

Interim Results announcement for the six months to 30 June 2010

Share plc (AIM: SHRE.LN), parent company of The Share Centre (a leading independent retail stockbroker and operator of Sharemark, the trading platform for growing companies) and Sharefunds (the Group's investment management and fund administration subsidiary), announces its unaudited results for the six months to 30 June 2010.

Highlights

- Revenue increased 9% to £7.5m (2009: £6.9m).
- Operating profit increased by 50% to £1.5m (2009: £1.0m)
- Underlying (*) basic and diluted earnings per share increased to 0.8p (2009: 0.6p)
- Growth in benchmarked revenue market share to 6.27% in Q2 2010 (Q2 2009: 5.64%)
- Strong balance sheet with £13.8m in cash (2009: £12.9m)

(*) excludes the impact of some items, in particular any large non-recurring items, as defined in note 6 to the interim report and accounts. Basic and diluted earnings per share 0.7p (2009: 0.6p).

Sir Martin Jacomb, Chairman, commented on the results:

"I am pleased to be able to report that the progress made during 2009 has continued into 2010 based, we believe, on the increased sense of involvement and enjoyment our customers gain by taking control of their savings and investments.

This has resulted in good revenue growth which has translated into strong operating profit performance. The revenue growth in our non-interest revenues of 20% over the same period in 2009 was particularly pleasing and reflects increased customer numbers and activity. This has enabled us to grow our market share of revenues.

While the interest rate floor policy which has significantly helped our performance since late 2008 comes to an end in November, we are confident the Group is well positioned to deliver further growth in its underlying business as more investors seek to take control of their investments and search for income-producing assets in the current low interest rate environment.

Finally, in May we announced a tender offer and share repurchase aimed at improving the efficiency of the balance sheet. Given that the tender offer will provide some liquidity for larger shareholders, we are also offering a commission free dealing opportunity to provide dealing liquidity for those shareholders with smaller holdings. The acceptance period for each of these processes commences today and runs through until midday on 27 August."

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**Risk Warning:**

This document is not intended to constitute an offer or agreement to buy or sell investments and does not constitute a personal recommendation. The investments and services referred to in this document may not be suitable for every investor and if in doubt independent financial advice should be sought. No liability is accepted whatsoever for any loss howsoever arising from any information in this document subject to the rules of the Financial Services Authority or the Financial Services and Markets Act 2000. Share prices, values and income can go down as well as up and investors may get back less than their initial investment. The Share Centre is a member of the London Stock Exchange and is authorised and regulated by the Financial Services Authority under reference 146768. Sharemark constitutes a Multilateral Trading Facility and is not a recognised investment exchange, clearing house or regulated market within the meaning of the Markets in Financial Instruments Directive.

Notes for Editors:

1. Share plc is the parent holding company of The Share Centre Ltd and Sharefunds Limited and its shares are traded on Sharemark (www.sharemark.com), the auction-based trading platform designed especially for growing companies, as well as on AIM and PLUS Markets.
2. The Share Centre was formed in 1990 and provides a range of account-based services to enable investors to share in the wealth of the stock market.
3. Retail services include ISAs, CTF accounts and SIPPs, all with the benefit of investment advice, and dealing in a wide range of investments.
4. Services available to corporate clients include Share plan administration, Fund administration and 'white-label' dealing platforms.
5. For more details contact 0800 800 008, or visit www.share.com.

Chairman's statement

I am pleased to present the results of Share plc for the half year to 30 June 2010.

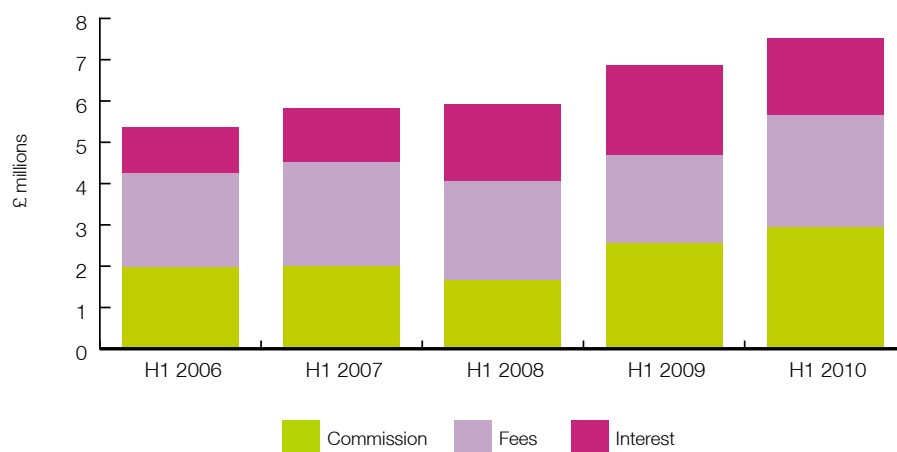
In our 2009 annual report I reported there had been a significant increase in the use of our services by personal investors. We believe that this growth, not only in new customers but also in trading activity, reflects the increased involvement and enjoyment our customers gain by taking control of their savings and investments. This is particularly evident through use of our internet facilities on www.share.com. The contrast in investor activity over the last two years of stockmarket collapse and recovery compared with similar situations in the past has shown how the web now presents the opportunities and not just the challenges that arise from volatility.

I am pleased to report that the progress seen in 2009 has continued into 2010 and is reflected in our first half results. To give a sense of the increased activity we have seen over the last two years, in the first half of 2010 we opened 52% more new accounts and transacted 88% more deals than we did in the same period in 2008. The impact the web has had on this process is evident in the number of unique visitors to our website each month. In June 2010 this was over 145,000 individuals, more than 33% higher than in June 2009 and 92% higher than in June 2008. We believe this reflects the appeal to personal investors of our website which is content rich and easy-to-use with the benefit of features such as the volume of research, practice accounts, the new Funds Centre and Platinum 120 hand-picked range of funds, along with tools such as the SharePicker, FundPicker and ETFPicker.

Market conditions have been relatively benign through the first half of this year. The stockmarket has shown some volatility but the FTSE 100 has traded largely within a range between 5,000 and 5,600, weaker in the second quarter than the first. This is against a backdrop of historically low interest rates which appear set to persist for some time. In this context, the search for income amongst personal investors has become more urgent and many are turning to the stockmarket.

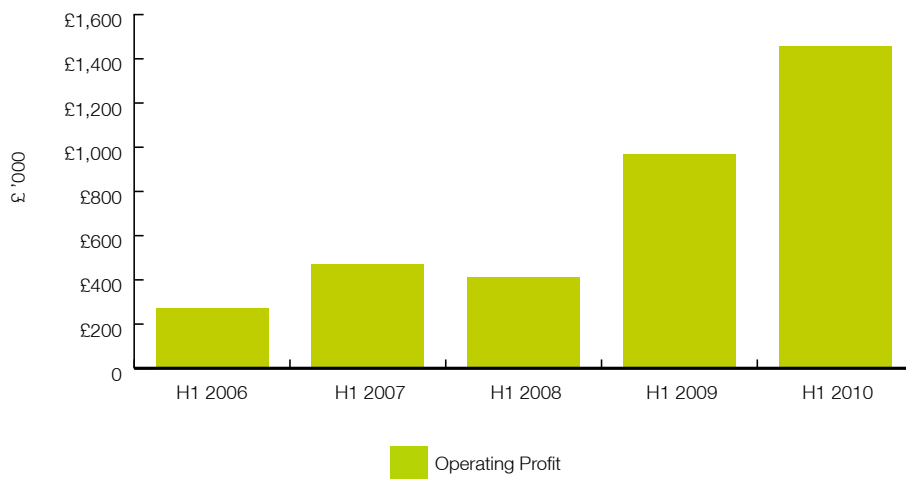
Operating results:

In the first half of 2010 the Group increased revenues relative to the same period last year by 9%. The impact of declining interest revenues masks the faster growth rate being achieved in our business. Dealing commission and fee income grew by 15% and 27% respectively, with the overall growth in non-interest revenues being 20%. The chart below shows how the growth in revenues in the first half of the last two years has been driven by the non-interest revenue streams, supported by increased levels of customer activity, account numbers and account values. Our total funds under administration at 30 June 2010 were £1.28bn, up 28% on June 2009 and outperforming a movement in the FTSE 100 over the same period of 19%.



Our Trader Option, offering a flat dealing commission rate of £7.50 (or an effective £5.25 for Share plc shareholders who trade through the internet) for more active traders has been particularly successful, seeing an increase of 30% in the number of customers choosing this option. As at 30th June these customers are contributing c.10% of the Group's total revenues and there is good scope for Trader Option growth in future years.

The business's costs have not increased to the same extent as revenues. Overall, administrative expenses rose by just under 3% relative to the first half of 2009. This enabled the majority (75%) of the increased revenue to be reflected in operating profit. Consequently operating profit increased to £1.5m (2009: £1.0m), a rise of 50% relative to 2009. This clearly demonstrates the ability of the Group to generate high levels of profitability from revenue growth. The operating margin increased to 19% (2009: 14%). The chart below shows operating profit for the first half of the last five years demonstrating how this has grown more than 250% in the last two years.

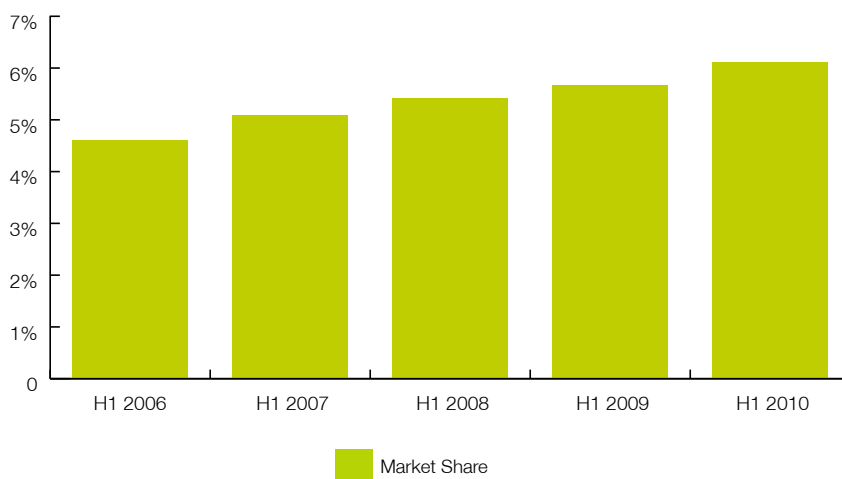


We are particularly encouraged by the good reception which continues to be given for our high standard of customer service. Measures for this include our telephone response rate (for example, 95% of calls in July were answered within 20 seconds) and our website availability (for example, 100% available during trading and office hours in July, 99% available 24/7).

The first half of the year has seen progress with a number of the corporate initiatives included in our last annual report. In particular, Sharefunds, our fund administration business, has now successfully completed the transition of the fund accounting services for the funds operated by WAY Fund Managers Limited, and we are now welcoming new funds in partnership with WAY. We have also completed the transfer of accounts from Wills & Co Stockbrokers. Both of these made a small contribution to the first half performance and are expected to make a more significant contribution in the second half of the year. We have also been pleased to welcome some new lines of stock to Sharemark, our alternative investment market, with others in the pipeline to join later in the year.

Market share:

The benign market conditions have clearly helped our peers too. However, the benchmark revenue share indicator which we publish quarterly has shown continued growth in the second quarter indicating that we continue to gain market share relative to those peers*. The value has increased from 5.97% in the first quarter to 6.27% in the second. Looking at the half year periods over the past five years the pattern of growth in market share is even more evident, with the first half of 2010 showing the largest year on year change since we started measuring this data:



Outlook and trading update:

In May, we announced a tender offer and share repurchase aimed at improving the efficiency of the balance sheet in the current low interest rate environment. Given that the tender offer will provide some liquidity for larger shareholders, we are also offering a commission free dealing opportunity to provide dealing liquidity for those shareholders with smaller holdings. The acceptance period for each of these processes commences today and runs through until noon on the 27th August. If the full availability of shares for the buyback is taken up, the underlying earnings per share for the first half of the year would be 0.9 pence per share based on the reduced number of shares that would be in issue.

Looking ahead we are pleased to report that interest in our services continues to build and dealing commission and activity levels remain strong and ahead of the levels seen in 2009. The results to date have been supported by the interest rate floor policy we took out in November 2007 which comes to an end on 1 November 2010. This policy contributed £1.3m to revenues in the first half of the year (2009: £1.2m) and its absence from November 2010 will have an impact on the second half performance relative to the first, and a more material impact in 2011. That said, we have taken some steps to improve the rates of return earned on our deposits and are continuing discussions with banks and other deposit-taking institutions in this regard whilst always having a clear focus on the security of those deposits. To date this has increased our average rate of interest earned on those deposits from 0.95% in July 2009 to 1.55% in July 2010.

Our business planning process for 2011 is well underway and, now that a Coalition Government is in place, we are exploring opportunities arising from their economic agenda. These include moving forward our 'savings for retirement' program and continuing to enhance electronic access for investors for both research and account management. Meanwhile we remain alert for any potential acquisitions which could deliver further growth for the business.

We therefore continue to believe that the Group is well placed to deliver growth, allowing for the effect of the ending of the interest rate protection policy. In our view, the relatively benign market conditions should persist for a time and we therefore anticipate continuing strong demand from personal investors keen to take control of their investments and searching for income-producing assets in the low interest rate environment. With a continuing desire for keen pricing and high quality customer service combined with the current sense of mistrust of large financial institutions, we believe we can meet that demand as a leading independent stockbroker focused on our investors' needs. As I stated in our 2009 annual report, we believe individuals are the best judge of how much risk they want taken with their savings and investments, and the Share plc Group provides the way for them to have that transparency and control, and to enjoy the experience.

Sir Martin Jacomb



Chairman

10 August 2010

* The benchmark peer group used comprises: Alliance Trust Savings, Barclays Stockbrokers, Equiniti, Halifax Sharedealing, HSBC Stockbrokers, Natwest Stockbrokers, Saga Personal Finance, Selftrade, and T D Waterhouse Investor Services Europe.

Consolidated Income Statement

For the six months ended 30 June 2010	Notes	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Revenue		7,521	6,874	14,128
Administrative expenses		(6,066)	(5,904)	(11,972)
Operating profit		1,455	970	2,156
Investment revenues		135	221	303
Other gains and losses		(6)	102	(114)
Profit before taxation		1,584	1,293	2,345
Taxation	4	(428)	(302)	(639)
Profit for the period		1,156	991	1,706
Basic earnings per share*	6	0.7p	0.6p	1.1p
Diluted earnings per share*	6	0.7p	0.6p	1.1p

All results are in respect of continuing operations.

* The Directors consider that the underlying earnings per share as presented in note 6 represent a more consistent measure of the underlying performance of the business as this measure excludes 'Other gains and losses' and one-off items of income or expense.

Consolidated statement of comprehensive income

For the six months ended 30 June 2010	Notes	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Profit for the year		1,156	991	1,706
(Losses)/gains on revaluation of available-for-sale investments		(343)	309	340
Tax on gains/(losses) on revaluation of available-for-sale investments		97	(87)	(96)
Exchange gains on available-for-sale investments taken directly to equity		(134)	(232)	(170)
Tax on exchange (losses)/gains on available-for-sale investments taken directly to equity		37	-	49
Recycled from equity to income in respect of the cash flow hedge		(1,339)	(1,206)	(2,566)
Tax on income recycled from equity to income in respect of the cash flow hedge		375	338	718
(Losses)/Gains on revaluation of cash flow hedge taken directly to equity		243	996	2,060
Tax on gain on revaluation of cash flow hedge taken directly to equity		(71)	(243)	(576)
Net (loss)/income recognised directly in equity		(1,135)	(125)	(241)
Total comprehensive income for the period		21	866	1,465
Attributable to equity shareholders		21	866	1,465

Consolidated statement of changes in equity

For the six months ended 30 June 2010

	Share capital	Capital redemption reserve	Share premium account	Employee benefit reserve	Retained earnings	Revaluation reserve	Attributable to equity holders of the company
Balance at 1 January 2009	801	19	931	(535)	12,878	3,198	17,292
Total comprehensive income for the period					824	42	866
Issue of share capital	2		103				105
Dividends					(348)		(348)
Purchase of Employee Share Ownership Plans (ESOP) shares				(65)			(65)
Sales of ESOP shares				6			6
Cost of matching and free shares in SIP				70			70
Profit on sale of ESOP shares and dividends received				26	(26)		-
Share-based payment credit					137		137
Deferred tax on share-based payment					48		48
Other Deferred tax					(11)		(11)
Balance at 30 June 2009 (unaudited)	803	19	1,034	(498)	13,502	3,240	18,100
Total comprehensive income for the period					759	(161)	598
Issues of share capital	1		38				39
Purchase of ESOP shares				(159)			(159)
Sales of ESOP shares				103			103
Cost of matching and free shares in SIP				68	(138)		(70)
Profit on sale of ESOP shares and dividends received				(1)	1		-
Share-based payment credit					150		150
Deferred tax on share-based payment					(41)		(41)
Other Deferred tax							
Balance at 31 December 2009 (audited)	804	19	1,072	(487)	14,233	3,079	18,720
Total comprehensive income for the period					1,059	(1,038)	21
Dividends					(396)		(396)
Purchase of ESOP shares				(130)			(130)
Sales of ESOP shares				53			53
Cost of matching and free shares in SIP				71	(71)		-
Profit on sale of ESOP shares and dividends received				(18)	18		-
Share-based payment credit							
Deferred tax on share-based payment					(11)		(11)
Other Deferred tax							
Balance at 30 June 2010 (unaudited)	804	19	1,072	(511)	14,832	2,041	18,257

Consolidated balance sheet

Notes	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Non-current assets			
Intangible assets	86	44	36
Property, plant and equipment	235	106	253
Available-for-sale investments	2,888	2,800	2,892
Deferred tax assets	157	214	157
	3,366	3,164	3,338
Current assets			
Trade and other receivables	15,026	12,274	9,549
Cash and cash equivalents	7	13,190	14,542
Derivative financial instruments	932	2,545	2,033
	30,921	28,009	26,124
Total assets	34,287	31,173	29,462
Current liabilities			
Trade and other payables	(14,696)	(11,317)	(9,117)
Current tax liabilities	(424)	(287)	(270)
	(15,120)	(11,604)	(9,387)
Net current assets	15,801	16,405	16,737
Non-current liabilities			
Deferred tax liabilities	(910)	(1,469)	(1,355)
Total liabilities	(16,030)	(13,073)	(10,742)
Net assets	18,257	18,100	18,720
Equity			
Share capital	804	803	804
Capital redemption reserve	19	19	19
Share premium account	1,072	1,034	1,072
Employee benefit reserve	(511)	(498)	(487)
Retained earnings	14,832	13,502	14,233
Revaluation reserve	2,041	3,240	3,079
Equity shareholders' funds	18,257	18,100	18,720

This condensed set of financial statements was approved by the Board on 10 August 2010

Signed on behalf of the Board



Sir Martin Jacomb

Consolidated cash flow statement

	Notes	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Net cash from operating activities	8	1,247	982	2,442
Investing activities				
Interest received		64	102	156
Dividend received from trading investments		71	119	147
Purchase of property, plant and equipment		(33)	(37)	(227)
Purchase of intangible investments		(59)	-	-
Purchase of available-for-sale investments		(473)	-	-
Net cash flow from investing activities		(430)	184	76
Financing activities				
Equity dividends paid	5	(396)	(348)	(348)
Net cash used in financing		(396)	(348)	(348)
Net (decrease)/increase in cash and cash equivalents		421	818	2,170
Cash and cash equivalents at the beginning of the period		14,542	12,372	12,372
Cash and cash equivalents at the end of the period		14,963	13,190	14,542

Notes to the accounts

1 Basis of preparation

The financial information included in this announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs). However, this announcement does not itself contain sufficient information to comply with IFRSs. The Group's published full financial statements comply with IFRSs.

In the current year, the following new and revised Standards and Interpretations relevant to the Group have been adopted and have impacted the presentation and disclosure in these financial statements. The amounts reported in these financial statements have not been affected by the adoption of these new Standards and Interpretations:

IAS 27 (revised 2008) Consolidated and Separate Financial Statements

IFRS 1 (amended) / IAS 27 (amended) Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

IFRS 2 (amendments to) Share-based Payment

IFRS 3 (revised 2008) Business Combinations

At the date of authorisation of these financial statements, there were no other Standards and Interpretations, relevant to the Group's activities, which have not been applied in these financial statements and were in issue but not yet effective.

The consolidated financial statements of the Group have been prepared on a going concern basis.

2 Accounting policies

The accounting policies used are consistent with those set out in the 2009 Annual Report.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Allowance for bad debts The Group makes a provision for the element of fees which it believes will not be recovered from customers. This is based on past experience and detailed analysis of the outstanding fees position particularly with regard to the value of customers' portfolios relative to the fees owed.

Fair value of investments The Group currently holds investments in the London Stock Exchange plc and Euroclear plc. These are held as available-for-sale financial assets and are measured at fair value at the balance sheet date. London Stock Exchange plc shares trade in an active market and the fair value is readily determined by market price. The Euroclear plc shares do not trade in an active market and therefore a view is formed as to fair value based on the most recently traded price and the net asset value of the business adjusted for liquidity considerations.

Fair value of derivative financial instruments The Group has a single derivative financial instrument. Its fair value is determined by reference to the valuation provided by the counterparty to the contract. This is considered an appropriate third party valuation. Given the Government support and ownership within the banking sector there is not considered to be any material counterparty risk in respect of the policy which would affect its fair value.

Share-based payments The Company's shares have been traded on Sharemark since 2000 and on AIM and PLUS Markets since May 2008. This provides a market price to help determine the fair value of equity-settled share-based payments but, in addition to this, estimations are made as to price volatility, risk free interest rate and expected life. These estimations enable the Black-Scholes model to then be used to determine the fair value of these equity-settled share-based payments.

Impairment The assets on the balance sheet are reviewed for any indications of impairment. This is done with reference to the recoverability and market value of the assets concerned but may involve an element of judgement or estimation in determining whether there are any indications of impairment and the extent of any impairment loss.

WAY Group investment The Company made three payments of £157,500 totalling £472,500 to WAY Group Limited during 2009 and 2010. The transfer of all agreed fund accounting duties to Sharefunds occurred during June 2010 and as a result this sum converted into a c.5% holding in the ordinary issued share capital of WAY Group Limited. This investment is included within available-for-sale investments. The shares of WAY Group Limited do not trade on any market and the availability of financial information in a timely manner is limited. It is believed that the cost is not significantly different from the fair value and as a result this investment is carried at cost and subject to regular impairment review.

Wills and Co. Stockbrokers Limited asset acquisition On 17 February 2010 the Company announced the acquisition of the majority of the customer base of Wills & Co Stockbrokers Limited following that firm's censure by the Financial Services Authority (FSA). As disclosed in the 2009 Annual Report it was anticipated this may give rise to negative goodwill in the Income Statement arising from fair value accounting for this transaction. Management have since determined that this transaction falls outside the scope of IFRS 3 as it is not a business combination. Consequently the accounting treatment required by IAS 38 has been adopted. The intangible asset acquired was a customer base and the costs related to the acquisition of that asset – estimated at £59,000 – have been capitalised within Intangible Assets on the Group's Balance Sheet and will be amortised over a period of 5 years on a straight line basis from the date of the acquisition.

4 Taxation

The charge to taxation is an estimate based on the anticipated rate of tax of 28%.

5 Distribution to shareholders

	30 June 2010 £'000	30 June 2009 £'000	31 December 2009 £'000
Interim dividend paid in current year per 0.5p ordinary share – 2010 0.25p (2009 Final Dividend in respect of 2008: 0.22p)	401	353	353
Less amount received on shares held via ESOP	(5)	(5)	(5)
	396	348	348

6 Earnings per share

	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Earnings			
Earnings for the purpose of basic and diluted earnings per share, being net profit attributable to equity holders of the parent company	1,156	991	1,706
Other gains and losses	6	(102)	114
Share based payments	160	137	287
Related profit share paid	(21)	(17)	(36)
Taxation impact of the above adjustments	(6)	(5)	(10)
Earnings for the purposes of underlying basic and diluted earnings per share	1,295	1,004	2,061

Number of shares	Number ('000)	Number ('000)	Number ('000)
Weighted average number of ordinary shares	163,386	162,503	162,839
Non-vested shares held by employee share ownership trust	(2,256)	(2,390)	(2,297)
Basic earnings per share denominator	161,130	160,113	160,542
Effect of potential dilutive share options	838	961	1,003
Diluted earnings per share denominator	161,968	161,074	161,545
Basic earnings per share (pence)	0.7	0.6	1.1
Diluted earnings per share (pence)	0.7	0.6	1.1
Underlying basic earnings per share (pence)	0.8	0.6	1.3
Underlying diluted earnings per share (pence)	0.8	0.6	1.3

7 Cash at bank and in hand

	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Cash	13,775	12,920	13,815
Cash held in trust for clients (a)	1,188	270	727
	14,963	13,190	14,542

(a) This amount is held by The Share Centre Limited in trust on behalf of clients but may be used to complete settlement of outstanding bargains and dividends due.

(b) At 30 June 2010 segregated deposit amounts held by the Group on behalf of clients in accordance with the client money rules of the Financial Services Authority amounted to £111.1 million (30 June 2009: £103.3 million). The Group has no beneficial interest in these deposits and accordingly they are not included on the balance sheet.

8 Cash flow

Reconciliation of operating profit to net cash inflow from operating activities

	Half Year 30 June 2010 (unaudited) £'000	Half Year 30 June 2009 (unaudited) £'000	Year 31 December 2009 (audited) £'000
Operating profit	1,455	970	2,156
Other gains and losses	(6)	11	22
Depreciation of property, plant and equipment	50	33	76
Amortisation of intangible assets	8	8	16
Share-based payments	(71)	242	293
Operating cash flows before movement in working capital	1,436	1,264	2,563
Decrease/(increase) in receivables	(5,478)	(5,604)	(2,896)
(Decrease)/increase in payables	5,579	5,607	3,424
Cash generated by operations	1,537	1,267	3,091
Income taxes paid	(290)	(285)	(649)
Net cash from operating activities	1,247	982	2,442