

**HIGHLIGHTS**

	2007 £000	2006 £000
Turnover	2,849	2,713
Profit before tax	533	506
Profit after tax	460	362
Earnings - pence per share – basic	4.8p	3.8p
Earnings – pence per share – diluted	4.8p	3.8p

- Group turnover 5% up on last year.
- Profit before tax up 5% to £533,000.
- Strong balance sheet with net assets of 27p per share, of which 24p is cash
- Earnings per share up 27% to 4.8p
- Dividend (proposed) increased by 25% to 1.25 pence per share.

Julian Burney, Chief Executive Officer, said:

*“2007 was a difficult year for some of our consultancy customers, particularly in the Japanese markets, but overall Stockcube performed very well, buoyed by encouraging performances from our wider market services and third party software activities.*

*In accordance with our policy of pursuing scaleable, organic, growth we returned surplus cash of 25p per share to shareholders during 2007. We are continuing to generate growth and sustainable profits and cashflows from our core trading activities and we disposed of our investment in Sportcal just prior to the year end.*

*We remain confident in our future and are proposing an increase of 25% in the dividend in respect of 2007 to 1.25 pence per share.*

For further information:

Stockcube plc  
Blue Oar Securities plc

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## Chairman's Statement

### Introduction

2007 was a complex year for our customers, starting well with bright prospects for the world's economy but ending in the 'credit crunch' and the threat of global recession. Nevertheless, the group held its own in an erratic year for the world's stock and other financial markets and in several areas showed relatively small but significant advances. In addition, in the middle of the year £2.232mn, half the group's cash holdings, were returned to our shareholders

### Financial review

Turnover showed a net increase of 5% from £2.713mn in 2006 to £2.849mn for the year ended 31 December 2007. Profit before tax was £533,000, an increase of 5% over 2006 (£506,000). Basic earnings per share increased by 27% from 3.8p per 10p ordinary share in 2006 to 4.8p in 2007, helped by crystallisation of losses for tax purposes on the eventual disposal of our shareholding in Sportcal. Like for like EPS on a full tax charge for 2007 would have been 4.0p, an increase of 5% over 2006.

After providing for cash still to be returned to shareholders in respect of outstanding redeemable B shares, our balance sheet had net assets of 27p per ordinary share at 31 December, 2007, of which 24p was in cash deposits.

### Business review

Turnover from **Stockcube Research**, our institutional consultancy service fell by 7% against 2006, due in the main to reduced revenues from investors exposed to Japanese stocks. In common with other independent research providers, we continued to experience teething problems from interpretation by customers and potential customers of the mechanisms through which research commissions are identified, collected and paid on behalf of institutional investors.

On-going improvements and enhancements to our **Fullermoney** service helped generate an increase of 12% in the number of subscriptions during the year. Revenues from subscriptions increased by 26% as we continue to achieve a fair market price for our work. Our bi-annual London **Chart Seminars** continue to sell-out and together with specialist consultancy work have helped generate an increase of 113% in contribution to group profits.

**Investors Intelligence** had a mixed year with a reduction in subscription income made up by increases in business data and analysis services, generating an overall uplift of 10% in sales.

Income from our US subsidiary, **Chartcraft**, was up by 8% over 2006 in US dollar terms but due to the dollar's continued weakness showed nil growth when translated to sterling.

**Ecube**, our in-house software business, which continues to develop and support the group's technology needs, generated a 106% increase in turnover from third parties in 2007. The high level of repeat business reflects well on our technology team's ability to deliver value for money bespoke software.

### Repayment of surplus cash to shareholders

On 27 June, 2007 we completed a capital reorganisation and following shareholder and Court approval repaid 25p cash per ordinary share to shareholders. This return of surplus capital has not deflected us from continuing to provide high quality services to our customers and sustained annual returns to our shareholders.

**Sportcal**

In December 2007, we sold our entire 34.4% holding in Sportcal Global Communications Ltd for £225,000 to two of the other shareholders in the business. Net of provisions for impairment and amortisation of goodwill the disposal generated a loss of £20,000 for 2007. As explained above the crystallisation of the loss of £237,000 for corporation tax purposes reduced this year's tax provision from a notional rate of 30% to an effective rate of 13.7%.

**Staff**

I should like to thank all our staff for their contributions during the year.

**Dividend**

We are pleased to seek shareholder approval at the AGM for a dividend of 1.25 pence per share in respect of the results for 2007, an increase of 25% over 2006.

**Outlook**

We face turbulent times with the confidence that the group continues to provide excellent research, analytical services and cost-effective technology solutions for our customers – all, most certainly, needed now more than ever with experience and clarity of vision at a premium amongst the noise of the headlines and news bulletins.

The current year has started solidly enough but the outcome will depend in the main on how well our institutional customers cope with on-going market turbulence and the strength of their own investors' support and appetite for risk.

Edward Forbes,  
Chairman,  
London  
22 April 2008

**Consolidated Income Statement**  
**For the year ended 31 December 2007**

	<i>2007</i>	<i>2006</i>
	<i>£000</i>	<i>£000</i>
<b><i>Continuing Operations</i></b>		
<b><i>Revenue</i></b>	2,849	2,713
Cost of sales	(355)	(317)
	<hr/>	<hr/>
<b><i>Gross Profit</i></b>	2,494	2,396
Administrative expenses	(2,143)	(2,091)
	<hr/>	<hr/>
<b><i>Operating profit</i></b>	351	305
Investment revenues	174	190
Share of profit of associate	8	11
	<hr/>	<hr/>
<b><i>Profit before taxation</i></b>	533	506
Taxation	(73)	(144)
	<hr/>	<hr/>
<b><i>Profit for the year</i></b>	460	362
	<hr/> <hr/>	<hr/> <hr/>
<b><i>Basic earnings per share</i></b>	4.8p	3.8p
<b><i>Diluted earnings per share</i></b>	4.8p	3.8p

**Consolidated Balance Sheet**

# Stockcube PLC

## As at 31 December 2007

	2007	2006
	£000	£000
<b><i>Non current assets</i></b>		
Intangible assets	17	17
Property, plant and equipment	339	336
Investment in Associate	—	237
Deferred tax assets	55	—
	<u>411</u>	<u>590</u>
<b><i>Current assets</i></b>		
Trade and other receivables	791	719
Cash and cash equivalents	2,308	4,185
	<u>3,099</u>	<u>4,904</u>
<b><i>Current liabilities</i></b>		
Trade and other payables	(868)	(693)
Current tax payable	(54)	(132)
	<u>(922)</u>	<u>(825)</u>
<b><i>Net current assets</i></b>	<u>2,177</u>	<u>4,079</u>
<b>Net assets</b>	<u>2,588</u>	<u>4,669</u>
<b><i>Equity</i></b>		
Share capital	961	961
Share premium account	1,327	3,774
Merger reserve	568	568
Translation reserve	7	5
Retained earnings	(275)	(639)
	<u>2,588</u>	<u>4,669</u>

The financial statements were approved by the Board on 22 April 2008 and signed on its behalf

Julian Burney  
Director

# Stockcube PLC

## Consolidated Changes in Equity For the year ended 31 December 2007

<b>Group</b>	<i>Share capital</i>	<i>Share Premium account</i>	<i>Merger Reserve</i>	<i>Translation Reserve</i>	<i>Retained earnings</i>	<i>Total Shareholders' funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2006	961	3,774	568	(28)	(929)	4,346
Exchange differences on retranslation of net assets of subsidiary undertaking	—	—	—	33	—	33
Net income / (expense) recognised directly in equity	—	—	—	33	—	33
Profit for the year	—	—	—	—	362	362
Total recognised income and expense for 2006	—	—	—	33	362	395
Dividends paid	—	—	—	—	(72)	(72)
At 31 December 2006	961	3,774	568	5	(639)	4,669
Exchange differences on retranslation of net assets of subsidiary undertaking	—	—	—	2	—	2
Net income / (expense) recognised directly in equity	—	—	—	2	—	2
Profit for the year	—	—	—	—	460	460
Total recognised income and expense for 2007	—	—	—	2	460	462
Capital reorganisation – cash	—	(2,403)	—	—	—	(2,403)
Capital reorganisation –legal expenses	—	(44)	—	—	—	(44)
Dividends paid	—	—	—	—	(96)	(96)
At 31 December 2007	961	1,327	568	7	(275)	2,588

# Stockcube PLC

## Consolidated Statement of Cash flows For the year ended 31 December 2007

	2007	2006
	£000	£000
<i>Net cash inflow from operating activities</i>	342	194
<i>Cash flows from investing activities</i>		
Interest and other income received	174	190
Purchases of property, plant and equipment	(20)	(27)
<i>Net cash generated from investing activities</i>	154	163
<i>Cash flows from financing activities</i>		
Capital reorganisation -Cash repayment to shareholders and associated expenses	(2,277)	—
Equity dividends paid	(96)	(72)
<i>Net cash used in financing activities</i>	(2,373)	(72)
<i>Net (decrease)/ increase in cash and cash equivalents</i>	(1,877)	285
Cash and cash equivalents at beginning of year	4,185	3,900
Cash and cash equivalents at end of year	2,308	4,185
<b>Cash generated from/(used in) operations</b>		
<i>Group</i>	2007	2006
	£000	£000
Operating profit	351	305
Depreciation	18	19
Loss on sale of associate	20	—
(Increase)/in trade receivables	(17)	(293)
Increase in trade payables	176	279
<i>Cash generated from operations</i>	548	310
Tax paid	(206)	(116)
	342	194
<b>Cash and cash equivalents</b>		
<i>Group</i>	2007	2006
	£000	£000
Cash at bank and in hand	521	109
Short term deposits	1,787	4,076
At 31 December	2,308	4,185

### 1. **Nature of financial information**

These financial statements do not constitute financial statements under Section 240 of the Companies Act 1985. The results of the year ended 31 December 2006 are extracts from the Group financial statements which have been delivered to the Registrar of Companies. They carry an unqualified auditor's report and did not contain a statement under Section 237(2) or (3) of the Companies Act 1985. The statutory accounts for the year ended 31 December 2007 have not yet been delivered to the Registrar of Companies nor have the auditors reported on them. They will be finalised on the basis of the information presented by the Directors in this preliminary announcement.

### 2. **Basis of preparation**

The financial information has been prepared in accordance with International Financial Report Standards ("IFRS") for the first time. The disclosures required by IFRS 1 concerning the transition from UK GAAP ("Generally Accepted Accounting Principles") to IFRS are set out in note 29 to the financial statements for the year ended 31 December 2007. The accounting policies are the same as those adopted for the interim financial statements.

### 3. **Basis of consolidation**

The group financial statements incorporate the financial statements of Stockcube PLC and all of its subsidiary undertakings for the year to 31 December 2007.

Entities other than subsidiary undertakings, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence are treated as associates. In the group financial statements, associates are accounted for using the equity method. The equity accounting method involves recording the investment initially at cost to the Group and then, in subsequent periods, adjusting the carrying amount of the investment to reflect the Group's share of the associate's results less any impairment of goodwill and any other changes such as dividends to the associate's net assets.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

### 4. **IFRS transition**

IFRS 1 permits companies adopting IFRS for the first time certain exemptions from the full requirements of IFRS in the transition period. The financial information has been prepared on the basis of the following exemption:

- Business combinations prior to 1 January 2006 have not been restated to comply with IFRS3 "Business Combinations."



**5. Earnings per share**

	<i>2007</i>	<i>2006</i>
	<i>£000</i>	<i>£000</i>
<b><i>Earnings</i></b>		
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity shareholders	460	362
	<u>          </u>	<u>          </u>
<b><i>Number of shares</i></b>	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary shares for the purposes of basic earnings per share	9,611	9,611
Number of dilutive shares under option	—	—
	<u>          </u>	<u>          </u>
Weighted average number of ordinary shares for the purposes of basic earnings per share	9,611	9,611
	<u>          </u>	<u>          </u>
Profit per ordinary share (pence):		
Basic	4.8p	3.8p
Diluted	4.8p	3.8p

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Based on these calculations there were no dilutive potential ordinary shares in 2007 (2006: nil).

**6. Dividend record and payment date**

The Directors have proposed the payment of a dividend. The dividend of 1.25p per ordinary share will be paid on 3 June 2008. Dividends will be paid to those shareholders on the Register at the close of business on 2 May 2008.

**7. Annual report and accounts**

The annual reports and accounts will be posted to shareholders on 29 April 2008 and copies will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) at the offices of the Company at Unit 1.23 Plaza 535, King's Road, London SW10 0SZ.