Date: 14 September 2015
On behalf of: DDD plc (AIM: DDD; OTCQX: DDDGY; 'DDD' or the 'Group' or the 'Company')
Embargoed until: 0700hrs

DDD Group plc

Half yearly results for the six months ended 30 June 2015

Transition gaining momentum

DDD Group plc, the advanced imaging and 3D solutions company, announces its half yearly results for the six months ended 30 June 2015.

Highlights:

- Launched TriDef SmartCam webcam background removal PC software for use with popular gamecasting and video conferencing applications
- Signed affiliate agreements with SplitmediaLabs for TriDef SmartCam integration into XSplit Gamecaster and XSplit Broadcaster
- Signed license agreement for distribution of TriDef SmartCam by SplitmediaLabs to OEM PC manufacturers
- A number of additional commercial evaluations underway with prospective partners in the gamecasting and video conferencing markets
- Promising progress on the patent licensing program
- Revenue of $437,000 (H1 2014 restated: $1,179,000)
- Cash and receivables at 30 June 2015 of $1,285,000 (H1 2014: $1,428,000)
- Free cash flow* improved 43% to an outflow of $1,034,000 (H1: 2014: outflow $1,829,000) due to continued careful management of operating expenses

*Free cash flow is cash flow required for operating and capitalised investing activities (excluding financing activities).

Subsequent to Period End

- Filed patent infringement lawsuit in Los Angeles, USA against LG Electronics on 23 July 2015 with Quinn, Emanual, Urquhart, & Sullivan LLP as lead counsel
- Extended Samsung 3D TV license agreement until December 2016

Chris Yewdall, Chief Executive said:

"The Company achieved a number of objectives in the first half transitioning from its legacy 3D business into our new offering of the 2D TriDef SmartCam solutions that target scalable opportunities in the gamecasting and video conferencing markets. We have been encouraged by the positive response from end users and prospective partners to the new TriDef SmartCam products.

"Additionally, the Company has appointed Quinn Emanuel Urquhart and Sullivan LLP, a leading US intellectual property law firm, to pursue patent infringement litigation in the US against LG Electronics related to LG's range of 3D televisions. Dominion Harbor Group continues to make promising progress on the patent licensing program with indications that additional licenses may be secured in the current financial year without the need for litigation.

"Revenues from the 3D TV market were lower due to the transition of the use of Company's TriDef 3D conversion technology from HDTVs to UHD/4K TVs which occurred at the end of the first quarter. The Company expects the 3D TV revenues to recover in the near term in line with the continued

growth in sales of UHD TVs and has extended its license agreement with Samsung until the end of 2016.

"During the transition from stereo 3D products to 2D solutions the Company continues to carefully manage costs and expenses to maximize the working capital as the Company returns to break-even."

Enquiries

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Forward-Looking Statements

This document includes forward-looking statements. Whilst these forward-looking statements are made in good faith they are based upon the information available to DDD at the date of this document and upon current expectations, projections, market conditions and assumptions about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Group and should be treated with an appropriate degree of caution.

The past performance of the Company and its securities is not, and should not be relied on as, a guide to the future performance of the Company and its securities.

About DDD

DDD transforms the visual experience. Its advanced imaging and TriDef® solutions are licensed by leading brands for use in TVs, tablets and PCs. Over 53.5 million 3D products have been shipped by DDD's licensees worldwide. DDD's shares are quoted on the London Stock Exchange's AIM Market (AIM: DDD) and the OTCQX (DDDGY). For more information please visit www.ddd.com.

Overview

The Group continues to progress in its image analysis research and development efforts and the related introduction of new products focused on the larger 2D image market.

Business Review

Technology Licensing

During the period, the Group focused on the delivery of its new 2D product "TriDef SmartCam" which is designed to perform real time background removal and substitution without the need for any special 'green-screen' equipment. TriDef SmartCam enables users of popular PC video conferencing

products like Skype and popular gamecasting products like XSplit Gamecaster to effectively overlay their webcam image on alternative backgrounds such as gameplay videos or still photos using their 2D webcam.

TriDef SmartCam was launched on DDD's TriDef.com website in late May where it is available for purchase and also as a free 7 day trial. The Group's GenMe Inc. subsidiary signed the first affiliate agreement with SplitmediaLabs in May enabling the distribution of TriDef SmartCam to end users of SplitmediaLabs' popular XSplit Gamecaster and XSplit Broadcaster applications. Under the terms of the affiliate agreement, end users of XSplit Gamecaster and XSplit Broadcaster can try out the TriDef SmartCam app with a 7 day free trial. Revenues of purchases of TriDef SmartCam licenses made by XSplit end users are then shared with SplitmediaLabs on a calendar quarterly basis. SplitmediaLabs launched the first version of XSplit Gamecaster that supports TriDef SmartCam in August at the Gamescom 2015 trade show in Cologne, Germany. A separate license agreement with SplitmediaLabs enables TriDef SmartCam to be bundled with the XSplit Gamecaster and XSplit Broadcaster products which SplitmediaLabs will license to manufacturers of high performance gaming PCs. Under the terms of this agreement, DDD will receive a per unit royalty from SplitmediaLabs for each XSplit software subscription that is activated by an end user.

The Group is also involved in a number of commercial discussions and evaluations with other software vendors in the game casting and video conferencing markets in the United States and Asia and anticipates expanding the TriDef SmartCam affiliate licensing program over the coming months as these discussions conclude.

The Group is also finalising the development of an Android version of the SmartCam solution that can be used with mobile phones and tablets. In addition to video conferencing applications, the Group is planning to introduce an app in the second half that leverages the SmartCam technologies to enable a new category of 'social photography' whereby users can include themselves in photographs that they receive from friends and via social media circles.

During the first half, a total of 2.5 million 3D consumer products were shipped with the Group's TriDef 3D 2D to 3D conversion technologies under license. This decline in shipments was due to a softening demand in the LCD TV market that led TV manufacturers to reduce production capacity by between 20% and 30% in the first half coupled with the transition to the use of the Group's 2D to 3D conversion technology exclusively in the new Ultra High Definition (UHD) 4K premium TV category. Many manufacturers phased out 3D capable HDTVs during the half in favour of 3D UHD TVs. The UHD TV market grew 400% year on year to 4.7 million TVs in the first quarter of 2015 according to market research firm DisplaySearch and annual sales of UHD TVs are forecast to grow to approximately 32 million TVs during 2015. According to DisplaySearch, Samsung was the leading supplier of UHD TVs in the first quarter of 2015 with over 30% market share by value. Consequently, the Group expects royalties from 3D TV shipments to recover during the remainder of the year and beyond as production of UHD TVs and 3D UHD TVs continues to grow.

In July, the Group extended its license agreement with Samsung for the use of the TriDef 2D to 3D conversion technology in Samsung's 3D TVs until the end of 2016. As part of this renewal, the agreement was restructured such that royalties become due when the chip incorporating the Group's technology is used in the manufacture of a 3D product. Previously the royalty was due when the chip was manufactured. This royalty reporting transition resulted in a credit to Samsung representing the difference between the total chips manufactured and the total chips used in 3D products during the first half. The Group expects that this credit will be used in full by Samsung during the second half based on current market projections.

PC and mobile shipments continued to be negligible (less than 1%).

Patent Licensing

Following the appointment of Dominion Harbor to assist in the licensing of the Group's extensive patent library a number of discussions have been conducted with prospective licensees in the

consumer and professional services markets. The licensing discussions with LG Electronics related to the 3D conversion technology in LG's range of 3D TVs was not conclusive and the Group appointed the law firm of Quinn Emanuel Urquhart and Sullivan LLP (Quinn Emanuel) to represent them in a patent litigation with LG Electronics that was filed in Los Angeles California in July. Quinn Emanuel has an outstanding track record in patent related litigation and mediation, having tried 1,516 cases and won 1,371, or over 90%. When representing plaintiffs, Quinn Emanuel's lawyers have won over $15 billion in judgments and settlements. Quinn Emanuel has successfully represented many leading technology companies including Google, Motorola, Samsung and Sony in a variety of patent related matters.

The complaint alleges that as a result of discussions with LG dating back to 2008 and LG's subsequent licensing of the Group's technologies for their 3D PCs and 3D mobile phones, that LG's unlicensed use of the Group's patent claims in their range of 3D televisions was done in the full knowledge of the existence of the Group's patents and continues to be willful. The complaint seeks injunctive relief and unspecified monetary damages and contends that since LG's infringement is willful, the Group is entitled to seek treble damages and an award of its attorneys' fees, costs, and expenses.

As Dominion Harbor makes further progress on the licensing discussions with other parties, the Group will provide additional updates as and when appropriate however the Group is not of the view that litigation will be required with all prospective licensees.

Outlook

With the first of the new 2D products now available in the target markets of gamecasting and video conferencing, the Group is encouraged by the response of prospective partners and end users alike. The Group plans to build upon the core 2D image analysis technologies, refining the performance of the existing products and releasing new products that deliver innovative user experiences in sizeable growth markets.

As part of the shift in product strategy, the Group is also placing more emphasis on direct to consumer sales through affiliate agreements with market leaders such as the one concluded with SplitmediaLabs. In this approach, the Group can secure significantly higher per unit license fees from end users than would be possible if licensing to OEMs who have fragile profit margins as a result of perpetual price competition. At the same time, the Group can share these end user license fees with the third party affiliate, creating an incremental revenue opportunity for the affiliate from their installed base which benefits both the affiliate and the Group.

The Group plans to continue to place business development emphasis on securing additional affiliate agreements in the gamecasting and video conferencing markets with customers in both the United States and Asia.

As the UHD TV market continues to grow, the Group expects that the shipments of 3D TVs with the Groups 2D to 3D conversion technologies will recover and will continue to contribute to the Group's revenues for the foreseeable future.

For the remainder of 2015, the Group will focus on commercialising the new 2D products with distribution partners in the PC video conference and gamecasting markets and delivering the Android versions of these new products to enable the Group to address new mobile opportunities in the digital photography and social media markets. The Group will continue to assist Dominion Harbor in concluding licensing discussions with prospective licensees and will work closely with Quinn Emanuel on the patent litigation with LG Electronics.

Financial Review

An analysis of the financial results and business progress for the period follows. A thorough analysis of the business model and key markets is provided in the 2014 Annual Report and Accounts available on the Group's website.

Revenue for the period ended 30 June 2015, primarily from 3D technology licensing in the TV market, declined 63% against the same period in the prior year to $437,000 (June 2014 restated: $1,179,000) due to the decline in 3D technology shipments discussed previously.

High margin OEM royalty revenues decreased to $378,000 (June 2014: $1,095,000), primarily resulting from the decrease in shipments of 3D TV products by existing licensees as the 3D feature transitions into the smaller but more profitable UHD/4K television segment. During the first half of 2015, only two PC licensees (H1 2014: 5) were shipping 3D PC products with the majority of remaining 3D PC products having become end of line in prior periods. Additionally, the decline in availability of 3D PCs effected the direct-to-consumer PC software sales which fell 41% to $41,000 (June 2014: $69,000). Other licensing royalty revenues were $18,000 (June 2014: $15,000).

Gross profit margin remained 99.8% (June 2014: 99.8%) therefore the revenue decline described above directly impacted the gross profit. Gross profit for the period was $435,000 (June 2014 restated: $1,176,000).

Depreciation and amortisation expenses totaled $704,000 (June 2014 restated: $776,000). The decrease is primarily due to the effect of certain disposals made at the end of 2014.

The non-cash share-based incentive expense was $21,000 (June 2014: $92,000). In early June 2015, an employee-wide grant over 3,650,000 ordinary 1p shares at the market price of 1.75p per share was announced.

Administrative expenses fell 7% to $1,446,000 (June 2014 restated: $1,566,000) and down just under 9% sequentially compared to H2 2014 ($1,587,000). The savings is a result in weakness in the Australian Dollar against the US Dollar, savings from the move to the new Australian office in the second half of 2014 and continued expenditure controls.

Other income rose to $399,000 (June 2014: $34,000). In 2015, the amount primarily represents the R&D tax incentive for FY2014 which is anticipated to be received by September. Adjusted loss before interest, taxes, depreciation, amortisation and share based payments increased to $612,000 (2014 restated: $356,000).

Reported pre-tax loss was $1,433,000 (June 2014 restated: $1,222,000).

The majority of taxation is due to foreign withholding taxes that are deducted at source from royalty revenues by certain non-treaty territories such as Korea and Taiwan. These foreign withholding taxes may be available as tax credits in the US for future periods against foreign-sourced profits which are uncertain and are therefore included in the taxation line item. Taxation for the period was $109,000 (June 2014: $257,000) reflecting the mix in revenues from tax treaty jurisdictions during the period plus the effect of deferred tax liability adjustments as a result of the R&D capitalisation.

The Group completed a fund raising of $1,202,000 ($1,119,000 net of costs) in March 2015 which was partly via convertible loan notes and partly via an equity offering.

The Group's total loss per share after taxation was $0.010 per share (June 2014: $0.011 per share).

Cash used by operations (before tax payments and interest received) was $214,000 (June 2014: used $528,000). Net cash used by operating activities was $374,000 (June 2014: used $736,000). Capitalised expenditure was $660,000 (June 2014: $1,093,000), therefore free cash flow improved to an outflow for the period of $1,034,000 (June 2014: outflow $1,829,000).

$1,119,000 net of costs was raised from a combination of equity issuance and additional convertible loan note issuance activity (June 2014: nil), resulting in cash of $783,000 at the end of June 2015 (June 2014: $867,000).

Consolidated statement of comprehensive income

	Notes	6 months to 30 June 2015 $'000 (unaudited)	Restated 6 months to 30 June 2014 $'000 (unaudited)	12 months to 31 Dec 2014 $'000 (audited)
Revenue	3	438	1,179	2,533
Cost of sales		(2)	(3)	(5)
Gross profit		436	1,176	2,528
Depreciation/amortisation expense		(704)	(776)	(1,282)
Share based payment expense		(21)	(92)	(148)
Administration expense		(1,447)	(1,566)	(3,153)
Total administrative expenses		(2,172)	(2,434)	(4,583)
Other income		399	34	340
Operating loss		(1,337)	(1,224)	(1,715)
Analysed as:				
Loss before interest, taxes, depreciation, amortisation and share based payments (**Adjusted EBITDA**)		(612)	(356)	(285)
Depreciation/amortisation expense		(704)	(776)	(1,282)
Share based payments		(21)	(92)	(148)
		(1,337)	(1,224)	(1,715)
Finance (expense)/income		(96)	2	(105)
Loss before tax		(1,433)	(1,222)	(1,820)
Taxation		(109)	(257)	(389)
Loss for the period from continuing operations		(1,542)	(1,479)	(2,209)
Loss from discontinued operation:				
Yabazam 3D streaming movie service		-	(146)	(700)
Loss for the period		(1,542)	(1,625)	(2,909)
Exchange differences on translation of foreign operations which will be subsequently reclassified to profit and loss		(13)	26	(42)
Other comprehensive income (loss) for the period, net of tax		(13)	26	(42)
Total comprehensive loss for the period		(1,555)	(1,599)	(2,951)
Loss per share				
Continuing Operations – Basic & Diluted (per share)		$0.010	$0.010	$0.015
Total Operations - Basic & Diluted (per share)	4	$0.010	$0.011	$0.020

Consolidated statement of financial position

	Notes	30 June 2015 $'000 (unaudited)	Restated 30 June 2014 $'000 (unaudited)	31 Dec 2014 $'000 (audited)
Assets				
Non-current assets:				
Intangible assets	5	3,002	3,428	3,041
Property, plant and equipment		25	58	32
Restricted cash		68	-	72
Deferred tax asset		1,096	1,096	1,096
Total non-current assets		4,191	4,582	4,241
Current assets:				
Inventory		-	6	-
Trade and other receivables		503	561	571
Cash and bank balances		783	867	697
Total current assets		1,285	1,434	1,268
Total assets		**5,477**	**6,016**	**5,509**
Equity and liabilities				
Capital and reserves:				
Issued capital		13,138	13,867	12,636
Share premium		17,939	19,169	17,467
Merger reserve		20,871	22,638	20,627
Share based payment reserve		1,892	2,018	1,849
Translation reserve		(565)	(4,954)	124
Retained earnings		(51,147)	(48,344)	(49,605)
Total equity		2,128	4,394	3,098
Financial liabilities				
Non-current liabilities:				
Financial liabilities	6	1,529	-	912
Deferred tax liabilities		573	666	582
Total non-current liabilities		2,102	666	1,494
Current liabilities:				
Trade and other payables		1,247	956	917
Total current liabilities		1,246	956	917
Total liabilities		3,348	1,622	2,411
Total equity and liabilities		**5,477**	**6,016**	**5,509**

Consolidated statement of cash flows

	6 months to 30 June 2015 $'000 (unaudited)	6 months to 30 June 2014 $'000 (unaudited)	12 months to 31 Dec 2014 $'000 (audited)
Cash flows from operating activities			
Loss for the period	(1,555)	(1,625)	(2,909)
Finance expense/(income)	109	(2)	105
Taxation	66	257	389
Debt issuance costs in the consolidated stmt of comprehensive income	--	--	70
Depreciation	13	34	58
Amortisation	691	742	1,363
Loss on disposal of assets	--	--	399
Share based payments	21	92	148
Decrease in inventory	--	--	6
(Increase)/decrease in trade and other receivables	68	(55)	(65)
Increase/(decrease) in trade and other payables	330	29	(10)
Net cash (used in)/generated from operations	(214)	(528)	(446)
Interest (paid)/received	(41)	2	(19)
Income tax paid	(119)	(210)	(453)
Net cash (used in)/generated from operating activities	(374)	(736)	(918)
Cash flows from investing activities			
Restricted cash deposit	--	--	(72)
Payments for property plant and equipment	(8)	(1)	(4)
Payments for intangible assets	(652)	(1,092)	(1,818)
Net cash used in investing activities	(660)	(1,093)	(1,894)
Cash flows from financing activities			
Proceeds from issue of loan notes	534	--	906
Proceeds from issue of equity shares	668	--	--
Issuance costs	(83)	--	(70)
Net cash generated by financing activities	1,119	--	836
Net change in cash and cash equivalents	85	(1,829)	(1,976)
Effect of exchange rate fluctuation	1	35	12
Total change in cash and cash equivalents	86	(1,794)	(1,964)
Cash and cash equivalents at the start of the period	697	2,661	2,661
Cash and cash equivalents at the end of the period	783	867	697

Consolidated statement of changes in equity

	Share capital $'000	Share premium $'000	Merger reserve $'000	Share based payment reserve $'000	Translation reserve $'000	Retained earnings $'000	Total equity $'000
At 1 January 2014	**13,414**	**18,543**	**21,898**	**1,861**	**(3,072)**	**(46,743)**	**5,901**
Transactions with owners							
Share issue	-	-	-	-	-	-	-
Share based payment reserve transfer	-	-	-	(24)	-	24	-
Equity settled share options	-	-	-	92	-	-	92
Foreign exchange differences	453	626	740	89	(1,908)	-	-
Total transactions with owners	453	626	740	157	(1,908)	24	92
Comprehensive income							
Loss for the period	-	-	-	-	-	(1,625)	(1,625)
Other comprehensive loss	-	-	-	-	26	-	26
Total comprehensive loss	-	-	-	-	26	(1,625)	(1,599)
At 30 June 2014	**13,867**	**19,169**	**22,638**	**2,018**	**(4,954)**	**(48,344)**	**4,394**
Transactions with owners							
Share issue	-	-	-	-	-	-	-
Share based payment reserve transfer	-	-	-	(23)	-	23	-
Equity settled share options	-	-	-	56	-	-	56
Foreign exchange differences	(1,231)	(1,702)	(2,011)	(202)	5,146	-	-
Total transactions with owners	(1,231)	(1,702)	(2,011)	(169)	5,146	23	56
Comprehensive income							
Loss for the period	-	-	-	-	-	(1,284)	(1,284)
Other comprehensive loss	-	-	-	-	(68)	-	(68)
Total comprehensive loss	-	-	-	-	(68)	(1,284)	(1,352)
At 31 December 2014	**12,636**	**17,467**	**20,627**	**1,849**	**124**	**(49,605)**	**3,098**
Transactions with owners							
Share issue	334	251	-	-	-	-	585
Share based payment reserve transfer	-	-	-	-	-	-	-
Equity settled share options	-	-	-	-	-	-	-
Foreign exchange differences	168	221	244	43	(676)	-	-
Total transactions with owners	502	472	244	43	(676)	-	585
Comprehensive income							
Loss for the period	-	-	-	-	-	(1,542)	(1,542)
Other comprehensive income	-	-	-	-	(13)	-	(13)
Total comprehensive income (loss)					(13)	(1,542)	(1,555)
At 30 June 2015	**13,138**	**17,939**	**20,871**	**1,892**	**(565)**	**(51,147)**	**2,128**

Notes to the Unaudited Consolidated Half-Yearly Financial Statements of DDD Group plc for the six months ended 30 June 2015

1. The Company

DDD Group Plc ("the Company") is the parent entity of the consolidated group which is a leading developer and licensor of intellectual property in the advanced imaging market for consumer entertainment products. It provides patented software solutions for consumer 3D devices which automatically convert content from 2D to 3D that had been shipped in just over 53.5 million consumer devices as of the end of the period. Additionally, the Group is broadening its development and licensing activities to address larger markets by delivering innovative new solutions for conventional 2D applications including video conferencing and gamecasting.

The Company is a public limited liability company incorporated and domiciled in England and Wales. The address of its registered office is 42-50 Hersham Road, Walton-on-Thames, Surrey KT12 1RZ, United Kingdom.

The Company has its quote on AIM, a market operated by the London Stock Exchange. It is also listed on the OTCQX Market in the US.

2. Basis of preparation

This interim report on the unaudited consolidated financial statements is for the six month period ended 30 June 2015. As permitted, this interim report has been prepared in accordance with the AIM Rules for Companies and does not seek to comply with IAS 34 "Interim Financial Reporting" or constitute statutory accounts as defined in Section 435 of the Companies Act 2006. It does not include all the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2014. The Group's statutory financial statements for the year ended 31 December 2014, prepared under IFRS as adopted by the EU, have been filed with the Registrar of Companies. Those accounts have received an unqualified audit report which contained an emphasis of matter regarding going concern to which the auditors drew attention under the Act.

Restatement - The 2014 interim results have been restated for the effect of the discontinued operation and the 2013 formulaic error in amortisation discussed in detail in Note 1 of the audited consolidated financial statements of the Group for the year ended 31 December 2014.

Impact of restatement on profit and loss statement (effected line items only):

	H1'14 Original	Effect of Dec'14 Disc Ops	Effect of 2013 Error	H1'14 Restated to be Comparative
Revenue	1,185	(6)	-	1,179
COGS	(6)	3	-	(3)
Gross Profit	1,179	(3)	-	1,176
Admin Expenses	(1,673)	107	-	(1,566)
Depreciation/Amortisation	(818)	42	-	(776)
Loss before tax	**(1,368)**	**257**	**-**	**(1,111)**
Loss after tax – Continuing Operations	**(1,625)**	**146**	**-**	**(1,479)**
Discontinued Operation	-	(146)	-	(146)
Loss after Tax	**(1,625)**	**-**	**-**	**(1,625)**

Impact of restatement on statement of financial position (effected line items only):

	H1'14 Original	Disc Ops	Effect of 2013 Error	H1'14 Restated
Intangible assets	3,765	-	(337)	3,428
Long-term assets	4,919	-	(337)	4,582
Total assets	**6,353**	**-**	**(337)**	**6,016**
Retained earnings	(48,007)	-	(337)	(48,344)
Total equity	4,731	-	(337)	4,394
Total equity & liabilities	**6,353**	**-**	**(337)**	**6,016**

Accounting Policies - These unaudited consolidated half-year financial statements have been prepared in accordance with accounting policies consistent with those set out in the Group's financial statements for the year ended 31 December 2014, which were prepared in accordance with IFRS as adopted by the EU. No new and/or revised IFRS and IFRIC publications that came into force in the period had any impact on the accounting policies, financial position or performance of the Group.

The Group's consolidated financial statements are presented in US dollars.

3. Selected segmental reporting data

The Group's operating segments are based upon the Group's revenue streams. At present, given the size of the Group, costs of goods sold and operating expenses cannot be allocated on a reasonable basis to the segments below and, as a result, the segmental analysis is limited to the Group gross profit as presented to the Board of Directors.

Please note that the following data is not an IFRS8 compliant disclosure but selected financial information.

	6 months to 30 June 2015 $'000 (unaudited)	Restated 6 months to 30 June 2014 $'000 (unaudited)	12 months to 31 December 2014 $'000 (audited)
REVENUES:			
Technology licensing segment:			
Royalties from OEM unit shipments	379	1,095	2,367
License fees	--	--	20
Other licensing royalties	18	15	29
Consumer software product sales	41	69	117
Revenue from group technologies	438	1,179	2,533
Other areas:			
Consulting	-	-	-
Total revenue	438	1,179	2,533
Cost of sales	(2)	(3)	(5)
Gross profit	436	1,176	2,528
Margin	99.5%	99.8%	99.8%

The revenues generated from licensees of the Group's intellectual property are categorised based on contractual agreement terms.

4. (Loss)/earnings per share

	6 months to 30 June 2015 $'000 (unaudited)	6 months to 30 June 2014 $'000 (unaudited)	12 months to 31 December 2014 $'000 (audited)
Continuing Operations (loss) for the year attributable to equity shareholders	(1,542)	(1,479)	(2,209)
Continuing Operations (loss) per share: Basic & Diluted (per share)	$(0.010)	$(0.010)	$(0.015)
Total (loss) for the period attributable to equity shareholders	(1,542)	(1,625)	(2,909)
Total (loss) per share: Basic & Diluted (per ordinary share)	$(0.010)	$(0.011)	$(0.020)
	Shares (unaudited)	Shares (unaudited)	Shares (audited)
Ordinary shares			
Issued ordinary shares par 1p at start of the period	143,663,572	143,664,572	143,664,572
Ordinary shares issued in the period[1]	22,500,000	--	--
Issued ordinary shares at end of the period	166,163,572	143,664,572	143,663,572
Weighted average number of shares in issue for the period	154,851,417	143,663,572	143,663,572
Deferred shares			
Issued deferred shares par 9p at start of the period	74,416,547	74,416,547	74,416,547
Deferred shares issued in the period	-	-	-
Issued deferred shares at end of the period	74,416,547	74,416,547	74,416,547
Total issued share capital	240,580,119	218,080,119	218,080,119

[1]On 1 April 2015, 22,500,000 ordinary 1p shares were admitted to trading following shareholder approval of the March 2015 equity fund raising. The shares were issued at 2 pence per share (a premium of 6.7% to the mid-market closing rate on the previous day).

For profit periods, the diluted profit per share includes the effect of outstanding, fully vested, in-the-money share options at the end of the period. For loss periods, the diluted loss per share does not differ from the basic loss per share as the exercise of share options would have the effect of reducing the loss per share and is therefore not dilutive under the terms of IAS 33.

For all periods, the deferred shares are not deemed to be dilutive given the characteristics of these shares which are described in full in the 2014 Annual Report and Accounts of the Company.

5. Intangible assets

	Capitalised development costs $'000	Patents $'000	Other intangibles $'000	Total $'000
Cost				
At 1 January 2014	7,698	332	569	8,599
Additions	959	78	54	1,091
Foreign exchange	2	-	-	2
At 30 June 2014	8,659	410	623	9,692
Additions	718	9	-	727
Disposals	(836)	(55)	(539)	(1,430)
Foreign exchange	(151)	-	(3)	(154)
At 31 December 2014	8,390	364	81	8,835
Additions	619	33	-	652
Foreign exchange	(12)	(3)	-	(15)
At 30 June 2015	8,997	394	81	9,472
Amortisation				
At 1 January 2014 – as restated	5,017	308	183	5,508
Charge for the period	725	4	55	784
Foreign exchange	(27)	-	(1)	(28)
At 30 June 2014 – restated	5,715	312	237	6,264
Charge for the period	515	10	55	580
Disposals	(735)	(55)	(243)	(1,033)
Foreign exchange	(16)	-	(1)	(17)
At 31 December 2014	5,479	267	48	5,794
Charge for the period	670	11	9	690
Foreign exchange	(15)	0	1	(13)
At 30 June 2015	6,134	278	58	6,471
Net book value				
At 30 June 2014 - restated	2,944	98	386	3,428
At 31 December 2014	2,911	97	33	3,041
At 30 June 2015	**2,863**	**116**	**23**	**3,002**

6. Convertible Loan Debt

	6 months to 30 June 2015 $'000 (unaudited)	6 months to 30 June 2014 $'000 (unaudited)	12 months to 31 December 2014 $'000 (audited)
Financial liability element of Notes (opening)	912	-	-
Value of Notes on issuance	534	-	906
CTA – unrealized FX movement during the period	21	-	(80)
Finance charges during the period	62	-	86
Financial liability element of Notes (ending)	**1,529**	**-**	**912**

On 6 March 2015, the Group issued £350,000 ($534,000 at historical exchange rate) of new Convertible Unsecured Loan Notes ("2015 Notes") to certain Directors of the Group and to Arisawa Manufacturing Company, pursuant to the existing authorities granted to the board of Directors. The term of the 2015 Notes is 24 months (March 2017) and they carry conversion rights to ordinary 1p

shares at a conversion price of 5p/share. All other terms of the 2015 Notes are consistent with the 2014 Notes which are fully described, including the accounting methodology, in Note 17 of the 2014 Annual Report and Accounts, including semi-annual, cash interest payments due 28 June and 28 December during the term.

The 2015 Notes were issued to related parties including the largest shareholder, Arisawa Manufacturing Company, and four of the current Directors of the Company (Nicholas Brigstocke, Dr. Sanji Arisawa, Chris Yewdall, and Victoria Stull).

7. Related party transactions

During the period, there were several related party transactions including: the 2015 Note issuance (see Note 6), the scheduled 28 Jun 2015 interest payments on the Convertible Loan Debt (see Note 6), the early June stock option grant to employees including the executive management, and two PDMR stock transactions.

Further details of the transactions can be found in the relevant regulatory news service (RNS) announcement at www.ddd.com/investors/rns-announcements/.

8. Events after the balance sheet date

As announced on 24 July 2015, the Group's Australian subsidiary, Dynamic Digital Depth Research Pty., Ltd. has filed a patent infringement complaint in Los Angeles, California alleging that LG Electronics' ("LG") range of 3D televisions infringe three of DDD's U.S. patents (U.S. District Court of Central California case number 2:15-cv-00578). DDD also announced that it retained Quinn Emanuel Urquhart & Sullivan, LLP to work alongside Dominion Harbor Group to protect DDD's intellectual property rights and enforce its patent portfolio.

On July 29, 2015, the Group announced that its largest customer, Samsung Electronics, had signed a one year extension to their licensing agreement for 3D TVs. The agreement is now effective until December 31, 2016.

Further details can be found in the relevant RNS announcement available on the Company's website at www.ddd.com/investors/rns-announcements/.