

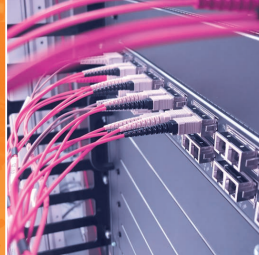
Front cover picture

Pioneering research laboratories world-wide use the EpiCentre range of deposition stages from UHV Design to fabricate material nanostructures.



Group Chief Operating Officer - David Barnbrook - attending a reception on receiving the Queen's Award for Enterprise: International Trade on behalf of Quorum Technologies.

CHAIRMAN'S STATEMENT



For the ninth consecutive year, I am able to announce progress at the interim stage with revenues, adjusted operating profits, earnings per share and dividends all at record levels.

Revenues for the six months ended 30 June 2014 rose 43% to £21.9 million (H1-2013: £15.4 million); the businesses which were owned by the Group on 1 January 2013 achieved organic growth of 3.2%, with weak performances in China and the US (each down 15%) counterbalanced by 10% growth in all other territories. The remainder of the increase reflected the first-time inclusion of a full six months of revenues from Scientifica, the specialist manufacturer of electrophysiology equipment acquired by the Group in June 2013.

Adjusted pre-tax profit for the first half of 2014 rose 30% to £4.1 million (H1-2013: £3.1 million). The increase was attributable to the inclusion of the Scientifica figures, with organic EBITA contribution from businesses which were owned by the Group on 1 January 2013 remaining static compared with the first half of 2013.

Earnings per share progressed despite the 11% increase in our issued share capital, 9.4% of which resulted from the £8.1 million equity placing in October 2013. Adjusted basic earnings per share rose 22% to 50.3p (H1-2013: 41.1p). Adjusted diluted earnings per share increased 24% to 48.7p (H1-2013: 39.4p). The return on total invested capital ("ROIC") decreased from 41% to 30%, as was anticipated at the time of the Scientifica acquisition.

As in the past, the Group's figures have been adjusted to eliminate items which have to be included in the accounts under IFRS but which, in the opinion of the Directors, serve to obscure rather than clarify the Group's trading performance. The most significant item during this

half-year was the amortisation of intangible assets (£2.2 million). After the period end, the remaining Convertible Redeemable shares were converted and as a result the 2015 IFRS results will be free from this distortion. The IFRS-related charges reduced profit before tax from £4.1 million to £1.9 million (H1-2013: £777,000) and earnings per share to 22.2p basic and 21.6p diluted (H1-2013: 7p basic and 6.7p diluted).

Organic order intake during the six-month period decreased 4.8% compared to the first half of 2013; total order intake (including Scientifica) was 11% below the level required to meet the Group's sales budget without consuming its order book. The second quarter showed a moderate but insufficient improvement compared to the first. The order book at 30 June 2014 represented 7.8 weeks of sales, compared to 10.6 weeks at 30 June 2013.

Cash flow during the first half was strong, with cash from operations representing 76% of adjusted EBIT; this resulted in a 42% reduction in adjusted net debt to £3.3 million (2013: £15 million on 30 June and £5.7 million at the year-end).



Cash balances at the end of the period exceeded £10.1 million.

The Company's dividend policy is to achieve steady increases in payments, with a step change provided this does not impair the visibility of future progression. Consistent with this policy and taking into account the challenging business environment, the Board has concluded that it can prudently declare an interim dividend of 7.3p (2013: 6.6p), which will be paid on Friday 7 November 2014 to shareholders on the register on Friday 10 October 2014. The shares will go ex-dividend on Thursday 9 October 2014.

Trading at the start of the second half has continued to be difficult. Weekly order intake in the third quarter has broadly mirrored the activity seen in the first half.

The principal drivers of shareholder value creation have been our ability to deliver net debt reduction, a progressive dividend policy and the completion of earnings-enhancing acquisitions. In spite of the frustrations encountered during the first half of 2014, your Group's ability to deliver these objectives remains undiminished.

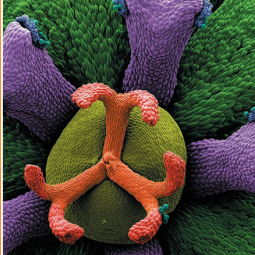
The Hon. Alexander Hambro
Chairman
24 September 2014





FTT Cone Calorimeter, ISO 5660 ASTM E 1354.

The Cone Calorimeter is the most significant bench scale instrument in the field of fire testing because it measures important real fire properties of the material being tested under a variety of pre-set conditions. These measurements can be used directly by researchers or as data for input into correlation or mathematical models used to predict fire development.



CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Unaudited	Note	6 months to 30 June 2014		6 months to 30 June 2013		Year to 31 December 2013
		£000 Before exceptional items	£000 Exceptional items	£000 Total	£000	£000
Revenue		21,927	-	21,927	15,351	36,041
Operating costs excluding exceptional items		(17,533)	-	(17,533)	(12,054)	(28,228)
Operating profit excluding exceptional items		4,394	-	4,394	3,297	7,813
Exceptional items						
Amortisation of intangible assets	5	-	(2,185)	(2,185)	(1,250)	(4,498)
Contingent consideration measured at fair value		-	(16)	(16)	(38)	(317)
Financial instruments measured at fair value						
Hedging contracts		-	7	7	(174)	24
Convertible Redeemable shares		-	(12)	(12)	(111)	(340)
Relocation costs		-	-	-	-	(158)
Acquisition costs		-	-	-	(794)	(794)
Operating profit/(loss)		4,394	(2,206)	2,188	930	1,730
Interest receivable		9	-	9	5	6
Interest payable		(305)	-	(305)	(158)	(497)
Profit/(loss) before tax		4,098	(2,206)	1,892	777	1,239
Taxation (charge)/credit		(920)	476	(444)	(364)	102
Profit/(loss) and total comprehensive income for the period		3,178	(1,730)	1,448	413	1,341
Attributable to:						
Equity holders of the parent company		2,973	(1,662)	1,311	372	1,266
Non-controlling interest		205	(68)	137	41	75
Earnings per share - total and continuing (including exceptional items)				Pence	Pence	Pence
Basic	6			22.2	7.0	23.4
Diluted	6			21.6	6.7	22.5
Earnings per share - total and continuing (excluding exceptional items)						
Basic	6			50.3	41.1	100.5
Diluted	6			48.7	39.4	96.4

There are no items of other comprehensive income for the three periods in question.
The accompanying notes form an integral part of these consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET



Unaudited		30 June 2014	30 June 2013	31 December 2013
	Note	£000	£000	£000
ASSETS				
Non-current assets				
Property, plant and equipment		4,546	4,286	4,695
Goodwill		8,678	8,678	8,678
Other intangible assets	5	10,728	16,161	12,913
		<u>23,952</u>	<u>29,125</u>	<u>26,286</u>
Current assets				
Inventories		5,926	5,757	5,824
Trade and other receivables		6,960	6,244	6,547
Cash and cash equivalents		10,129	2,758	10,054
		<u>23,015</u>	<u>14,759</u>	<u>22,425</u>
Total assets		<u>46,967</u>	<u>43,884</u>	<u>48,711</u>
LIABILITIES				
Current liabilities				
Trade and other payables		(5,387)	(6,350)	(6,075)
Derivative financial instruments - Convertible Redeemable shares		(585)	(345)	(574)
Trade and other payables relating to acquisitions		(155)	(3,079)	(1,554)
Current portion of long-term borrowings		(4,039)	(3,449)	(4,043)
Current tax payable		(1,521)	(1,438)	(1,320)
		<u>(11,687)</u>	<u>(14,661)</u>	<u>(13,566)</u>
Non-current liabilities				
Long-term borrowings		(9,759)	(12,350)	(11,547)
Deferred tax liabilities		(2,228)	(3,664)	(2,704)
		<u>(11,987)</u>	<u>(16,014)</u>	<u>(14,251)</u>
Total liabilities		<u>(23,674)</u>	<u>(30,675)</u>	<u>(27,817)</u>
Net assets		<u>23,293</u>	<u>13,209</u>	<u>20,894</u>
EQUITY				
Share capital		298	266	293
Share premium		14,255	6,473	14,186
Capital redemption reserve		22	22	22
Merger reserve		1,352	475	475
Retained earnings		6,946	5,626	5,635
Equity attributable to equity holders of the parent company		<u>22,873</u>	<u>12,862</u>	<u>20,611</u>
Non-controlling interest		<u>420</u>	<u>347</u>	<u>283</u>
Total equity		<u>23,293</u>	<u>13,209</u>	<u>20,894</u>



CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Unaudited		Share capital	Share premium	Capital redemption reserve	Merger reserve	Retained earnings	Total *	Non- controlling interest	Total equity
	Note	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 January 2014		293	14,186	22	475	5,635	20,611	283	20,894
Issue of share capital	7	5	69	-	877	-	951	-	951
Transactions with owners		5	69	-	877	-	951	-	951
Profit for the period		-	-	-	-	1,311	1,311	137	1,448
Total comprehensive income for the period		-	-	-	-	1,311	1,311	137	1,448
Balance at 30 June 2014		298	14,255	22	1,352	6,946	22,873	420	23,293
Balance at 1 January 2013		265	6,467	22	475	5,254	12,483	306	12,789
Issue of share capital		1	6	-	-	-	7	-	7
Transactions with owners		1	6	-	-	-	7	-	7
Profit for the period		-	-	-	-	372	372	41	413
Total comprehensive income for the period		-	-	-	-	372	372	41	413
Balance at 30 June 2013		266	6,473	22	475	5,626	12,862	347	13,209
Balance at 1 January 2013		265	6,467	22	475	5,254	12,483	306	12,789
Dividends		-	-	-	-	(885)	(885)	(98)	(983)
Issue of share capital		28	7,719	-	-	-	7,747	-	7,747
Transactions with owners		28	7,719	-	-	(885)	6,862	(98)	6,764
Profit for the period		-	-	-	-	1,266	1,266	75	1,341
Total comprehensive income for the period		-	-	-	-	1,266	1,266	75	1,341
Balance at 31 December 2013		293	14,186	22	475	5,635	20,611	283	20,894

* - Total represents amounts attributable to equity holders of the parent company

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT



Unaudited	6 months to 30 June 2014	6 months to 30 June 2013	Year to 31 December 2013
Note	£000	£000	£000
Cash flows from operating activities			
Profit after tax	1,448	413	1,341
Adjustments for:			
Financial instruments measured at fair value			
Hedging contracts	(7)	134	(24)
Convertible Redeemable shares	12	111	340
Contingent consideration measured at fair value	16	38	317
Depreciation	193	111	292
Amortisation of intangible assets	5 2,185	1,250	4,498
(Profit)/loss on disposal of property, plant and equipment	(13)	8	18
Foreign exchange (gains)/losses on foreign currency loans	(19)	142	127
Interest receivable	(9)	(5)	(6)
Interest payable	305	158	497
Tax expense recognised in income statement	444	404	(102)
Increase in inventories	(102)	(715)	(783)
Increase in trade and other receivables	(406)	(519)	(798)
Decrease in trade and other payables	(714)	(291)	(709)
Cash generated from operations	3,333	1,239	5,008
Interest paid	(305)	(153)	(497)
Tax paid	(719)	(227)	(840)
Net cash from operating activities	2,309	859	3,671
Cash flows from investing activities			
Paid on acquisition of new subsidiaries	(500)	(12,000)	(13,400)
Gross cash inherited on acquisition	-	1,772	1,772
Acquisition of subsidiaries, net of cash acquired	(500)	(10,228)	(11,628)
Paid on the acquisition of trade and assets	(22)	(57)	(91)
Purchase of property, plant and equipment	(31)	(1,481)	(2,080)
Interest received	9	5	6
Net cash used in investing activities	(544)	(11,761)	(13,793)
Cash flows from financing activities			
Proceeds from issue of share capital	72	7	7,747
Repayments of borrowings	(1,762)	(765)	(1,776)
Proceeds from bank loans	-	9,000	9,770
Dividends paid - equity shareholders	-	-	(885)
Dividends paid - non controlling interests in subsidiary	-	-	(98)
Net cash from financing activities	1,690	8,242	14,758
Net increase/(decrease) in cash and cash equivalents	75	(2,660)	4,636
Cash and cash equivalents at beginning of period	10,054	5,418	5,418
Cash and cash equivalents at end of period	10,129	2,758	10,054

Lee Howell, Managing Director of Quorum Technologies, with their market-leading Q series of bench top vacuum coating systems.

Quorum's Q series coaters deposit very thin layers of conductive materials onto samples which are "viewed" using Electron Microscopes, used for research into anything from cancer cells to electronic chip technology in mobile phones.



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS



1. Nature of operations

Judges Scientific plc is the ultimate parent company of the Group, whose principal activities comprise the design, manufacture and sale of scientific instruments. The subsidiaries are grouped into two segments.

Material Sciences Group

- Fire Testing Technology Limited is the world's major producer of instruments designed to measure the reaction of materials to fire; the activity is supported through the in-house production of engineering parts by its subsidiary company, Aitchee Engineering Limited. Its other trading subsidiary, Sircal Instruments (UK) Limited, designs, manufactures and sells rare gas purifiers for use in metals analysis.
- PE.fiberoptics Limited is a significant provider to the telecoms industry of equipment to test the properties of fibre optic and fibre optic networks.
- Global Digital Systems Limited designs, develops and manufactures equipment and software used for the computer-controlled testing of soils and rocks.

Vacuum Group

- Quorum Technologies Limited designs, manufactures and sells instruments that prepare samples for examination in electron microscopes.
- UHV Design Limited designs, manufactures and sells instruments to create motion, heating and cooling within ultra high vacuum chambers.
- Deben UK Limited designs, manufactures and sells devices used to enable or to improve the observation of objects under microscopes.

- Scientifica Limited designs, manufactures and sells complete instrument rigs used in electrophysiology, comprised of micromanipulators, optical microscopes and associated mounting solutions.

2. General information and basis of preparation

The financial information set out in these condensed consolidated interim financial statements for the six months ended 30 June 2014 and the comparative figures for the six months ended 30 June 2013 are unaudited. They have been prepared taking into account the requirements of IAS 34 Interim Financial Reporting and the AIM Rules. They do not contain all 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 2013, which have been prepared in accordance with IFRS as adopted by the European Union.

The financial information for the year ended 31 December 2013 set out in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2013 have been filed with the Registrar of Companies. The Auditor's Report in respect of those financial statements was unqualified and did not contain statements under section 498 of the Companies Act 2006.

The condensed consolidated interim financial statements are presented in Sterling, which is also the functional currency of the parent company.

Judges Scientific plc is the Group's ultimate parent company. The Company is a Public Limited Company incorporated and domiciled in the United Kingdom. Its registered office and



principal place of business is Unit 19, Charlwoods Road, East Grinstead, West Sussex RH19 2HL. Its shares are listed on the Alternative Investment Market.

The condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 23 September 2014.

3. Significant accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2013, except for the taxation policy where, for the purposes of the interims, the tax charge on underlying business performance is calculated by reference to the estimated effective rate for the full year.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these condensed consolidated interim financial statements.

4. Significant events and transactions

Revenues for the six months ended 30 June 2014 rose strongly to £21.9m, up 43% on the equivalent period in the previous year. This increase was largely attributable to the inclusion of Scientifica Limited (acquired on 26 June 2013), with organic revenue growth achieved by the other operating companies in the Group amounting to 3.2%. Similarly the 30% increase in adjusted pre-tax profits was attributable to the inclusion of Scientifica, with static results overall from the other operating companies.

Order intake during the first half of the financial year for the businesses which were owned by the Group on 1 January 2013 was disappointing, with a shortfall of 4.8% compared with the equivalent figures for the previous period. Order intake in the third quarter has broadly mirrored the activity seen in the first half.



5. Intangible assets

The following tables show the significant additions to and amortisation of intangible assets:

	Carrying amount at 1 January 2014 £000	Additions £000	Amortisation £000	Carrying amount at 30 June 2014 £000
Distribution agreements	866	-	152	714
Research and development	3,067	-	441	2,626
Customer relationships	3,352	-	875	2,477
Brand and domain names	5,628	-	717	4,911
Total	12,913	-	2,185	10,728

	Carrying amount at 1 January 2013 £000	Additions £000	Amortisation £000	Carrying amount at 30 June 2013 £000
Non-competition agreements	49	-	49	-
Distribution agreements	693	430	105	1,018
Research and development	2,296	1,508	293	3,511
Customer relationships	1,890	3,001	526	4,365
Sales order backlog	-	921	-	921
Brand and domain names	2,167	4,456	277	6,346
Total	7,095	10,316	1,250	16,161

	Carrying amount at 1 January 2013 £000	Additions £000	Amortisation £000	Carrying amount at 31 December 2013 £000
Non-competition agreements	49	-	49	-
Distribution agreements	693	430	257	866
Research and development	2,296	1,508	737	3,067
Customer relationships	1,890	3,001	1,539	3,352
Sales order backlog	-	921	921	-
Brand and domain names	2,167	4,456	995	5,628
Total	7,095	10,316	4,498	12,913



6. Earnings per share

Basic earnings per share is calculated on the earnings attributable to Ordinary shareholders divided by the weighted average number of shares in issue during the period.

Diluted earnings per share is calculated on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options and other dilutive potential Ordinary shares. The calculation is based on the treasury method prescribed in IAS 33. This calculates the theoretical number of shares that could be purchased at the average middle market price in the period out of the proceeds of the notional exercise of outstanding options. The difference between this theoretical number and the actual number of shares under option is deemed liable to be issued at nil value and represents the dilution.

Reconciliations of the earnings and the weighted average number of shares used in the calculations are set out below:

6 months to 30 June 2014	Earnings attributable to equity holders of the parent company £000	Weighted average number of shares no.	Earnings per share Pence
Profit after tax including exceptional items for calculation of basic and diluted earnings per share	1,311		
Add-back exceptional items net of tax and non-controlling interest, as applicable:			
Charge/(gain) relating to derivative financial instruments			
Hedging contracts	(5)		
Convertible Redeemable shares	12		
Contingent consideration measured at fair value	16		
Amortisation of intangible assets	1,639		
Basic and diluted profit after tax, excluding exceptional items	<u>2,973</u>		
Number of shares for calculation of basic earnings per share including exceptional items		5,914,964	
Dilutive effect of potential shares		<u>164,889</u>	
Number of shares for calculation of diluted earnings per share including exceptional items		6,079,853	
Dilutive effect of potential derivative financial instruments		<u>29,263</u>	
Number of shares for calculation of diluted earnings per share excluding exceptional items		<u>6,109,116</u>	
Basic earnings per share (including exceptional items)			22.2
Diluted earnings per share (including exceptional items)			21.6
Basic earnings per share (excluding exceptional items)			50.3
Diluted earnings per share (excluding exceptional items)			<u>48.7</u>

6. Earnings per share (continued)

6 months to 30 June 2013	Earnings attributable to equity holders of the parent company £000	Weighted average number of shares no.	Earnings per share Pence
Profit after tax including exceptional items for calculation of basic and diluted earnings per share	372		
Add-back exceptional items net of tax and non-controlling interest, as applicable:			
Charge relating to derivative financial instruments			
Hedging contracts	134		
Convertible Redeemable shares	111		
Contingent consideration measured at fair value	38		
Amortisation of intangible assets	816		
Acquisition-related transaction costs	716		
Basic and diluted profit after tax, excluding exceptional items	<u>2,187</u>		
Number of shares for calculation of basic earnings per share including exceptional items		5,316,411	
Dilutive effect of potential shares		<u>213,063</u>	
Number of shares for calculation of diluted earnings per share including exceptional items		5,529,474	
Dilutive effect of potential derivative financial instruments		<u>25,439</u>	
Number of shares for calculation of diluted earnings per share excluding exceptional items		<u>5,554,913</u>	
Basic earnings per share (including exceptional items)			7.0
Diluted earnings per share (including exceptional items)			6.7
Basic earnings per share (excluding exceptional items)			41.1
Diluted earnings per share (excluding exceptional items)			<u>39.4</u>



6. Earnings per share (continued)

Year to 31 December 2013	Earnings attributable to equity holders of the parent company £000	Weighted average number of shares no.	Earnings per share Pence
Profit after tax including exceptional items for calculation of basic and diluted earnings per share	1,266		
Add-back exceptional items net of tax and non-controlling interest, as applicable:			
Charge/(gain) relating to derivative financial instruments			
Hedging contracts	(18)		
Convertible Redeemable shares	340		
Contingent consideration measured at fair value	317		
Tax relief on exercise of share options	(154)		
Amortisation of intangible assets	2,897		
Acquisition-related transaction costs	716		
Relocation costs	120		
Utilisation of prior year tax losses	(40)		
Basic and diluted profit after tax, excluding exceptional items	<u>5,444</u>		
Number of shares for calculation of basic earnings per share including exceptional items		5,417,971	
Effect of potential shares		<u>201,205</u>	
Number of shares for calculation of diluted earnings per share including exceptional items		5,619,176	
Dilutive effect of potential derivative financial instruments		<u>26,068</u>	
Number of shares for calculation of diluted earnings per share excluding exceptional items		<u>5,645,244</u>	
Basic earnings per share (including exceptional items)			23.4
Diluted earnings per share (including exceptional items)			22.5
Basic earnings per share (excluding exceptional items)			100.5
Diluted earnings per share (excluding exceptional items)			<u>96.4</u>



7. Share issues

During the first six months of 2014 the following allotments took place:

- to satisfy the exercise of share options as follows:
 - share options on 27 January 2014 when the mid-market share price was 2,060.0p
 - share options on 10 February 2014 when the mid-market share price was 2,282.5p
 - share options on 29 May 2014 when the mid-market share price was 2,075.0p
 - share options on 5 June 2014 when the mid-market share price was 2,065.0p
- to satisfy the requirements of the earn-out on the acquisition of Scientifica when the mid-market share price was 2,080.0p

Ordinary shares in issue are summarised as follows:

	6 months to 30 June 2014	6 months to 30 June 2013	Year to 31 December 2013
	no.	no.	no.
Ordinary shares of 5p each Issued and fully paid			
Beginning of the period	5,862,270	5,312,499	5,312,499
Shares issued as part of the Scientifica earn-out	42,372	-	-
Share placing	-	-	500,000
Exercise of share options	59,100	6,500	49,771
End of the period	5,963,742	5,318,999	5,862,270



8. Changes in net debt in the 6 months ended 30 June 2014 were as follows:

	1 January 2014	Cash flow	Non-cash items	30 June 2014
	£000	£000	£000	£000
Cash at bank and in hand	10,054	75	-	10,129
Debt	(15,043)	1,762	19	(13,262)
Net senior debt	(4,989)	1,837	19	(3,133)
Effect of payments relating to the acquisition of Scientifica Limited not settled at 30 June 2014 (included within current liabilities)	(537)	514	-	(23)
Effect of payments relating to the 2012 acquisition of the trade and certain assets of KE Developments Limited not settled at 30 June 2014 (included within current liabilities)	(155)	22	-	(133)
Adjusted net senior debt	(5,681)	2,373	19	(3,289)
Subordinated loans	(497)	-	-	(497)
Total net debt	(6,178)	2,373	19	(3,786)

Non-cash items represent foreign exchange differences on bank loans.

9. Dividends

The Company paid an interim dividend of 6.6p per share (£353,625) on 8 November 2013 and a final dividend of 13.4p per share (£799,141) on 3 July 2014, both relating to the financial year ended 31 December 2013.

The Company will pay an interim dividend for 2014 of 7.3p per share on 7 November 2014 to shareholders on the register on 10 October 2014. The shares will go ex-dividend on 9 October 2014.

The GDS Large Diameter Cyclic Triaxial Testing System (LDCTTS)

A hydraulically actuated load frame combined with a large diameter triaxial cell suitable for testing samples with large particle sizes such as railway ballast. The system is capable of both monotonic (static) and dynamic triaxial tests as well as other advanced triaxial tests.





Judges Scientific plc
Unit 19, Charlwoods Road
East Grinstead
West Sussex RH19 2HL
Tel: 01342 323600
Fax: 01342 323608
Website: www.judges.uk.com
E-mail: enquiries@judges.uk.com