of AmiNET units were 91,765 (H1 2003: 859).
- Sharp increases in companies evaluating Amino products in 50 countries in Europe, USA and the Far East.

On outlook, Grant Masom, Chairman stated:

"Amino has secured a significant early leadership position in the infant IPTV market. We are confident that the number of systems where we have been "designed in", the strength of our partner relationships, and our technology and price leadership underpin our prospects as the market continues to evolve and expand.

"The results for the first half of the year match our expectations and we look forward with confidence to the second half of the current year and beyond."

About Amino

Amino (www.aminocom.com) is a designer and supplier of electronic systems and consultancy, specialising in products for digital broadcast and on-demand TV, IPTV (telco triple-play applications) and in-home multimedia distribution.

Its range of small, low cost, high functionality set-top boxes and gateway products is designed for consumer applications in telecom, satellite and digital terrestrial broadcast markets, as well as on-demand systems for hotels and hospitality markets, healthcare, retail and education. Amino also provides systems consultancy, and partners with world-leading companies in content aggregation, middleware, conditional access, and head-end systems.

Contacts

Amino Technologies:

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Bob Giddy, Chief Executive

Stuart Darling, Finance Director

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Interim Results

For the six months ended 30 June 2004

CHAIRMANS STATEMENT

Introduction

On 9 June 2004, Amino became a public company via a flotation on the AIM market. This step was to provide increased credibility and balance sheet strength to enable us to engage with large blue-chip clients. We are satisfied that this objective has been achieved successfully.

Results and finance

The results for the half year to 30 June 2004 reflect the early stages of commercialising of Amino's technology with the start of volume shipments to customers.

Turnover for the period was £7.42 million; this compares with £0.15 million in the first half of last year and £0.89 million in the second half of 2003. Profit before tax and exceptional items was £0.84 million (first half 2003: loss of £1.57 million; year to 31 December 2003: loss of £3.39 million). Exceptional costs of £0.33 million relate to the costs of Admission to AIM; a further £0.36 million of costs, also relating to Admission, were charged against the share premium account. The profit before tax was £0.51 million and basic earnings per share were 2.4p.

Net new funds raised at the time of Admission were £6.31 million and total net cash and short-term investments were £9.14 million as at 30 June 2004.

Operations

Six months ago, the market for the provision of digital TV and video services across broadband telecommunications networks ("IPTV") was seen as being poised for growth. Pioneers had taken the first steps, with a handful of visible deployments in key regions. Major equipment vendors had developed the various elements required to build robust end-to-end IPTV systems in an open standard environment, and the technical obstacles had been largely overcome. The compelling commercial argument in favour of telcos offsetting falling voice and data revenues with new revenue from IPTV services was being recognised by many operators.

Since then, the market has started to evolve at great speed. Early adopters are now rolling out systems in America and the Far East. Deployments are emerging in parts of Europe. In the more developed markets, larger telcos are announcing the upgrades to their networks required to support IPTV services. Although end-user shipments are still relatively low compared with established consumer markets, major consumer electronics companies are showing significant interest in providing IPTV solutions.

Amino has played a key part in the rapid emergence of this market. When announcing our first AmiNET products in September 2002, we recognised that, once technical obstacles had been overcome, the take-up of IPTV would be determined by how quickly the industry could deliver solutions to the customer at competitive cost. The equipment needed at the end customer's site (e.g. a set-top box, or embedded software or hardware), is a large part of this cost, and Amino has been an aggressive market leader in driving this cost down to the levels needed. Our success is evidenced by our extensive range of partners, comprising many of the best-known names in the telecommunications and television equipment marketplace, who have introduced Amino into a wide range of trial and active rollout opportunities. We are grateful for their support.

Amino is a UK company and many of our shareholders are based in the UK. Therefore it is tempting to view Amino's prospects from the perspective of the UK market. Like a number of other long-established telecommunications markets, the publicly available broadband infrastructure in the UK is currently not capable of supporting the full range of IPTV services possible in other regions. However,

Interim Results

For the six months ended 30 June 2004

IPTV can be delivered across private high-speed broadband networks and we are currently actively rolling out a nationwide IPTV deployment within a major UK hotel chain. This involves not only the supply of set top boxes, but also the complete system solution. Early indications of customer acceptance are encouraging.

Amino's recent revenue growth has been significant. However, we measure the progress that we are making by tracking key metrics across the whole sales cycle - from initial evaluation, through field trials, and on into volume rollout. Once "designed in" and part of a field trial, the complexities of an IPTV solution mean that there are very significant barriers to entry for any competitor, and the future revenue streams for Amino from that opportunity are primarily a direct result of the telco's commercial success with the new service. Currently, we see the sales cycle as being typically 9 to 12 months from initial evaluation to first volume orders.

Compared with the period to 30 June 2003, the current numbers of evaluations, trials and active rollouts are:

- 91,765 AmiNET units shipped in the period, up from 859;
- Customers evaluating Amino products increased from 147 to 366, of these;
 - 30 customers are now deploying AmiNET STBs in field trials (orders of 100 to 1,000 units)
 - A further 20 customers are now deploying AmiNET STBs in volume roll-out (total orders of 1,000 units or more)
- Customers in 50 countries across Europe, USA and the Far East.

We believe this growing pipeline gives a strong platform for Amino's future prospects, particularly since most rollouts are still in their early stages.

Outlook

Amino has secured a significant early leadership position in the infant IPTV market. We are confident that the number of systems where we have been "designed in", the strength of our partner relationships, and our technology and price leadership underpin our prospects as the market continues to evolve and expand. However, we recognise that the leaders in the early phases of a market are not always able to translate that leadership into the large volume phases. We therefore offer our customers:

- Flexible business models;
- Direct product supply;
- Own-label manufacturing; and
- A range of licensing options.

We believe that this flexibility will enable us to translate our early leadership into a significant role in the emerging mass market. We also continue to invest heavily in our underlying technology, with half of our personnel being focused on research and development.

The results for the first half of the year match our expectations and we look forward with confidence to the second half of the current year and beyond.



Grant Masom
Chairman

26 July 2004

Amino Technologies plc

Consolidated profit and loss account

For the six months ended 30 June 2004

		Six months ended 30 June 2004	<i>Six months ended 30 June 2003</i>	<i>Year ended 31 December 2003</i>
	<i>Notes</i>	Unaudited £	<i>Unaudited £</i>	<i>Audited £</i>
Turnover	5	7,419,765	145,903	1,036,598
Cost of sales		(4,234,048)	(144,559)	(739,911)
Gross profit		3,185,717	1,344	296,687
Selling, general and administrative (non-exceptional expenses)		(1,802,776)	(1,116,212)	(2,498,774)
Selling, general and administrative (exceptional expenses)	6	(325,742)	–	(1,043,400)
Selling, general and administrative expenses		(2,128,518)	(1,116,212)	(3,542,174)
Research and development expenses		(674,459)	(584,774)	(1,259,828)
Other operating income		94,873	102,281	45,535
Group operating profit/(loss)		477,613	(1,597,361)	(4,459,780)
Interest receivable and similar income		65,004	25,179	45,501
Interest payable and similar charges		(28,149)	–	(15,490)
Group profit/(loss) on ordinary activities before taxation		514,468	(1,572,182)	(4,429,769)
Tax on profit/(loss) on ordinary activities	7	558,000	30,000	540,000
Group profit/(loss) on ordinary activities after taxation being profit/(loss) for the financial period		1,072,468	(1,542,182)	(3,889,769)
Basic earnings/(loss) per 1p ordinary share	8	2.4p	(6.0)p	(13.0)p
Diluted earnings/(loss) per 1p ordinary share	8	2.3p	(6.0)p	(13.0)p

All amounts relate to continuing activities.

The Group has not recognised gains or losses in either the current year or the preceding year other than the loss shown above and therefore a statement of total recognised gains and losses has not been prepared.

The accompanying notes are an integral part of these interim financial statements.

Amino Technologies plc

Consolidated balance sheet

As at 30 June 2004

		30 June 2004 Unaudited £	30 June 2003 Unaudited £	31 December 2003 Audited £
	<i>Notes</i>			
Fixed assets				
Intangible assets		60,812	5,483	32,617
Tangible assets		453,612	308,377	354,710
		514,424	313,860	387,327
Current assets				
Stocks		524,152	67,154	232,047
Debtors: amounts falling due after one year		82,250	82,250	82,250
Debtors: amounts falling due within one year	10	3,312,626	620,327	1,447,210
Trade debtors subject to financing stated net of non-returnable amounts received	10	1,038,571	–	190,004
Short-term investments		6,930,000	1,351,546	3,730,000
Cash at bank and in hand		2,214,004	132,936	1,214,926
		14,101,603	2,254,213	6,896,437
Creditors: Amounts falling due within one year	11	(2,132,141)	(436,621)	(2,740,346)
Net current assets		11,969,462	1,817,592	4,156,091
Total assets less current liabilities		12,483,886	2,131,452	4,543,418
Creditors: Amounts falling due after more than one year		(124,139)	(150,000)	(141,188)
Net assets		12,359,747	1,981,452	4,402,230
Capital and reserves				
Called-up share capital	12	510,380	322,127	442,672
Share premium account		6,582,050	–	–
Merger reserve		16,388,755	11,450,310	16,098,130
Profit and loss account		(11,121,438)	(9,790,985)	(12,138,572)
Equity shareholders' funds	13	12,359,747	1,981,452	4,402,230

The interim financial statements on pages 4 to 12 were approved by the board of directors on 26 July 2004, were signed on its behalf by:

Robert J Giddy
Director

Stuart Darling
Director

The accompanying notes are an integral part of these interim financial statements

Consolidated cash flow statement

For the six months ended 30 June 2004

	<i>Six months ended 30 June 2004</i>	<i>Six months ended 30 June 2003</i>	<i>Year ended 31 December 2003</i>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
Notes	£	£	£
Net cash outflow from operating activities	14 (1,488,619)	(1,696,877)	(4,068,455)
Returns on investments and servicing of finance			
Interest received	65,004	25,179	45,501
Interest paid	(28,149)	–	(15,490)
Net cash inflow from returns on investments	36,855	25,179	30,011
Taxation	–	–	231,816
Capital expenditure and financial investment			
Purchase of tangible fixed assets	(165,786)	(292,972)	(378,640)
Purchase of intangible fixed assets	(43,721)	(6,367)	(37,494)
Sale of tangible fixed assets	–	14,922	2,415
Net cash outflow for capital expenditure and financial investment	(209,507)	(284,417)	(413,719)
Net cash outflow before use of liquid resources and financing	(1,661,271)	(1,956,115)	(4,220,347)
Management of liquid resources			
Increase in short-term deposits with banks	(3,200,000)	(448,048)	(2,826,502)
Financing			
Issue of ordinary share capital	6,999,999	2,276,856	7,310,098
Expenses of share issue deducted from share premium	(359,616)	(133,377)	(398,254)
Cash received from exercise of share options	244,666	–	–
(Decrease)/increase in other borrowings	(17,049)	187,500	176,270
(Decrease)/increase in bank borrowings	(1,007,667)	40,111	1,007,652
Net cash inflow from financing	5,860,333	2,371,090	8,095,766
Increase/(decrease) in net cash	999,062	(33,073)	1,048,917
Reconciliation of net cash flow to movement in net funds			
Opening net funds	3,937,259	1,069,492	1,069,492
Increase/(decrease) in net cash	999,062	(33,073)	1,048,917
Increase in deposits	3,200,000	448,048	2,826,502
Decrease/(increase) in borrowings	1,007,667	(40,111)	(1,007,652)
Closing net funds	9,143,988	1,444,356	3,937,259

Notes to the interim financial statements

Six months ended 30 June

1 Group structure

The Group comprises the following companies:

Amino Technologies plc, a public limited company formed on 24 March 2004 to act as the new holding company for the Amino group. Under a share-for-share reorganisation effected in May 2004, the Company acquired the entire issued share capital of Amino Holdings Limited.

Amino Holdings Limited, formed in 1996, and formerly the holding company of the Group. It is now an intermediate holding company, which owns the entire issued share capital of Amino Communications Limited and Amino Communications, L.L.C.

Amino Communications Limited, formed in 1998, and the principal trading company of the Group.

Amino Communications, L.L.C., a US limited liability company established on 1 March 2004 to facilitate sales and customer support in the US market.

2 Accounting reference date

The Group has changed its year-end from 31 December to 30 November in order to overcome the logistical challenges presented by the year-end holiday period. These interim results for the six months ending 30 June 2004 represent the first reported results following Amino's admission to the Alternative Investment Market on 9 June 2004. Amino's next set of results will be for the eleven months to 30 November 2004. Thereafter, it will report results made up to 31 May and 30 November each year.

3 Basis of preparation

The consolidated financial statements of Amino Technologies plc have been presented under merger accounting rules. This means that the financial statements of Amino Technologies plc and those of its wholly owned subsidiary, Amino Holdings Limited have been aggregated and presented as if the two companies have always been together. Accordingly, although Amino Technologies plc acquired the entire share capital of Amino Holdings Limited on 28 May 2004 in exchange for new ordinary shares of 1p each in the share capital of Amino Technologies plc, the results of both companies are reflected in the group financial statements for the period to 30 June 2004 and the corresponding amounts are presented on the same basis.

The figures for the six-month periods ended 30 June 2004 and 30 June 2003 have not been audited. The figures for the year ended 31 December 2003 have been extracted but do not constitute the consolidated financial statements of Amino Holdings Limited for that year. Those financial statements have been delivered to the Registrar of Companies and included an auditors' report, which was unqualified and did not contain a statement under Section 237 Companies Act 1985.

4 Accounting policies

These interim financial statements for the six months ended 30 June 2004, which have been prepared in accordance with the accounting policies set out in the consolidated financial statements of Amino Holdings Limited for the year ended 31 December 2003, do not constitute statutory accounts for the purpose of section 240 of the Companies Act 1985.

Notes to the interim financial statements

Six months ended 30 June 2004

5 Turnover

Turnover is wholly attributable to the Group's principal activities of developing enabling technologies and providing price competitive, flexible and rapidly deployable designs to manufacturers and vendors of set top boxes, home gateways and other communications devices. The analysis of turnover by destination is set out below.

	Six months ended 30 June 2004 Unaudited £	<i>Six months ended 30 June 2003 Unaudited £</i>	<i>Year ended 31 December 2003 Audited £</i>
United Kingdom and Europe	2,587,298	96,683	385,548
North America	3,555,276	45,385	412,747
Asia Pacific and Africa	1,277,191	3,835	238,303
	<u>7,419,765</u>	<u>145,903</u>	<u>1,036,598</u>

6 Exceptional expenses

Included in selling, general and administrative expenses is an amount of £325,742 (Year ended 31 December 2003: £1,043,400) in respect of exceptional costs incurred by Amino Technologies plc. These exceptional costs primarily relate to legal and professional fees incurred as a result of the admission of Amino Technologies plc to the Alternative Investment Market on 9 June 2004. A further £359,616 of exceptional costs relating to the admission were charged against the share premium account. (see note 12)

Exceptional costs incurred of £1,043,400 in the year ended 31 December 2003 are in respect of exceptional accrued bonuses for directors, for preparing the company for a successful floatation.

7 Tax on profit/(loss) on ordinary activities

The Group had recognised deferred tax assets as follows:

	Six months ended 30 June 2004 Unaudited £	<i>Six months ended 30 June 2003 Unaudited £</i>	<i>Year ended 31 December 2003 Audited £</i>
Amount recognised	<u>558,000</u>	<u>30,000</u>	<u>540,000</u>

The directors have recognised a deferred tax asset in respect of taxable losses based on their expectation of the Group generating taxable profits in the period ahead.

Notes to the interim financial statements

Six months ended 30 June 2004

8 Earnings/(loss) per share

	<i>Six months ended 30 June 2004 Unaudited £</i>	<i>Six months ended 30 June 2003 Unaudited £</i>	<i>Year ended 31 December 2003 Audited £</i>
Earnings/(loss) attributable to shareholders	<u>1,072,468</u>	<u>(1,542,182)</u>	<u>(3,889,769)</u>
Weighted average number of shares (Basic)	<u>45,475,417</u>	<u>25,685,858</u>	<u>29,975,156</u>
Weighted average number of shares (Diluted)	<u>45,698,282</u>		

The calculation of basic earnings/(loss) per share is based on profit/(loss) after taxation and the weighted average of ordinary shares of 1p each in issue during the period.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The group has only one category of dilutive potential ordinary share options: those share options where the exercise price is less than the average market price of the company's ordinary shares during the period. There is no dilutive effect in respect of previous years since the Group made a loss in the year ended 31 December 2003.

9 Dividends

The directors have not declared an interim dividend and do not intend to pay a dividend in respect of the current financial period ending on 30 November 2004, thereafter, they expect to operate a progressive dividend policy, profitability permitting.

Notes to the interim financial statements

Six months ended 30 June 2004

10 Debtors

	30 June 2004 Unaudited £	30 June 2003 Unaudited £	31 December 2003 Audited £
Amounts falling due within one year:			
Trade debtors (not subject to financing)	1,509,440	115,056	214,383
Corporation tax	–	261,816	–
VAT	85,366	48,652	47,664
Deferred tax	1,098,000	–	540,000
Other debtors	36,345	6,827	3,317
Prepayments and accrued income	583,475	187,976	641,846
	<u>3,312,626</u>	<u>620,327</u>	<u>1,447,210</u>
Amounts falling due within one year:			
Trade debtors subject to financing	1,038,571	–	495,536
Less: Non-returnable amounts received	–	–	(305,532)
	<u>1,038,571</u>	<u>–</u>	<u>190,004</u>

11 Creditors: Amounts falling due within one year

	30 June 2004 Unaudited £	30 June 2003 Unaudited £	31 December 2003 Audited £
Bank loans and overdrafts	–	40,126	702,135
Other loans	35,082	37,500	35,082
Deposits received from customers	–	–	386,263
Trade creditors	492,821	210,099	314,599
Taxation and social security	924,982	124,744	67,806
Other creditors	–	3,459	–
Accruals and deferred income	679,256	20,693	1,234,461
	<u>2,132,141</u>	<u>436,621</u>	<u>2,740,346</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of Amino Communications Limited.

Notes to the interim financial statements

Six months ended 30 June 2004

12 Called-up share capital

Ordinary shares of 1p each

	30 June 2004	30 June 2003	31 December 2003
	Unaudited	Unaudited	Audited
	£	£	£
Authorised			
Nominal value	1,000,000	375,000	460,000
Number	100,000,000	37,500,000	46,000,000
Allotted, called-up and fully-paid			
Nominal value	510,380	322,127	442,672
Number	51,038,052	32,212,700	44,267,219

Share issues

On 9 June 2004, the Company allotted 5,833,333 ordinary shares of 1p each at 120p per share for cash consideration of £6,999,999 and was admitted to the Alternative Investment Market in order to provide increased credibility and balance sheet strength. The net proceeds of the private placement amounted to £6,640,383 after costs of £359,616. (see note 6)

On 1 April 2004, Amino Holdings Limited subscribed for 99,998 ordinary shares of £1 each at £100 per share in Amino Communications Limited, consideration for which was satisfied by way of the partial repayment of an existing loan from Amino Communications Limited. On 5 May 2004, Amino Communications Limited cancelled £9,899,802 of the share premium created from the above subscription, reducing the accumulated deficit on its profit and loss account and bringing forward the time when it may be in a position to pay dividends to Amino Holdings Limited. However, since this capital deduction was a series of intra-group transactions which eliminate on consolidation, this gives rise to a Group profit and loss reserve deficit of £11,121,438.

Share options

The Company operates share options schemes for employees and certain former employees of group companies. Substantially all options granted under these schemes will be satisfied out of ordinary shares of 1p each issued to an Employee Benefit Trust set up in February 2003.

	30 June 2004	30 June 2003	31 December 2003
	Unaudited	Unaudited	Audited
	£	£	£
Shares held by the Employee Benefit Trust	4,064,030	4,562,500	5,500,000
Subsisting Options			
Options granted to current and former employees and non-executive directors	4,518,715	2,408,755	4,302,441
Other options granted	198,812	118,812	178,812
	4,717,527	2,527,567	4,481,253

Notes to the interim financial statements

Six months ended 30 June 2004

13 Reconciliation of movements in shareholders' funds

	30 June 2004	30 June 2003	31 December 2003
	Unaudited	Unaudited	Audited
	£	£	£
Opening shareholders' funds	4,402,230	1,494,998	1,494,998
Profit/(loss) for the period	1,072,468	(1,542,182)	(3,889,769)
Issue of ordinary share capital - capital	67,708	–	120,545
Issue of ordinary share capital - share premium	6,941,666	–	–
Issue of ordinary share capital to Employee Benefit Trust	(300,000)	(1,277,500)	(1,277,500)
Expenses of share issue	(359,616)	–	–
Reversal of share compensation charge	–	12,098	12,098
Exercise of employee share options	244,666	–	–
Movement on merger reserve	290,625	3,294,038	7,941,858
	<u>12,359,747</u>	<u>1,981,452</u>	<u>4,402,230</u>

14 Reconciliation of operating loss to net cash outflow from operating activities

	30 June 2004	30 June 2003	31 December 2003
	Unaudited	Unaudited	Audited
	£	£	£
Operating profit/(loss)	477,613	(1,597,361)	(4,459,780)
Share compensation charge	–	12,098	12,098
Depreciation and amortisation charge (including loss on disposals)	82,410	39,012	94,850
Increase in stocks	(292,105)	(8,981)	(173,874)
Increase in debtors	(1,850,451)	(53,186)	(1,097,421)
Increase/(decrease) in creditors	93,914	(88,459)	1,555,672
Net cash outflow from continuing operating activities	<u>(1,488,619)</u>	<u>(1,696,877)</u>	<u>(4,068,455)</u>

Introduction

We have been instructed by the company to review the financial information which comprises the profit and loss account, summarised balance sheet, summarised cash flow statement and the related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report and the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with United Kingdom Auditing Standards and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2004.

PricewaterhouseCoopers LLP Chartered Accountants

Cambridge

26 July 2004

Notes:

- (a) The maintenance and integrity of the Amino Technology plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the website.
- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Amino Technologies plc

Directors and Advisers

Directors	Grant Anthony Masom, <i>Non-executive Chairman</i> Robert John Giddy, <i>Chief Executive</i> Stuart Darling, <i>Finance Director</i> Nicholas Christopher Dwelly Kuenssberg, <i>Non-executive Director</i> Colin Richard Smithers, <i>Non-executive Director</i>
Registered Office	Prospect House Buckingway Business Park Anderson Road Swavesey Cambridge CB4 5UQ
Secretary	Stuart Darling
Nominated Adviser and Stockbroker	KBC Peel Hunt Ltd 111 Old Broad Street London EC2N 1PH
Auditors	PricewaterhouseCoopers LLP Abacus House Castle Park Cambridge CB3 0AN
Solicitors to the Company	Hewitsons Shakespeare House 42 Newmarket Road Cambridge CB5 8EP
Principal Bankers	Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB
Registrars and Receiving Agents	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU



The AmiNET103 is an ultra-compact and elegant MPEG2 set-top box for IP-TV and video on demand applications.

The AmiNET103 joins the family of Amino Digital Set-top Box solutions that provide a common starting point for products which may have different network interfaces, user interfaces or service delivery mechanisms.

With an Ethernet input and TV video and audio output only, the STB provides an elegant, low cost and powerful means of delivering sophisticated interactive digital television including multicast and on demand video along with Internet access.

Various memory options are available, depending on the complexity of the software to be supported. For minimum cost, the STB can boot its environment over the network, or additional NAND Flash memory can be fitted to enable it to boot from internal resources.

The embedded Web Browser with Amino's **JMACX** HTML and JavaScript extensions provides the primary user interface and the support required to control a sophisticated video-on-demand and IP multicast system, with full 'trick-play' functionality and picture-in-graphics.

A wide variety of additional Middlewares and Conditional Access systems are available from Amino's industry leading partners.

Low power consumption means cool running and high reliability.

Branding can be altered in line with customer needs.



Main Features

- Compact, elegant, award-winning design
- Silent operation - no forced air cooling
- Supported by leading Middleware and Conditional Access vendors
- Flexible audio and video output:
 - o Composite Video, Stereo Audio
 - o PAL and NTSC
 - o 4:3 and 16:9 formats
- Teletext/closed caption decoding and sub-titling
- IR Remote Control
 - o Combines Set-Top and TV command functions
- Interface to 10/100BaseT Ethernet
- MPEG1 & 2 MP@ML at up to 10 Mbps
- 24-bit colour graphics with alpha-blending and picture in graphics
- Protocols
 - o Multicast IPTV (IGMP control)
 - o Video on Demand (RTSP control)
- Key-protected, scalable multicast software booting option
- Remote Management and Software upgrade via network
- Macrovision Copy Protection

Optional Features

- IR Keyboard
- Networked Gaming via G-Cluster
- Macromedia Flash support
- Smart card based or smartcard-less Conditional Access
- Input Method Engines (IME)



Application Development

Amino software technology is based on open standards such as Linux and Java. Application developers for the AmiNET103 benefit from JavaScript or Java APIs, which provide full control of the STB functions.

Microwindows is provided to support graphics based applications, such as the Browser. This includes the Amino **JMACX** system, which provides the service operator with a powerful set of HTML and JavaScript extensions. The JMACX extensions allow simple, and highly effective user interface designs to be created or ported.

Supported Browsers

The AmiNET103 supports a variety of HTML browsers including: ANT Fresco (provided as standard), Opera*, and Espial Escape*.

Supported Middlewares

Amino set-top box products are supported by leading IPTV Middleware providers. Application developers may also build an IPTV application to run on the browser, or make use of the Amino JMACX interface.

Content Security

AmiNET103 is compatible with a variety of smartcard-based and smartcard-less content protection & rights management software, allowing customers to choose the appropriate security to meet their needs.

Games Support

Games provide an excellent opportunity for service providers to introduce a new revenue-bearing service. The G-Cluster games client is ported to the AmiNET103 and provides the user with state of the art, centrally served PC games.

Software Update and Maintenance

The AmiNET103s may hold their software in Flash Memory, which can be minimal for network booting, or increased to hold the full software image. Software updates can be completed securely in the field.

Installation

The AmiNET103 connects to the TV Set using a Phono to SCART or Phono-Phono lead. An external connection to modem may be required for non-Ethernet deployments, installer configuration is on-screen via internal HTML pages.

* Require 64 MBytes

Detailed Specification

Outputs	Composite Video, Stereo Audio Standard definition PAL or NTSC
Graphics Resolution	640x576
Codecs	MPEG1 & MPEG2 MP@ML, up to 10Mbps
Smart Card Interface	ISO-7816
Size	100 x 34 x 93 mm
Construction	One-piece Aluminium Extrusion
Power	5V, 400mA
Operating Environment	ETS 300-019-1-3 Class 3.1
EMC Conformance	EN55022. FCC Part 15.
Safety Approvals	Safety certification to EN60950, and ELSVD. CE, CB and CSA Safety approval.

Accessories

Multi-function IR Remote*	Standard
IR Keyboard	Optional
Plug-top Power Supply*	Standard
Composite Video & Stereo Audio Cable	Standard
Anti-slip Base-Plate	Standard
User Guide	Standard

* Regional Options: USA, European, UK, Japanese

Support Products

Application Developer Kit

Complete documentation and support for the various APIs, available under a separate license agreement.

Multicast Loader

The Amino Multi-cast server software ensures that any DHCP-configured Amino set-top (such as the AmiNET103) connecting to the network, may be rapidly and securely loaded with the latest signed software image authorised by the service provider. The multi-cast loader is installed on a Linux PC at the head-end, and transmits the software image in a continuous carousel, ensuring rapid start-up regardless of the number of set-tops in the system. It is therefore completely scalable.



The AmiNET110 is a compact and elegant premium MPEG2 set-top box for IP-TV and video on demand applications.

The AmiNET110 joins the family of Amino Digital Set-top Box solutions and provides a low cost solution that is targeted specifically for worldwide markets and where a very flexible product is required.

A USB interface is provided to support such functionality as games controllers.

With an Ethernet input and flexible audio/video output, together with S/P-DIF and an RF Modulator output, the STB provides an elegant and powerful means of delivering sophisticated interactive digital television including multicast and on demand video along with Internet access.

Various memory options are available, depending on the complexity of the software to be supported. For minimum cost, the STB can boot its environment over the network, or additional NAND Flash memory can be fitted to enable it to boot from internal resources.

The embedded Web Browser with Amino's **JMACX** HTML and JavaScript extensions provides the primary user interface and the support required to control a sophisticated video-on-demand and IP multicast system, with full 'trick-play' functionality and picture-in-graphics.

Encased in a small, low-cost housing, the STB plugs into the back of a TV Set using the supplied Mini-DIN to Phono Composite, RGB or S-Video and audio cable, or via the RF output. Other connections are an S/P-DIF digital audio output, an RJ45 Ethernet socket and power input to a small plug-top power supply.

Low power consumption means cool running and high reliability.



Main Features

- Compact, elegant, award-winning design
- Silent operation - no forced air cooling
- Supported by leading Middleware and Conditional Access vendors
- Flexible audio and video output via cable options
 - o Composite, RGB, S-Video, Stereo Audio
 - o PAL and NTSC
 - o 4:3 and 16:9 formats
 - o Digital Audio via S/P-DIF
 - o RF Modulator output with loop-through
- Teletext/closed caption decoding and sub-titling
- USB 1.1
- IR Remote Control
 - o Combines Set-Top and TV command functions
- Interface to 10/100BaseT Ethernet
- MPEG1 & 2 MP@ML at up to 10 Mbps
- 24-bit colour graphics with alpha-blending and picture in graphics
- Protocols
 - o Multicast IPTV (IGMP control)
 - o Video on Demand (RTSP control)
- Key-protected, scalable multicast software booting option
- Remote Management and Software upgrade via network
- Macrovision Copy Protection

Optional Features

- IR Keyboard
- Networked Gaming via G-Cluster
- Macromedia Flash support
- Smart card based or smartcard-less Conditional Access
- Input Method Engines (IME)



Application Development

Amino software technology is based on open standards such as Linux and Java. Application developers for the AmiNET103 benefit from JavaScript or Java APIs, which provide full control of the STB functions.

Microwindows is provided to support graphics based applications, such as the Browser. This includes the Amino **JMACX** system, which provides the service operator with a powerful set of HTML and JavaScript extensions. The JMACX extensions allow simple, and highly effective user interface designs to be created or ported.

Supported Browsers

The AmiNET110 supports a variety of HTML browsers including: ANT Fresco (provided as standard), Opera, and Espial Escape.

Supported Middlewares

Amino set-top box products are supported by leading IPTV Middleware providers. Application developers may also build an IPTV application to run on the browser, or make use of the Amino JMACX interface.

Content Security

AmiNET110 is compatible with a variety of smartcard-based and smartcard-less content protection & rights management software, allowing customers to choose the appropriate security to meet their needs.

Games Support

Games provide an excellent opportunity for service providers to introduce a new revenue-bearing service. The G-Cluster games client is ported to the AmiNET110 and provides the user with state of the art, centrally served PC games.

Software Update and Maintenance

The AmiNET110s may hold their software in Flash Memory, which can be minimal for network booting, or increased to hold the full software image. Software updates can be completed securely in the field.

Installation

The AmiNET110 connects to the TV Set using a variety of different cables from the STB MiniDIN connector to Composite, Component, S-Video or SCART. An external connection to modem may be required for non-Ethernet deployments, installer configuration is on-screen via internal HTML pages.

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Detailed Specification

Outputs	Composite, Component, RGB, S-Video RF Modulator with loop-through Stereo & Digital Audio S/P-DIF Electrical Standard definition PAL or NTSC USB 1.1 Master
Graphics Resolution	640x576
Codecs	MPEG1 & MPEG2 MP@ML, up to 10Mbps
Smart Card Interface	ISO-7816
Size	114 x 100 x 35 mm
Construction	One-piece Aluminium Extrusion
Power	5V, 700mA
Operating Environment	ETS 300-019-1-3 Class 3.1
EMC Conformance	EN55022. FCC Part 15.
Safety Approvals	Safety certification to EN60950, and ELSVD. CE, CB and CSA Safety approval.

Accessories

Multi-function IR Remote*	Standard
IR Keyboard	Optional
Plug-top Power Supply*	Standard
SCART Cable*	Option
S-Video + Composite Cable* (CVBS)	Option
RGB Cable*	Option
Component Video Cable* (YpbPr)	Option
Anti-slip Base-Plate	Standard
User Guide	Standard

* Regional Options: USA, European, UK, Japanese

Support Products

Application Developer Kit

Complete documentation and support for the various APIs, available under a separate license agreement.

Multicast Loader

The Amino Multi-cast server software ensures that any DHCP-configured Amino set-top (such as the AmiNET110) connecting to the network, may be rapidly and securely loaded with the latest signed software image authorised by the service provider. The multi-cast loader is installed on a Linux PC at the head-end, and transmits the software image in a continuous carousel, ensuring rapid start-up regardless of the number of set-tops in the system. It is therefore completely scalable.

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