

23 July 2013

Forbidden Technologies plc
("Forbidden" or the "Company")

Interim results for the six months to 30 June 2013

Forbidden Technologies (AIM: FBT), the AIM-quoted owner and developer of the market leading Cloud video platform, FORscene, is pleased to announce its Interim Results for the six months to 30 June 2012.

Highlights

- Revenue for the period up 15% to £401,278
- Gross profit for the period up 23% to £347,697
- Revenue from Broadcast Post-Production up by 61%; News and Sport lower, but up 32%, excluding last year's one-off contribution from the Summer Games
- Administrative expenses for the period increased to £538,191
- Loss for the period was £189,618
- Continuing strong demand for a cloud-based solution in video editing
- New channels to market with ATOS in South Africa, with Key Code Media inc in the United States and with deltatre and EVS in the sport video space
- Post balance sheet, the Company raised £8,900,000 through an oversubscribed placing and open offer

Vic Steel, Chairman of Forbidden Technologies, commented:

“Forbidden’s growth continues to demonstrate the strength of the FORscene offering. Revenue from Broadcast Post-Production has increased substantially while the Company has continued to build on the foundations that the licence to YouTube created in the sports video environment at last year’s Olympics.

“The Company continues to develop its presence in lucrative international markets and the successful placing and open offer will allow this process to be accelerated at the same time as strengthening the balance sheet and continuing to improve the market leading technology already in place.”

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For more information, please visit www.forbidden.co.uk or contact:

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Notes for editors

About Forbidden Technologies:

Forbidden Technologies plc (AIM: FBT, www.forbidden.co.uk) floated in February 2000. The Company develops and markets a powerful cloud video platform, FORscene, which is used by broadcasters, in professional web video, in education and by consumers. FORscene is one of the world's most advanced browser-based and mobile applications.

Chairman's Statement

I am pleased to report that revenue in the six months to 30 June 2013 increased by 15% to £401,278 compared to £348,159 in the six months to 30 June 2012.

The UK Broadcast Post-production sector provided strong growth for the FORscene platform with revenue increasing by 61% over the corresponding period last year to £217,739. This month there are over 90 productions being made using FORscene, compared with a monthly peak of 70 in the last quarter of 2012. This growth reflects not only an increase in the number of programmes being produced using FORscene but also increasing use of FORscene's wide-ranging features for professionals involved in post-production.

First half revenue from the News & Sport sector was lower than that achieved in the first half of 2012 reflecting the absence of a significant proportion of the one-off contribution from last summer's major sporting event. Excluding this event, performance increased by 32%.

Administrative expenses increased from £442,756 in the six months to 30 June 2012 to £538,191 in the six months to 30 June 2013, as a 32% increase in staff costs and a 10% increase in corporate costs gave an overall expense increase of 21%.

The loss for the six months to 30 June 2013 was £189,618 compared to £156,908 in the six months to 30 June 2012, an increase of 21%.

Key events

The successful involvement of FORscene in the 2012 summer games has had a significant impact upon the awareness, recognition and reputation of the FORscene platform in both the Broadcast Post-production and the News & Sport sectors. This has enabled the company

to undertake Partnership Agreements, in the first six months of 2013, with a number of major and global companies.

In February 2013 a deal was signed with ATOS, South Africa, a part of the global information technology company with operations in 47 countries. This agreement is Pan-African in scope, with an initial introduction into South Africa where ATOS will operate its own FORscene cloud. This agreement is expected to enable FORscene to become a key platform in the African Broadcast Post-production market.

In Post-production on the West Coast of the USA, Key Code Media, a global leading Avid reseller, signed a FORscene Partnership Agreement in March 2013, providing an entry point into the US Post-production market which is a multiple of the size of the UK market.

In March 2013 FORscene reached agreements with two leading global deliverers of sports video. deltatre leads in the delivery of sports through the internet and EVS is a leading supplier to the Broadcast Sport video market. FORscene will be integrated into the offerings of both companies.

Post Balance Sheet Event

The recent completion of the placings of new shares and the open offer has raised £8,900,000 before costs thus strengthening the balance sheet and providing extra working capital to support accelerated growth into the future.

Outlook

With new and significant agreements put in place in the first six months of 2013, further agreements will be sought over the coming months.

The increased available funds will enable the Company to extend its practice of continuous development and improvement of its technology so as to take full part in the adoption of Cloud Technology on a wide scale across all facets of video post-production, publishing and distribution.

Funds will be used to exploit marketing opportunities to strengthen our human resources and to demonstrate a strong balance sheet to current and future partners.

The Board believes that Forbidden is now in a strong position to become a leading player internationally in the creation of video content for multiple media channels.

FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	Unaudited half year to 30 June 2013 £	Unaudited half year to 30 June 2012 £	Audited year to 31 December 2012 £
CONTINUING OPERATIONS			
Revenue	401,278	348,159	812,744
Cost of Sales	(53,581)	(65,611)	(132,230)
GROSS PROFIT	347,697	282,548	680,514
Other operating income	-	135	6,431
Administrative expenses	(538,191)	(442,756)	(963,237)
OPERATING LOSS	(190,494)	(160,073)	(276,292)
Finance income	876	3,165	5,974
LOSS BEFORE INCOME TAX	(189,618)	(156,908)	(270,318)
Income Tax	-	-	53,603
LOSS FOR THE PERIOD	(189,618)	(156,908)	(216,715)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(189,618)	(156,908)	(216,715)
Earnings per share expressed in pence per share:			
Basic – continuing and total operations	(0.22p)	(0.18p)	(0.25p)

FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)

**STATEMENT OF FINANCIAL POSITION
30 JUNE 2013**

	Unaudited at 30 June 2013 £	Unaudited at 30 June 2012 £	Audited at 31 December 2012 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1,054,690	847,891	953,856
Property, plant and equipment	47,030	15,142	13,182
	<u>1,101,720</u>	<u>863,033</u>	<u>967,038</u>
CURRENT ASSETS			
Inventories	-	-	24,156
Trade and other receivables	265,451	252,093	205,117
Tax receivable	53,603	-	53,603
Cash and cash equivalents	189,488	617,100	459,787
	<u>508,542</u>	<u>869,193</u>	<u>742,663</u>
TOTAL ASSETS	<u>1,610,262</u>	<u>1,732,226</u>	<u>1,709,701</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	698,056	692,636	696,936
Share premium	5,336,967	5,199,999	5,311,637
Capital contribution reserve	125,000	125,000	125,000
Retained earnings	(4,651,946)	(4,486,219)	(4,505,365)
TOTAL EQUITY	<u>1,508,077</u>	<u>1,531,416</u>	<u>1,628,208</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	-	-	-
CURRENT LIABILITIES			
Trade and other payables	102,185	200,810	81,493
TOTAL LIABILITIES	<u>102,185</u>	<u>200,810</u>	<u>81,493</u>
TOTAL EQUITY AND LIABILITIES	<u>1,610,262</u>	<u>1,732,226</u>	<u>1,709,701</u>

The financial statements were approved by the Board of Directors on 22 July 2013.

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S B Streater - Director

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P J Madden - Director

FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)

**STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	Called up share capital £	Profit and loss account £	Share premium £	Capital contribution reserve £	Total equity £
Balance at 1 January 2012	692,636	(4,359,855)	5,199,999	125,000	1,657,780
Changes in equity					
Issue of share capital	4,300		111,638	-	115,938
Share based payment	-	71,205	-	-	71,205
Total comprehensive income	-	(216,715)	-	-	(216,715)
Balance at 31 December 2012	696,936	(4,505,365)	5,311,637	125,000	1,628,208
Changes in equity					
Issue of share capital	1,120	-	25,330	-	26,450
Share based payment	-	43,037	-	-	43,037
Total comprehensive income	-	(189,618)	-	-	(189,618)
Balance at 30 June 2013	698,056	(4,651,946)	5,336,967	125,000	1,508,077

FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)**STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

	Unaudited half year to 30 June 2013 £	Unaudited half year to 30 June 2012 £	Audited year to 31 December 2012 £
Cash flows from operating activities			
Cash generated from operations	(112,250)	25,981	(95,667)
Tax received	-	58,289	58,289
Net cash from operating activities	(112,250)	84,270	(37,378)
Cash flows from investing activities			
Purchase of intangible fixed assets	(158,835)	(141,455)	(290,878)
Purchase of tangible fixed assets	(26,540)	(21,374)	(26,363)
Interest received	876	3,165	5,974
Net cash from investing activities	(184,499)	(159,664)	(311,267)
Cash flows from financing activities			
Share issue	26,450	-	115,938
Sale of share options	-	-	-
Net cash from financing activities	26,450	-	115,938
Increase/(Decrease) in cash and cash equivalents	(270,299)	(75,394)	(232,707)
Cash and cash equivalents at beginning of the period	459,787	692,494	692,494
Cash and cash equivalents at end of the period	189,488	617,100	459,787

FORBIDDEN TECHNOLOGIES PLC (REGISTERED NUMBER: 03507286)

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2013**

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	Unaudited half year to 30 June 2013 £	Unaudited half year to 30 June 2012 £	Audited year to 31 December 2012 £
Loss before income tax	(189,618)	(156,908)	(270,318)
Depreciation charges	(7,308)	15,657	22,606
Amortisation charges	58,001	43,458	86,916
Employee share option costs	43,037	30,544	71,205
Finance income	(876)	(3,165)	(5,974)
	(96,764)	(70,414)	(95,565)
(Increase)/Decrease in trade and other receivables	(36,178)	282,154	304,974
Increase/(Decrease) in trade and other payables	20,692	(185,759)	(305,076)
Cash generated from operations	(112,250)	25,981	(95,667)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the cash flow in respect of cash and cash equivalents are in respect of these balance sheet amounts:

	Unaudited half year to 30 June 2013 £	Unaudited half year to 30 June 2012 £	Audited year to 31 December 2012 £
Cash and cash equivalents	189,488	617,100	459,787

1. Basis of preparation and accounting policies

These interim statements have been prepared on a basis consistent with International Financial Reporting Standards (IFRS). They do not contain all of the information required for full financial statements and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 31 December 2012. These interim financial statements do not constitute statutory accounts within the meaning of the Companies Act.

The interim financial information has not been audited. The interim financial information was approved by the Board of Directors on 22 July 2013. The information for the year ended 31 December 2012 is extracted from the statutory financial statements for that year which have been reported on by the Group's auditors and delivered to the Registrar of Companies. The audit report was unqualified and did not contain a statement under s498(2) or 498(3) of the Companies Act 2006.

The accounting policies applied by the Company in these interim financial statements are the same as those applied by the Company in its financial statements for the year ended 31 December 2012.