

**For Immediate Release**

**30 September 2011**

**CSS Stellar plc**

**("CSS" or the "Group")**

**Interim Results  
for the six months ended 30 June 2011**

CSS Stellar today announces its interim results for the six months ended 30 June 2011.

**Overview**

Activity throughout the period under review has primarily been spent considering various options to satisfy the Company's investing policy adopted in March of this year following the cessation of its core trading businesses at the end of 2010. Whilst the board has considered a number of possible transactions, no investment has been made to date that would result in the implementation of the Company's investing policy. As at 30 June 2011, the Company had £71,000 in cash.

The directors are in advanced discussions with certain parties in respect of a possible placement of shares for cash to provide the Company with more capital with which to make investments. Certain of the opportunities available to the Company for investment do not fall into the Company's investing policy as adopted in March 2011. With this in mind, the directors are, subject to shareholder approval, considering amending the investing policy to enable them to fully consider and, if deemed appropriate, invest in these opportunities.

**Outlook**

The directors are optimistic that certain ongoing discussions will reach a positive conclusion in the near future. In any event the Company is pursuing every avenue to ensure the satisfactory implementation of its investing policy within the requisite time frame. I look forward to providing further updates in due course.

Julian Jakobi

**For further information please contact:**

**CSS Stellar plc**

Julian Jakobi

Tel: 020 7535 7225

**Northland Capital Partners Limited** (Nominated Adviser and Broker)

Luke Cairns / Edward Hutton

Tel: 020 7796 8800

## Consolidated interim income statement

	6 months to 30 June 2011 Unaudited £'000	6 months to 30 June 2010 Unaudited £'000	Year to 31 December 2010 Audited £'000
Continuing operations			
Revenue	27	10	324
Cost of sales	-	-	-
Gross profit	<u>27</u>	<u>10</u>	<u>324</u>
Impairment of goodwill	-	-	(402)
Other administrative costs	(108)	(160)	(572)
Total administrative costs	<u>(108)</u>	<u>(160)</u>	<u>(974)</u>
Operating loss	(81)	(150)	(650)
Finance expense	-	(5)	-
Loss before tax	<u>(81)</u>	<u>(155)</u>	<u>(650)</u>
Income tax credit	-	-	-
Net result from continuing operations	(81)	(155)	(650)
Net result from discontinued operations	30	(13)	(819)
Loss for the period	<u>(51)</u>	<u>(168)</u>	<u>(1,469)</u>
Loss per share:			
Continuing operations:			
Basic and diluted loss per share	(0.28)	(0.54)	(2.24)
Discontinued operations:			
Basic and diluted profit/(loss) per share	0.10	(0.04)	(2.83)
Total:			
Basic and diluted loss per share	(0.18)	(0.58)	(5.07)

## Consolidated interim statement of financial position

	30 June 2011 Unaudited £'000	30 June 2010 Unaudited £'000	31 December 2010 Audited £'000
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	-	8	4
Goodwill	-	402	-
Available for sale assets	152	-	152
	<u>152</u>	<u>410</u>	<u>156</u>
Current assets			
Trade and other receivables	108	957	375
Cash and cash equivalents	71	20	6
	<u>179</u>	<u>977</u>	<u>381</u>
Disposal group classified as held for sale	61	118	239
Total assets	<u>392</u>	<u>1,505</u>	<u>776</u>
<b>EQUITY</b>			
Equity attributable to equity holders of the parent			
Share capital	14,488	14,488	14,488
Share premium account	28,158	28,158	28,158
Other reserve	31	(182)	31
Profit and loss account	(42,584)	(41,232)	(42,533)
Total equity	<u>93</u>	<u>1,232</u>	<u>144</u>
<b>LIABILITIES</b>			
Current liabilities			
Trade and other payables	295	161	418
Current tax payable	-	25	-
	<u>295</u>	<u>186</u>	<u>418</u>
Disposal group classified as held for sale	4	87	214
Total liabilities	<u>299</u>	<u>273</u>	<u>632</u>
Total equity and liabilities	<u>392</u>	<u>1,505</u>	<u>776</u>

## Consolidated interim statement of comprehensive income

	6 months to 30 June 2011 Unaudited £'000	6 months to 30 June 2010 Unaudited £'000	Year to 31 December 2010 Audited £'000
Loss for the period	(51)	(168)	(1,469)
Exchange differences on translation of foreign operations	-	(62)	(1)
Total comprehensive income for the period	<u>(51)</u>	<u>(230)</u>	<u>(1,470)</u>
Attributable to:			
Equity holders of the parent	<u>(51)</u>	<u>(230)</u>	<u>(1,470)</u>

## Consolidated interim statement of changes in equity

### Six months ended 30 June 2011

	Share capital £'000	Share premium £'000	Other Reserve £'000	Profit and Loss Account £'000	Total £'000
Balance at 01 January 2011	14,488	28,158	31	(42,533)	144
Loss for the period	-	-	-	(51)	(51)
Other comprehensive income					
Exchange differences on translation of foreign operations	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(51)	(51)
Balance at 30 June 2011	<u>14,488</u>	<u>28,158</u>	<u>31</u>	<u>(42,584)</u>	<u>93</u>

## Consolidated interim statement of changes in equity (continued)

### Six months ended 30 June 2010

	Share capital	Share premium	Other Reserve	Profit and Loss Account	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 01 January 2010	14,488	28,158	(120)	(41,064)	1,462
Loss for the period	-	-	-	(168)	(168)
Other comprehensive income					
Exchange differences on translation of foreign operations	-	-	(62)	-	(62)
Total comprehensive income for the period	-	-	(62)	-	(62)
Balance at 30 June 2010	14,488	28,158	(182)	(41,232)	1,232

### Year ended 31 December 2010

	Share capital	Share premium	Other Reserve	Profit and Loss Account	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 01 January 2010	14,488	28,158	(120)	(41,064)	1,462
Loss for the period	-	-	-	(1,469)	(1,469)
Other comprehensive income					
Exchange differences on translation of foreign operations	-	-	(1)	-	(1)
Revaluation of available for sale asset			152		152
Total comprehensive income for the period	-	-	151	(1,469)	(1,318)
Balance at 31 December 2010	14,488	28,158	31	(42,533)	144

## Consolidated interim statement of cash flows

	6 months to 30 June 2011 Unaudited £'000	6 months to 30 June 2010 Unaudited £'000	Year to 31 December 2010 Audited £'000
Cash flows from operating activities			
Loss after taxation	(51)	(168)	(1,469)
Adjustments for:			
Depreciation	-	3	6
Impairment of goodwill	-	-	400
Net interest expense	-	5	-
Loss on disposal of fixed assets	4	-	-
Change in trade and other receivables	445	42	678
Change in trade and other payables	(333)	(171)	234
Net cash used in operating activities	<u>65</u>	<u>(289)</u>	<u>(151)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment			
Proceeds from sale of investments		14	
Proceeds from sale of subsidiaries	-	112	-
Reclassification of cash held in disposal group	-	-	(32)
Net cash from/(used in) investing activities	<u>-</u>	<u>126</u>	<u>(32)</u>
Cash flows from financing activities			
Interest paid	-		
Net cash used in financing activities		(5)	-
Net change in cash and cash equivalents	<u>65</u>	<u>(168)</u>	<u>(183)</u>
Cash and cash equivalents at beginning of period	6	188	188
Exchange loss/(gain) on cash and cash equivalents	-	-	1
Cash and cash equivalents at end of period	<u>71</u>	<u>20</u>	<u>6</u>

## Notes to the consolidated interim financial statements

### 1 Publications of non-statutory accounts

The financial information set out in this interim report does not constitute statutory accounts. The figures from the year ended 31 December 2010 have been extracted from the statutory financial statements which have been filed with the Registrar of Companies. The auditors' report was unqualified and did not contain statements under either Section 498(2) or Section 498(3) of the Companies Act 2006.

### 2 Basis of preparation

These unaudited condensed consolidated interim financial statements ('the interim financial statements') are for the six months ended 30 June 2011. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2010.

These interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", and accounting policies under the historical cost convention, except for revaluation of certain properties and financial instruments. They are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU).

The principal accounting policies have remained unchanged from those set out in the consolidated financial statements of the Group for the year ended 31 December 2010.

## Notes to the consolidated interim financial statements (continued)

### 3 Revenue and segmental information

During the year to 31 December 2010 all of the Group's major operating segments were either disposed of or ceased to trade. Accordingly no segmental information has been presented other than that of Continuing and Discontinued activities. Following the disposals and cessation of the Group's major trading businesses the Group is operating as one segment, represented as continuing operations in the income statement. Information regarding discontinued operations has been given below:

As a consequence of this decision revenue and expenses, gains and losses relating to these businesses have been eliminated from the Group's continuing results and presented as a single line item on the face of the income statement (see "net result" from discontinued operations). The comparative income statement has been represented to show the discontinued operations separately from continuing operations. The operating results for these businesses and summarised below.

<b>Six months to 30 June 2011</b>	<b>Continuing</b>	<b>Discontinued activities</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revenue	27	19	46
Cost of sales	-	-	-
Gross profit	27	19	46
Impairment of goodwill	-	-	-
Other administrative costs	(108)	11	(97)
Total administrative costs	(108)	11	(97)
Operating profit / (loss)	(81)	30	(51)
Finance income	-	-	-
Finance expense	-	-	-
Loss before tax	(81)	30	(51)
Income tax credit	-	-	-
Profit/(loss) for the period	(81)	30	(51)



## Notes to the consolidated interim financial statements (continued)

<b>Six months to 30 June 2010</b>	<b>Continuing</b>	<b>Discontinued activities</b>	<b>Total</b>
	£'000	£'000	£'000
Revenue	10	537	547
Cost of sales	-	-	-
Gross profit	<u>10</u>	<u>537</u>	<u>547</u>
Impairment of goodwill	-	-	-
Other administrative costs	(160)	(550)	(710)
Total administrative costs	<u>(160)</u>	<u>(550)</u>	<u>(710)</u>
Operating profit/(loss)	<u>(150)</u>	<u>(13)</u>	<u>(163)</u>
Finance income	-	-	-
Finance expense	(5)	-	(5)
Profit/(loss) before tax	<u>(155)</u>	<u>(13)</u>	<u>(168)</u>
Income tax credit	-	-	-
Profit/(loss) for the period	<u>(155)</u>	<u>(13)</u>	<u>(168)</u>

<b>Year to 31 December 2010</b>	<b>Continuing</b>	<b>Discontinued activities</b>	<b>Total</b>
	£'000	£'000	£'000
Revenue	324	1,325	1,649
Cost of sales	-	-	-
Gross profit	<u>324</u>	<u>1,325</u>	<u>1,649</u>
Impairment of goodwill	(402)	-	(402)
Other administrative costs	(572)	(2,144)	(2,716)
Total administrative costs	<u>(974)</u>	<u>(2,144)</u>	<u>(3,118)</u>
Operating loss	<u>(650)</u>	<u>(819)</u>	<u>(1,469)</u>
Finance income	-	-	-
Finance expense	-	-	-
Loss before tax	<u>(650)</u>	<u>(819)</u>	<u>(1,469)</u>
Income tax credit	-	-	-
Loss for the period	<u>(650)</u>	<u>(819)</u>	<u>(1,469)</u>

## Notes to the consolidated interim financial statements (continued)

### 4 Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares and the post tax effect of dividends and/or interest, on the assumed conversion of all dilutive options and other dilutive potential ordinary shares.

Reconciliations of the earnings and weighted average number of shares used are set out below.

#### 6 months to 30 June 2011 (unaudited)

	Earnings £'000	Weighted average no. shares	Basic Per share amount Pence
Continuing operations			
Loss after tax	(81)		
Earnings attributable to ordinary shareholders	<u>(81)</u>		
Weighted average number of shares		28,976,581	<u>(0.28)</u>
Discontinued operations			
Profit / (Loss) after tax	30		
Earnings attributable to ordinary shareholders	<u>30</u>		
Weighted average number of shares		28,976,581	<u>0.10</u>
Total basic and diluted earnings per share			<u><u>(0.18)</u></u>

#### 6 months to 30 June 2010 (unaudited)

	Earnings £'000	Weighted average no. shares	Basic Per share amount Pence
Continuing operations			
Loss after tax	(155)		
Earnings attributable to ordinary shareholders	<u>(155)</u>		
Weighted average number of shares		28,976,581	<u>(0.54)</u>
Discontinued operations			
Loss after tax	(13)		
Earnings attributable to ordinary shareholders	<u>(13)</u>		
Weighted average number of shares		28,976,581	<u>(0.04)</u>
Total basic and diluted earnings per share			<u><u>(0.58)</u></u>

## Notes to the consolidated interim financial statements (continued)

Year to 31 December 2010 (audited)

	Earnings £'000	Weighted average no. shares	Basic Per share amount Pence
Continuing operations			
Loss after tax	(650)		
Earnings attributable to ordinary shareholders	<u>(650)</u>		
Weighted average number of shares		28,976,581	<u>(2.24)</u>
Discontinued operations			
Loss after tax	(819)		
Earnings attributable to ordinary shareholders	<u>(819)</u>		
Weighted average number of shares		28,976,581	<u>(2.83)</u>
Total basic and diluted earnings per share			<u><u>(5.07)</u></u>