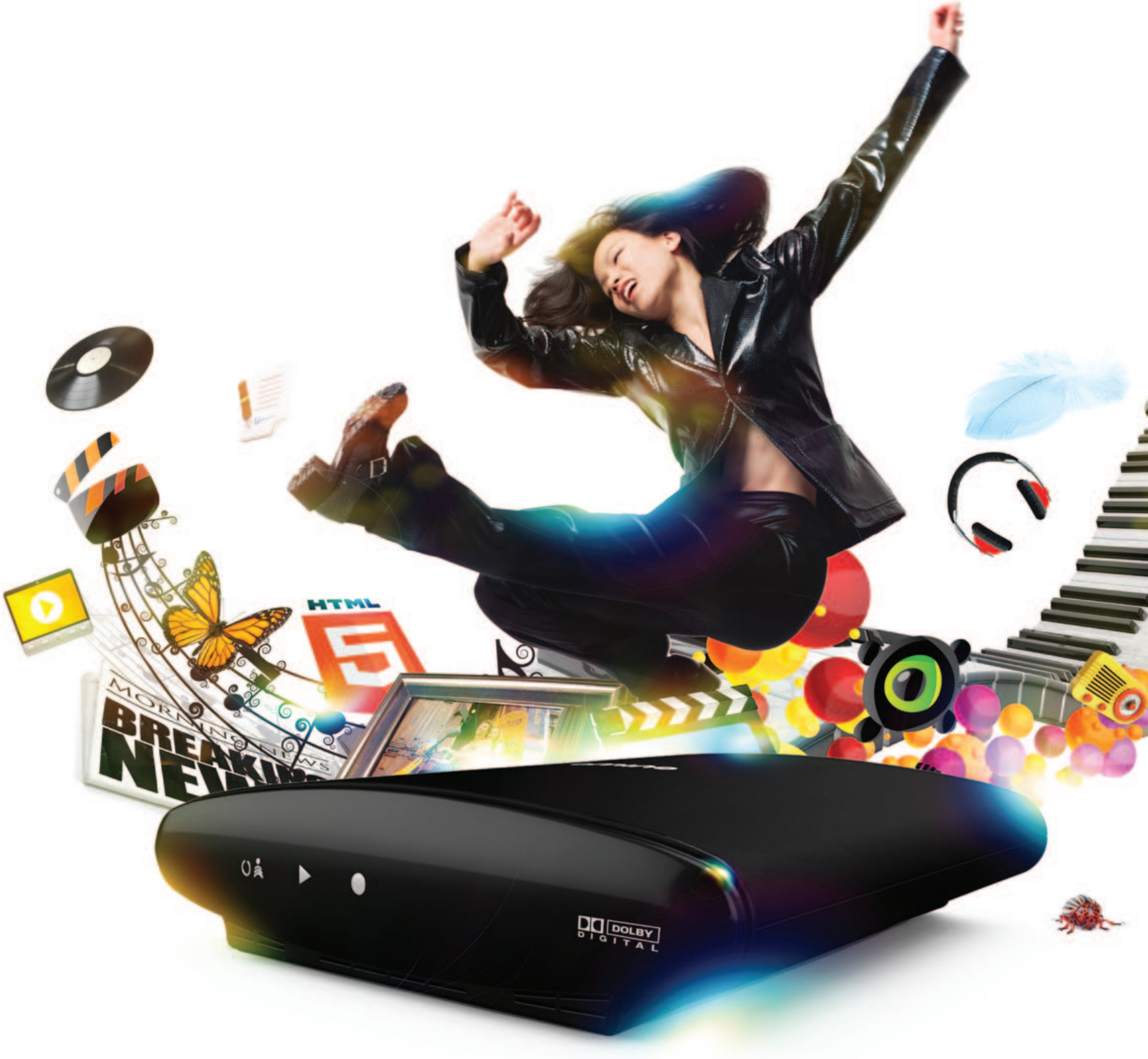
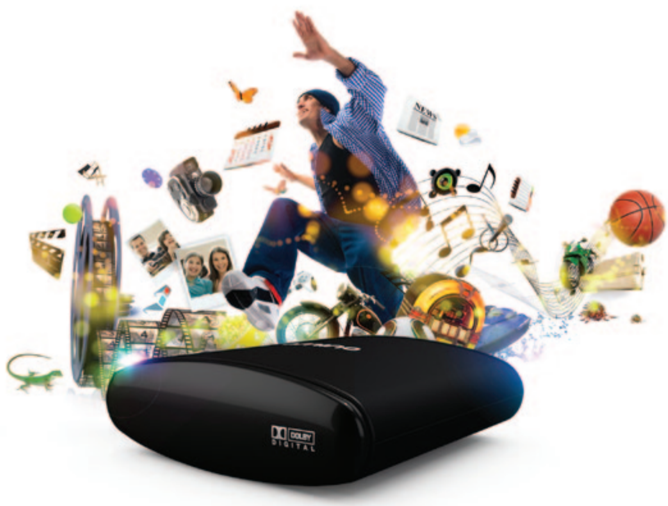
CONNECTING PEOPLE TO THE ENTERTAINMENT EXPERIENCE THEY LOVE

Amino Technologies plc
Interim Report 2012



ABOUT
AMINO TECHNOLOGIES

Amino Technologies plc specialises in the development and delivery of IPTV and hybrid/OTT solutions. With over four million devices sold to 850 customers in 85 countries, Amino's award-winning solutions are deployed by major network operators and service providers worldwide. Amino Technologies plc is listed on the London Stock Exchange Alternative Investment Market (AIM: symbol AMO). It is headquartered near Cambridge, in the UK, with offices in China and Sweden. For more information, please visit www.aminocom.com



HIGHLIGHTS

FINANCIAL **OVERVIEW**

- Gross profit up 19% to £7.1m (H1 2011: £6.0m)
- Headline Revenue of £20.1m (H1 2011: £24.7m)
  - Underlying* revenue up 12% to £20.1m (H1 2011: £17.9m)
- Headline gross margin improvement of 11.1 percentage points to 35.4% (H1 2011: 24.3%)
  - Underlying* gross margin 2.0 percentage points higher at 35.4% (H1 2011: 33.4%)
- EBITDA more than doubled to £1.8m (H1 2011: £0.7m)
- Return to H1 operating profit of £0.2m achieved (H1 2011: loss of £0.4m)
- Increase in cash balance to £13.9m (H1 2011: £11.6m) driven by continued margin focus, tight cost control and strong working capital management
- The Company remains committed to the progressive full year dividend policy announced at the end of 2011.

* Underlying revenue and gross margin excludes the effect of the initial Telecom Italia order in 2011 at nil margin

OPERATIONAL **OVERVIEW**

- Improved profitability underpinned by continued operational delivery
  - Focus continues to rest on operational excellence,from supply chain management to sales execution
  - Concentration on higher quality sales has supported the delivery of improved gross margin
  - Effective cost controls maintained
- Encouraging traction from new target customers and markets
  - Repeat orders from long-term customers in W. Europe and N. America
  - Encouraging and advanced new business dialogue underway in several potential new markets
  - Signs of positive momentum re-building in Eastern Europe
- Product innovation and development continues
  - Launch at CES in January of world's first hybrid/OTT media gateway, powered by the next generation 32nm Intel® Atom™ system-on-chip
  - New Technology Office established to drive direction of future product development
  - Continued development of advanced, lower price point OTT product due for launch in 2013

CHAIRMAN'S **REPORT**

HIGHLIGHTS:

- CONTINUED RIGOROUS FOCUS ON EXECUTION, PROFITABILITY AND CASH GENERATION
- CONTINUED GROWTH IN KEY MARKETS AND INITIAL SUCCESS IN NEW AREAS OF FOCUS
- CONTINUED INNOVATION WITH MARKET LAUNCH OF NEW MEDIA GATEWAY

The Company has delivered a solid performance in this first half. The team's continued and rigorous focus on execution, profitability and cash generation has delivered a return to first half operating profit, improved margins and a further strengthening of the Company's cash position. Continued steady growth in profitability in key markets, coupled with initial success in some of the Company's newer areas of focus, has contributed to this result, underpinned by a strong operational performance.

FINANCIAL PROGRESS

After adjusting for the initial Telecom Italia order of 50,000 units at nil margin recognised in the prior year, revenue for the first half was £20.1m – or 12% better than that achieved in 2011 (H1 2011: £20.1m; Underlying H1 2011: £17.9m)

This improvement in underlying sales performance was largely driven by two key factors. The first factor was the sales generated during the period from customers in the Netherlands, where sales during the first half were £3.7m higher than those seen in the prior period. The second factor was the further follow-on orders received from Telecom Italia, which benefited Amino's revenue in the period by £1.3m.

These positive factors were partially offset by a continuation in the unsettled conditions in other markets, particularly Russia. The structural issues identified at the end of 2011 within the Russian market remain unresolved and, as a consequence, this market has remained challenging during the first half. Sales in Russia were £0.4m lower than those achieved in the first half of the prior year.

In Eastern Europe, however, the Company has seen some encouraging and positive progress, securing a contract win during the period for the delivery of HD products in this region. This tender was won as a result of the new lower cost, lower functionality product announced at the end of 2011, designed specifically to tackle highly competitive market dynamics in Eastern Europe and Latin America. Whilst now secured, a short delay to this tender process means that revenue from the contract will now be recognised in the second half.

The Company's continued focus on securing higher margin business and on delivering continual operational improvements has led to an increase in reported gross margin by 11.1 percentage points from 24.3% in H1 2011 to 35.4% in 2012. Adjusting for the initial Telecom Italia order of 50,000 units at nil margin recognised in the prior year, gross margin has increased by 2.0 percentage points to 35.4% (H1 2011: 33.4%).

The well-documented supply chain issues which affected the wider industry during 2011 have had minimal impact on Amino's performance and component costs have also remained under control. We have also been successful in significantly reducing our lead-times to our customers and made improvements to the packaging of our products, further helping to improve our service levels and reduce costs.

Operating costs have been broadly unchanged year-on-year at £5.4m (2011: £5.3m) through continued effective cost control.

As a result of the improvement in gross margins and tight cost control, EBITDA at £1.8m is £1.1m higher than the prior year (H1 2011: £0.7m). The launch of new products during 2011 has resulted in a corresponding increase in amortisation and depreciation of £0.5m during the year. These factors have contributed to the group returning to operating profit during the period, which at £0.2m is £0.6m better than the prior year (H1 2011: loss of £0.4m).

The group's focus on profitable underlying revenue growth, tight cost control, and strong working capital management, has delivered further improvements in the Company's cash balance, which closed the period at £13.9m (H1 2011: £11.6m). This £2.3m improvement is despite total cash outflows of £2.3m in respect of dividend payments in the first half of 2012 and the share buyback completed in the second half of 2011.

"AMINO'S SHARP FOCUS ON INNOVATION WAS MADE CLEAR AT THE CONSUMER ELECTRONICS SHOW (CES) IN JANUARY, 2012, WHERE THE COMPANY UNVEILED THE WORLD'S FIRST HYBRID/OTT MEDIA GATEWAY POWERED BY INTEL'S NEXT GENERATION SYSTEM ON CHIP (SOC)."

CUSTOMERS AND MARKETS

The Company continues to successfully meet the challenges and take advantage of the opportunities within the dynamic markets it serves. Amino's leading position in innovation and product development, blending its strengths in IPTV with new OTT functionality, means that the Company is able to meet the demands of existing customers and new market entrants. The establishment of a new Technology Office – under the guidance of Amino's Chief Technologist – is also playing a key role in shaping the future direction of the Company's product capabilities to meet future market demands.

Traditional markets, including Western Europe and North America, have performed well during the period with repeat orders secured from long-term customers, making a solid contribution to first half performance. The launch in the Netherlands during the first half of a number of IPTV services based on Amino set-top boxes underlines the Company's strong position in a country where fibre-to-the-home provision is driving new service take up.

Focused campaigns in North America have also helped Amino to extend its customer base in this key market, further supported by strong and growing working relationships with key partners in this region.

Whilst the Russian market has remained challenging during the period, the Company has begun to see positive traction from its carefully targeted devices for the Eastern Europe and Latin America markets. By way of example, an important and significant contract was secured during the half with a South Eastern European network operator: the first contract for HD set-top boxes the Company has secured in this region.

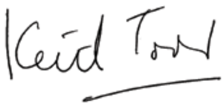
The market continues to evolve with the Company's core customers increasingly demanding innovative devices that deliver premium entertainment experiences to subscribers. Encouragingly, the centrality of set-top boxes with OTT capability to service delivery is underlined by wider market developments. The long-anticipated launch of 'YouView', in a UK market that has historically lagged behind global developments in terms of innovation, highlights the continued demand for powerful new hybrid/OTT devices that offer both broadcast/OTT and multi-screen capability.

Amino's sharp focus on innovation was made clear at the Consumer Electronics Show (CES) in January, 2012, where the Company unveiled the world's first hybrid/OTT media gateway powered by Intel's next generation system on chip (SoC). This new product combines dual core processing power with a range of new enhanced trans-coding and encoding capabilities and with multi-screen distribution to deliver content seamlessly to TVs, smartphones and tablets around the home. The development of this media gateway product continues to go to plan and it is anticipated that orders from existing and new customers will be taken and delivered in 2013.

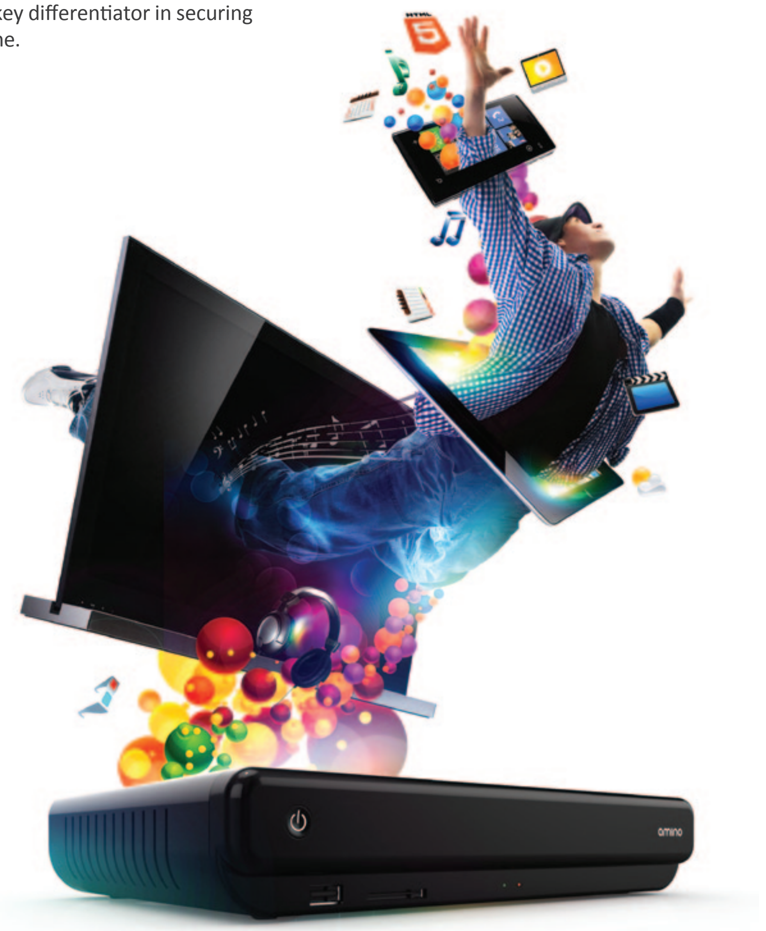
This combination of flexibility, innovation – and the value of Amino's core engineering strength – continues to be a key differentiator in securing a future sales pipeline.

OUTLOOK

Looking ahead, the team will continue to focus on solid execution right across the business from sales to supply chain, and high margin, cash generative growth. The new media gateway product, expected to see initial sales traction in 2013, may limit short-term OTT revenue growth in the second half of the year. However, the positive traction seen right across the business in this first half has continued since the period end, further underpinning the Board's confidence in meeting its profitability expectations for the financial year as a whole.



KEITH TODD CBE
Non-executive Chairman



CONSOLIDATED INCOME STATEMENT

For the six months ended 31 May 2012

	Notes	**Six months ended 31 May 2012 Unaudited £000s**	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
Revenue	3	**20,139**	24,703	51,815
Cost of sales		**(13,001)**	(18,708)	(37,295)
Gross profit		**7,138**	5,995	14,520
Selling, general and administrative expenses		**(3,247)**	(3,056)	(6,124)
Research and development expenses		**(2,111)**	(2,284)	(4,043)
EBITDA		**1,780**	655	4,353
Depreciation		**(172)**	(346)	(379)
Amortisation		**(1,408)**	(725)	(2,321)
Impairment of goodwill		-	-	(2,279)
Operating Profit / (Loss)		**200**	(416)	(626)
Net Finance income		**6**	-	7
Profit / (Loss) before taxation		**206**	(416)	(619)
Corporation tax (charge)/credit		**(27)**	20	410
Profit / (Loss) for the period attributable to equity holders		**179**	(396)	(209)
Basic earnings per 1p ordinary share	4	**0.34p**	(0.70p)	(0.39p)
Diluted earnings per 1p ordinary share	4	**0.34p**	(0.70p)	(0.39p)

All amounts relate to continuing activities. The accompanying notes are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 May 2012

	Six months ended 31 May 2012 Unaudited £000s	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
Foreign exchange difference arising on consolidation	**(22)**	(208)	7
Net comprehensive (expense) / income recognised directly in equity	**(22)**	(208)	7
Profit / (Loss) for the period	**179**	(396)	(209)
Total comprehensive income / (expense) for the period	**157**	(604)	(202)

CONSOLIDATED BALANCE SHEET

As at 31 May 2012

	Notes	As at 31 May 2012 Unaudited £000s	As at 31 May 2011 Unaudited £000s	As at 30 November 2011 Audited £000s
Assets				
Non-current assets				
Intangible assets	5	**4,191**	6,879	4,492
Property, plant and equipment		**630**	880	673
Deferred income tax assets		**644**	671	671
Other receivables		**163**	173	168
		5,628	8,603	6,004
Current assets				
Inventories		**4,156**	4,470	4,017
Trade and other receivables		**7,165**	7,648	10,404
Derivative financial instruments		**-**	41	42
Cash at bank and in hand		**13,864**	11,574	14,124
		25,185	23,733	28,587
Total assets		**30,813**	32,336	34,591
Capital and reserves attributable to equity holders of the business				
Called-up share capital		**579**	579	579
Share premium		**126**	126	126
Capital redemption reserve		**6**	6	6
Foreign exchange reserves		**611**	373	589
Other reserves		**16,389**	16,389	16,389
Retained earnings		**2,103**	3,817	2,940
Total equity		**19,814**	21,290	20,629
Current liabilities				
Trade and other payables		**10,999**	11,046	13,962
Total liabilities		**10,999**	11,046	13,962
Total equity and liabilities		**30,813**	32,336	34,591

The interim financial statements on pages 5 to 10 were approved by the Board of directors on 17th July 2012 and were signed on its behalf by:

Donald McGarva
Director

Julia Hornby
Director

Registered number: 05083390
The accompanying notes are an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

As at 31 May 2012

	Notes	**Six months ended 31 May 2012 Unaudited £000s**	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
Cash flows from operating activities				
Cash generated from operations	6	**1,724**	8,824	13,745
Corporation tax received		**316**	566	565
Net cash generated from operating activities		**2,040**	9,390	14,310
Cash flows from investing activities				
Purchase of intangible assets		**(1,159)**	(1,272)	(2,649)
Purchase of property, plant and equipment		**(86)**	(11)	(22)
Interest received		**6**	-	7
Net cash used in investing activities		**(1,239)**	(1,283)	(2,664)
Cash flows from financing activities				
Proceeds from exercise of employee share options		**-**	-	85
Purchase of own shares		**-**	-	(1,207)
Dividends paid		**(1,043)**	-	-
Net cash used in financing activities		**(1,043)**	**-**	**(1,122)**
Net (decrease)/increase in cash and cash equivalents		**(242)**	8,107	10,524
Cash and cash equivalents at start of the period		**14,124**	3,588	3,588
Effects of exchange rate fluctuations on cash held		**(18)**	(121)	12
Cash and cash equivalents at end of period		**13,864**	11,574	14,124

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 May 2012

	Share capital £000s	Share premium £000s	Other reserves £000s	Foreign exchange reserve £000s	Capital redemption reserve £000s	Profit and loss account £000s	Total £000s
Shareholders' equity at 30 November 2010 (audited)	**579**	**126**	**16,389**	**581**	**6**	**4,163**	**21,844**
Comprehensive income							
Loss for the period	-	-	-	-	-	(396)	(396)
Foreign exchange on consolidation	-	-	-	(208)	-	-	(208)
Total comprehensive expense for the period attributable to equity holders	-	-	-	(208)	-	(396)	(604)
Share option compensation charge	-	-	-	-	-	50	50
Total Transactions with owners	-	-	-	-	-	50	50
Total movement in shareholders' equity	-	-	-	(208)	-	(346)	(554)
At 31 May 2011 (Unaudited)	**579**	**126**	**16,389**	**373**	**6**	**3,817**	**21,290**
Comprehensive income							
Profit for the period	-	-	-	-	-	187	187
Foreign exchange on consolidation	-	-	-	216	-	-	216
Total comprehensive income for the period attributable to equity holders	-	-	-	216	-	187	403
Share option compensation charge	-	-	-	-	-	58	58
Exercise of employee share options	-	-	-	-	-	85	85
Purchase of own shares	-	-	-	-	-	(1,207)	(1,207)
Total Transactions with owners	-	-	-	-	-	(1,064)	(1,064)
Total movement in shareholders' equity	-	-	-	216	-	(877)	(661)
Shareholders' equity at 30 November 2011 (audited)	**579**	**126**	**16,389**	**589**	**6**	**2,940**	**20,629**
Comprehensive income							
Profit for the period	-	-	-	-	-	179	179
Foreign exchange on consolidation	-	-	-	22	-	-	22
Total comprehensive income for the period attributable to equity holders	-	-	-	22	-	179	201
Share option compensation charge	-	-	-	-	-	27	27
Dividends paid	-	-	-	-	-	(1,043)	(1,043)
Total Transactions with owners	-	-	-	-	-	(1,016)	(1,016)
Total movement in shareholders' equity	-	-	-	22	-	(837)	(815)
At 31 May 2012 (Unaudited)	**579**	**126**	**16,389**	**611**	**6**	**2,103**	**19,814**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six months ended 31 May 2012

1. General information

Amino Technologies plc ('the Company') and its subsidiaries (together 'the Group') specialises in IPTV software technologies and hardware platforms that enable delivery of digital programming and interactivity over IP networks, including the internet.

The Company is a public limited company which is listed on the Alternative Investment Market (AIM) of the London Stock Exchange and is incorporated and domiciled in the UK.

2. Basis of preparation

The financial information has been prepared in accordance with all relevant International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that had been published by 31 May 2012 as endorsed by the European Union (EU). The accounting policies adopted are consistent with those of the financial statements for the year ended 30 November 2011, as described in those financial statements. In preparing these interim financial statements the Board has not sought to adopt IAS 34 "Interim financial reporting".

The figures for the six-month periods ended 31 May 2012 and 31 May 2011 have not been audited. The figures for the year ended 30 November 2011 have been extracted from, but do not constitute, the consolidated financial statements of Amino Technologies plc 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 498(2) or Section 498(3) Companies Act 2006.

3. Revenue

The Group has only one operating segment, being the development and sale of broadband network software and systems. All revenues, costs, assets and liabilities relate to this segment.

The geographical analysis of revenue is as follows:

	Six months ended 31 May 2012 Unaudited £000s	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
United Kingdom	**391**	489	963
Italy	**1,315**	6,754	13,023
Netherlands	**7,650**	3,908	7,789
Russia	**1,216**	1,578	3,518
USA	**6,102**	6,008	14,950
Rest of the World	**3,465**	5,966	11,572
	20,139	24,703	51,815

NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the six months ended 31 May 2012 (CONTINUED)

4. Earnings per share

	Six months ended 31 May 2012 Unaudited £000s	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
Profit/(Loss) attributable to shareholders	**179**	(396)	(209)
	Number	Number	Number
Weighted average number of shares (Basic)	**52,127,570**	56,486,007	53,955,749
Weighted average number of shares (Diluted)	**52,532,746**	-	-

The calculation of basic earnings per share is based on profit/(loss) after taxation and the weighted average number of ordinary shares of 1p each in issue during the period, as adjusted for shares held by an Employee Benefit Trust.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary share options. 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 the periods ended 31 May 2011 and 30 November 2011 as the Group was loss making.

5. Intangible assets

	As at 31 May 2012 Unaudited £000s	As at 31 May 2011 Unaudited £000s	As at 30 November 2011 Audited £000s
Net book value			
Goodwill relating to Tilgin IPTV AB	**-**	2,207	-
Software licences	**104**	189	125
Development costs	**4,087**	4,374	4,367
Acquired intellectual property	**-**	109	-
	4,191	6,879	4,492

6. Cash generated from operations

	Six months ended 31 May 2012 Unaudited £000s	Six months ended 31 May 2011 Unaudited £000s	Year to 30 November 2011 Audited £000s
Profit / (Loss) before corporation tax	**206**	(416)	(619)
Adjustments for:			
Amortisation charge	**1,408**	725	2,321
Depreciation charge	**172**	346	379
Impairment charge	**-**	-	2,279
Loss on disposal of fixed assets	**5**	-	69
Share-based payment charge	**27**	50	108
Fair value loss/(gain) on derivative financial instruments	**42**	(64)	(66)
Financial income – net	**(6)**	-	(7)
Exchange differences	**44**	(97)	(9)
(Increase) / decrease in inventories	**(139)**	7,492	7,946
Decrease in trade and other receivables	**2,928**	4,338	1,974
Decrease in trade and other payables	**(2,963)**	(3,550)	(630)
Cash generated from operations	**1,724**	8,824	13,745

DIRECTORS AND ADVISORS

Directors	Keith Todd CBE, Non-executive Chairman and Director Donald McGarva, Chief Executive Officer Julia Hornby, Chief Financial Officer and Company Secretary Peter Murphy, Non-executive Director Colin Smithers, Non-executive Director Michael Bennett, Non-executive Director
Registered Office	Prospect House Buckingway Business Park Anderson Road Swavesey Cambridge CB24 4UQ
Company secretary	Julia Hornby
Nominated adviser and stockbroker	finnCap 60 New Broad Street London EC2M 1JJ
Auditors	Grant Thornton UK LLP 101 Cambridge Science Park Milton Road Cambridge CB4 0SY
Solicitors to the Company	Hewitsons Shakespeare House 42 Newmarket Road Cambridge CB5 8EP
Principal bankers	Barclays Bank plc Vision Park Histon Cambridgeshire CB4 9DE
Registrars and receiving agents	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

CONTACT DETAILS

Global Headquarters
Amino Technologies plc and Amino Communications Limited
Buckingway Business Park
Anderson Road
Swavesey
Cambridge CB24 4UQ
United Kingdom

Tel: +44 1954 234100
Fax: +44 1954 234101
Email: info@aminocom.com

China
Amino Communications Technology Service (Shanghai) Co Ltd
Suite 2702
City Gateway
398 Caoxi Lu
Shanghai 200030
China

Tel: +86 21 3368 8423
Fax: +86 21 3368 8429
Email: cninfo@aminocom.com

Sweden
Amino Communications AB
Finlandsgatan 40
SE-164 74 Kista
Sweden

Tel: +46 8 5625 1600
Email: info@aminocom.com

www.aminocom.com

Follow Amino on Twitter @AminoTV

Amino Technologies plc
Buckingway Business Park
Anderson Road
Swavesey
Cambridge, CB24 4UQ
United Kingdom

Tel: +44 1954 234100
Fax: +44 1954 234101
Email: info@aminocom.com