

**OneClickHR plc
(The "Group")**

Interim results for the six months ended 30 June 2005

Chairman's Statement

Review of the Business

The year began well for the Group with licence revenue from HR.net, the Group's enterprise human resource solution, ahead of expectations. This in turn led to better than expected revenue from consultancy and training services. However, some momentum was lost in the second quarter with a few high value sales being deferred by customers until the second half of the year. Overall our turnover is up 22% compared with the same period in 2004, which includes a 20% increase in recurring revenue.

We are addressing the loss of sales momentum by increasing the size of our pipeline and our direct sales team. We are therefore expanding the portfolio of business expected to close in any particular period, reducing our reliance on any individual transaction. In addition we continue to expand our indirect channel both in the UK and overseas. HR.net remains an extremely competitive product and the Group is determined to exploit its potential.

Overheads remain under careful control; reductions begun in 2004 having delivered a cost reduction of 15% in the six months to 30th June 2005 when compared to the six months to 31st December 2004.

Our cash collection during the period has been better than we forecast, largely as a result of the successful delivery of the first few HR.net projects and the faster than expected translation of these into cash. We anticipate that this trend will continue.

We continue to invest in our software products, particularly HR.net. All development expenditure continues to be expensed as incurred. Our development and technical centre in Chennai continues to provide us with a high quality service and a considerable price advantage. In the second half we will expand the range of services offered from Chennai to include consultancy on HR.net for UK based customers.

Consultancy and training on our own products remains an important and growing part of our business. Formerly we delivered training on third party software, but this has now fallen to negligible levels.

The Group has made a loss for the six months ended 30 June 2005 of £140,398 (Loss of £730,170 for the six months ended 30 June 2004). This is a significantly improved result compared to the same period in 2004 and when compared with the second half of 2004 (which recorded a loss of £956,924).

Change of Name

At the AGM in June shareholders approved a change of name to Vizual Software plc. However in the period between the issuing of the AGM notice and the meeting, another company (not under our control) was incorporated with the same name. The Registrar of Companies, correctly, refused our application for a change of name. We will notify shareholders of further developments on any subsequent name change as appropriate.

Outlook for 2005

We have entered the second half with our cash reserves above expectations, recurring revenue continuing to build, potential customers showing considerable interest in our products and several larger transactions near to closing.

Lord Sheppard of Didgemere

Chairman

1st August 2005

OneClickHR plc
Consolidated Profit and Loss Account
for the Six Months to 30th June 2005

	Six Months to 30th June 2005 (unaudited) £	Six Months to 30th June 2004 (unaudited) £	Year Ended 31st Dec 2004 (audited) £
Turnover	2,785,928	2,291,391	4,764,879
Cost of sales	(1,458,801)	(1,342,729)	(3,127,743)
Gross profit	<u>1,327,127</u>	<u>948,662</u>	<u>1,637,136</u>
Administrative expenses	(1,476,254)	(1,631,257)	(3,361,104)
Operating loss	<u>(149,127)</u>	<u>(682,595)</u>	<u>(1,723,968)</u>
Interest receivable	13,302	17,109	40,274
Interest payable	(30)	(64,684)	(61,510)
Loss on ordinary activities before taxation	<u>(135,855)</u>	<u>(730,170)</u>	<u>(1,745,204)</u>
Tax on loss on ordinary activities	(4,543)	97,710	155,820
Loss for the period	<u>(140,398)</u>	<u>(632,460)</u>	<u>(1,589,384)</u>
Loss per ordinary share			
Basic and diluted	(0.09) p	(0.66) p	(1.3) p

The above results relate entirely to continuing operations.

year as stated above and their historical cost equivalents.

Statement of total recognised gains and losses
for the Six Months to 30th June 2005

Loss for the period	(140,398)	(632,460)	(1,589,384)
Exchange difference on foreign currency net investments	32,605	(8,946)	(820)
Total recognised losses during the period	<u>(107,793)</u>	<u>(641,406)</u>	<u>(1,590,204)</u>

OneClickHR plc
Consolidated Balance Sheet
30th June 2005

	30th June 2005 (unaudited) £	30th June 2004 (unaudited) £	31st Dec 2004 (audited) £
Fixed assets			
Intangible assets	8,866	26,601	17,733
Tangible assets	175,885	219,030	217,477
	<hr/> 184,751	<hr/> 245,631	<hr/> 235,210
Current assets			
Stocks	56,440	94,252	74,311
Debtors	1,305,954	1,650,714	1,500,385
Cash at bank and in hand	1,025,836	1,747,796	1,182,352
	<hr/> 2,388,230	<hr/> 3,492,762	<hr/> 2,757,048
Creditors - amounts falling due within one year	(1,479,920)	(1,586,742)	(1,791,404)
	<hr/> 908,310	<hr/> 1,906,020	<hr/> 965,644
Net current assets			
	<hr/> 1,093,061	<hr/> 2,151,651	<hr/> 1,200,854
Net assets			
Capital and reserves			
Called up share capital	1,487,601	1,487,601	1,487,601
Share premium account	10,903,502	10,903,502	10,903,502
Other reserves	167,062	167,062	167,062
Profit and loss account	(11,465,104)	(10,406,514)	(11,357,311)
Equity shareholders' funds	<hr/> 1,093,061	<hr/> 2,151,651	<hr/> 1,200,854

OneClickHR plc
Consolidated Cash Flow Statement
for the Six Months to 30th June 2005

	Six Months to 30th June 2005 (unaudited) £	Six Months to 30th June 2004 (unaudited) £	Year Ended 31st Dec 2004 (audited) £
Net cash outflow from operating activities	(185,618)	(829,483)	(1,428,708)
Returns on investments and servicing of finance			
Interest received	13,302	17,109	40,274
Interest paid	(30)	(37,715)	(61,510)
Taxation			
Corporation tax paid	(4,543)	-	(945)
Corporation tax recovered	-	1,141	156,765
Capital expenditure			
Proceeds on disposal of tangible fixed assets	1,764	-	9,121
Payments to acquire tangible fixed assets	(13,990)	(44,046)	(132,579)
Acquisitions and Disposals			
Purchase of subsidiary - deferred consideration	-	(30,000)	-
Net cash outflow before use of liquid resources and financing	<u>(189,115)</u>	<u>(922,994)</u>	<u>(1,417,582)</u>
Management of liquid resources			
Decrease in short term deposits with banks	(43,242)	(1,361,850)	(548,777)
Financing			
Issue of ordinary shares	-	2,400,000	2,400,000
Issue of warrants	-	-	-
Repayment of loan stock	-	(150,000)	(150,000)
Share issue costs	-	(125,592)	(196,836)
(Decrease) / increase in cash	<u>(232,357)</u>	<u>(160,436)</u>	<u>86,805</u>

OneClickHR plc
Notes to the financial information

	Six Months to 30th June 2005 (unaudited) £	Six Months to 30th June 2004 (unaudited) £	Year Ended 31st Dec 2004 (audited) £
Reconciliation of net cash flow to movement in net funds / (debt)			
(Decrease) / increase in cash	(232,357)	(160,436)	86,805
Increase in short term deposits with banks	43,242	1,361,850	548,777
Loan stock	-	-	150,000
Non cash items	-	-	-
Change in net funds / (debt) resulting from cash flows	(189,115)	1,201,414	785,582
Loan stock	-	998,700	848,700
Exchange adjustments	32,599	-	388
(Decrease) / increase in net funds / net (debt)	(156,516)	2,200,114	1,634,670
Net funds / (debt) at 1st January	1,182,352	(452,318)	(452,318)
Net funds at end of period	1,025,836	1,747,796	1,182,352
Net Cash Flow from Operating Activities			
Operating loss	(149,127)	(682,595)	(1,723,968)
Depreciation charges	65,447	97,218	194,528
Profit / (loss) on disposal of fixed assets	1,764	-	(3,663)
Amortisation	8,867	50,956	59,824
Decrease / (increase) in stocks	17,871	(5,906)	14,035
Decrease / (Increase) in debtors	194,432	(273,209)	(219,449)
(Decrease) / increase in creditors	(311,484)	(11,147)	254,785
Decrease in other reserves and provisions	-	(4,800)	(4,800)
Other non-cash changes	(13,388)	-	-
Net cash outflow from operating activities	(185,618)	(829,483)	(1,428,708)
Segmental Information			
	£000	£000	£000
Geographical Segment Information - Turnover			
United Kingdom	2,663	2,044	4,612
European Union	35	14	46
Rest of World	88	233	107
	2,786	2,291	4,765

Notes to the financial information

1. Basis of preparation

The interim financial information has been prepared on a consistent basis using the accounting policies set out in the Report & Accounts for the year ended 31st December 2004. In the period the Group has paid withholding tax on inter group dividends paid from India to the UK. In previous periods the Group received tax credits for research and development, these were recognised when received. No further provision for taxation is required as the Group has current period tax losses. The deferred tax asset in relation to these losses has not been recognised as it is not certain that the Group will have sufficient future taxable profits to utilise these losses.

2. Non statutory accounts

The unaudited Group results incorporate the unaudited results of the Company and all its subsidiaries for the financial period ended 30th June 2005. In accordance with s240(3) of the Companies Act 1985, such unaudited results do not constitute statutory financial statements of the Group or of the Company. The six months results for both years are unaudited. The results for the year ended 31st December 2004 are an abridged version of the financial statements for that year which have been delivered to the Registrar of Companies; the report of the Auditors was unqualified and did not contain a statement under s237(2) or s237(3) of the Companies Act 1985.

3. Basis of consolidation and goodwill

These statements consolidate the accounts of the company and all its subsidiaries. Results of subsidiary undertakings acquired are consolidated from the date on which control passes. Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired, and is capitalised and amortised over its estimated economic life.

4. Loss per share

The calculation of earnings per 1p ordinary share is based upon the loss after tax for the six months ended 30th June 2005 of £140,398 (loss of £ 632,460 for the six months ended 30th June 2004, loss of £1,589,384 for the year ended 31st December 2004) and the weighted average number of shares in issue during the period of 148,760,100 (95,953,020 for the six months ended 30th June 2004, 122,673,176 for the year ended 31st December 2004).

5. Copies of this statement will be sent to all shareholders and are available from the Company's registered office for at least one month, free of charge.

Independent review report to the Directors of OneClickHR plc

Introduction

We have been instructed by the company to review the financial information for the six months ended 30th June 2005 which comprises summarised profit and loss account, statement of total gains and losses, summarised balance sheet information as at 30 June 2005, summarised cash flow statement and associated notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatement or material inconsistencies with the financial information.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the Alternative Investment Market rules which require that accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the disclosed accounting policies have been applied. A review excludes audit procedures such as tests of control and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Alternative Investment Market and for no other purpose.

We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30th June 2005.

PricewaterhouseCoopers LLP
Chartered Accountants
Gatwick
1st August 2005

Notes:

(a) The maintenance and integrity of the OneClickHR plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the web site.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.