



COUNTY CONTACT CENTRES PLC



INTERIM REPORT DECEMBER 2006

Company Information

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

Directors:

Philip John Dayer (Chairman)
Peter Michael Brown (Non-Executive Director)
William Alexander Catchpole (Managing Director)
Geoffrey Forsyth (Technical Director)
Robert Stuart McWhinnie Gordon (Financial Director)

Secretary:

Robert Stuart McWhinnie Gordon BA FCMA

Company registration number:

3869545

Registered office:

Melford Court
The Havens
Ransomes Europark
Ipswich
Suffolk
IP3 9SJ

Nominated Adviser and Broker:

Brewin Dolphin Securities Limited

Registrars:

Lloyds TSB Registrars

Solicitors:

Stringer Saul LLP

Bankers:

Barclays Bank PLC

Auditors:

Grant Thornton UK LLP

Interim Reports and Accounts available at:

www.countycontactcentres.com

Highlights

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

	6 months ended 31 December 2006 (unaudited) £	6 months ended 31 December 2005 (unaudited) £	12 months ended 30 June 2006 (audited) £
Turnover	1,726,652	1,313,410	2,921,879
Profit on ordinary activities before tax	150,640	30,485	171,417

- A six-month profit to December 2006 of £150,640 compared to a profit of £30,485 for the corresponding prior year period, an increase of £120,155
- Profit increased by 394% compared to the corresponding prior year period
- Turnover increased by 31% compared to the corresponding prior year period
- CallScripter OEM (Original Equipment Manufacturer) contract with ININ now active
- New CallScripter and Ansaback contracts signed for launch in early 2007
- Inland Revenue Research and Development claim settled

Chairman's Statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

The board is pleased to report that the strong progress achieved during our last financial year has continued into the first half of the current year, with both divisions performing well. Profit before taxation in the period has increased to £150,640 (2005: £30,485) on turnover of £1,726,652 (2005: £1,313,410).

The board would like to congratulate and thank the executives and staff whose hard work has contributed to the group's success.

ANSABACK

Ansaback saw a significant uplift in traffic in the run-up to Christmas with November recording a record high for billable minutes. This trend follows previous years and, unless our client base shifts substantially, we anticipate this being repeated in 2007.

New contracts secured during the period continue to build the business. These contracts, along with the retention of our client base, are key to the continued progress of this division.

CALLSCRIPTER

CallScripter continues to make steady progress with new installations commissioned in the UK and more recently in Canada, Holland and Sweden. Its marketing opportunities are increasing on a domestic and, more importantly, on a global basis.

Following the success of the ININ conference in Prague in the early part of the year, we were invited to the ININ Worldwide Partner Conference to further promote the EasyScripter application. This event, which was held at the ININ headquarters in Indianapolis, was attended by over 150 reseller partners and offered a unique opportunity to present to such a key audience.

With General Availability of the EasyScripter Inbound and Outbound options confirmed in December 2006, the ININ OEM collaboration has now started to bear fruit with installations in the USA, Australia, Holland and Switzerland.

Further, following demonstrations of the latest release of CallScripter (V4), ININ have requested the inclusion of our Reporting Module into the OEM agreement. This again is encouraging, as it should generate additional revenue from future reseller contracts.

FINANCIAL

Against the background of the group's profitability our cash balance increased during the period to £334,614. The group is cash generative and the directors consider that the existing resources will continue to be adequate for its working capital and investment requirements.

As noted in a number of previous reports, an Inland Revenue inquiry has been ongoing regarding a Research and Development payment in respect of the period ended 30 June 2002. This inquiry has now been resolved with the group agreeing to repay £15,000.

The board has decided it is now appropriate to recognise a deferred tax asset and this has been included in the interim accounts.

OUTLOOK

The outlook for the remainder of the year is encouraging and the board believes the group is well positioned for a good year.

Philip Dayer

Chairman
6 February 2007

Consolidated Profit and Loss Account

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

	Note	6 months ended 31 December 2006 (unaudited) £	6 months ended 31 December 2005 (unaudited) £	12 months ended 30 June 2006 (audited) £
Turnover		1,726,652	1,313,410	2,921,879
Cost of sales		(942,788)	(686,215)	(1,682,012)
Gross profit		783,864	627,195	1,239,867
Administrative expenses		(631,703)	(591,798)	(1,066,953)
Operating profit		152,161	35,397	172,914
Other interest receivable and similar income		3,007	593	8,951
Interest payable and similar charges		(4,528)	(5,505)	(10,448)
Profit on ordinary activities before taxation		150,640	30,485	171,417
Tax on profit on ordinary activities	3	23,000	—	—
Profit on ordinary activities after taxation added to reserves		173,640	30,485	171,417
Basic profit per share	2	0.6p	0.1p	0.6p

There are no recognised gains or losses for the period other than the profit disclosed above.

Consolidated Balance Sheet

AS AT 31 DECEMBER 2006

	31 December 2006 (unaudited) £	31 December 2005 (unaudited) £	30 June 2006 (audited) £
Fixed assets			
Tangible assets	63,331	5,470	40,317
Current assets			
Debtors	635,121	456,262	490,444
Cash at bank and in hand	334,614	138,476	299,892
	969,735	594,738	790,336
Creditors: amounts falling due within one year	(535,154)	(395,356)	(492,958)
Net current assets	434,581	199,382	297,378
Total assets less current liabilities	497,912	204,852	337,695
Creditors: amounts falling due after more than one year	(65,155)	(86,667)	(78,578)
Total assets less liabilities	432,757	118,185	259,117
Capital and reserves			
Share capital	297,908	297,908	297,908
Share premium account	6,045,563	6,045,563	6,045,563
Merger reserve	18,396	18,396	18,396
Profit and loss account	(5,929,110)	(6,243,682)	(6,102,750)
Shareholders' funds	432,757	118,185	259,117

Consolidated Cash Flow Statement

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

	6 months ended 31 December 2006 (unaudited) £	6 months ended 31 December 2005 (unaudited) £	12 months ended 30 June 2006 (audited) £
Net cash inflow from operating activities	100,855	45,815	249,915
Returns on investments and servicing of finance			
Interest received	3,007	593	8,951
Interest paid	(3,438)	(5,505)	(9,831)
Interest element of finance leases	(1,090)	—	(617)
Net cash outflow from returns on investments and servicing of finance	(1,521)	(4,912)	(1,497)
Capital expenditure and financial investment			
Purchase of fixed assets	(15,200)	(3,118)	(21,681)
Proceeds from sale of tangible fixed assets	—	5,350	5,350
Net cash (outflow)/inflow from capital expenditure and financial investment	(15,200)	2,232	(16,331)
Financing			
Repayments of borrowings	(25,000)	(25,000)	(50,000)
Capital element of finance leases	(24,412)	—	(2,536)
Net cash outflow from financing	(49,412)	(25,000)	(52,536)
Increase in cash	34,722	18,135	179,551

Notes

FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

1. BASIS OF PREPARATION OF FINANCIAL INFORMATION

The financial information contained in this statement does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. The unaudited financial information has been prepared on the basis of the accounting policies set out in the group's statutory accounts for the year ended 30 June 2006. The financial information relating to the 12 months ended 30 June 2006 has been extracted from the audited financial statements, which have been delivered to Companies House.

2. PROFIT PER ORDINARY SHARE

The calculation of the profit per ordinary share is based on the profit on ordinary activities after taxation added to reserves divided by the weighted average number of ordinary shares in issue during the relevant period.

	6 months ended 31 December 2006 (unaudited)	6 months ended 31 December 2005 (unaudited)	12 months ended 30 June 2006 (audited)
Profit on ordinary activities after taxation added to reserves	£173,640	£30,485	£171,417
Weighted average number of ordinary shares in issue during the period	29,790,743	29,790,743	29,790,743

3. TAXATION

In June 2004 the Inland Revenue raised a routine inquiry into certain aspects of the tax computation of the subsidiary, County Contact Centres (UK) Limited, for the year ended 30 June 2002 including the Research and Development tax credits of £51,499 received in respect of that year. This inquiry is now settled with the group agreeing to repay £15,000. In addition, due to the group's profitable position, a deferred tax asset of £38,000 has now been recognised.

4. AVAILABILITY OF INTERIM STATEMENT

Copies of this interim statement are being sent to the company's shareholders and will also be available from the company's head office at Melford Court, The Havens, Ransomes Europark, Ipswich, Suffolk, IP3 9SJ. A copy is also available to download on the corporate page of the group website at www.countycontactcentres.com

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