

 **TEN ALPS  
PLC**



**THE FACTUAL MEDIA COMPANY**

## Presentation Team

- |   |   |
|---|---|
|  <b>Alex Connock</b>     | Chief Executive Officer                             |
|  <b>Nitil Patel</b>      | Financial Director                                  |
|  <b>Adrian Dunleavy</b> | Chief Executive Officer,<br>Communications Division |

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## The Factual Media Company

- Ⓐ Ten Alps provides factual content - online, on TV and in print
- Ⓐ Ten Alps produces dozens of factual TV programmes, online TV channels and features, 630 specialist magazines, hundreds of websites and scores of events
- Ⓐ Modern, multi-platform business model
- Ⓐ Growing organically, through cross-selling and by acquisition

## Trading review - December 2007

- ⌚ Good operational trading results
- ⌚ Strong current trading delivering on-target results for the full year to March '08
- ⌚ Both profits growth and investments were ahead in half year, cancelling each other out
- ⌚ Online TV delivery £1m investment programme completed Nov '07
  - ⌚ Investment impact drops out of Group P/L from now on
  - ⌚ Digital sales increasing rapidly
  - ⌚ Online expected to increase Group profits from 2008
  - ⌚ Consolidation opportunities in online video production
- ⌚ Acquisitions in key growth areas of specialist media and factual TV formats



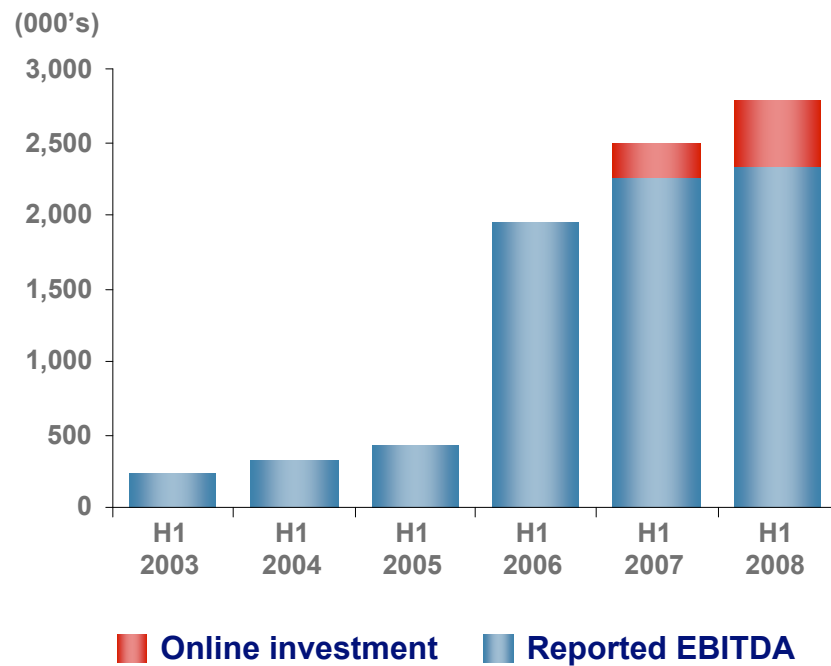
## Interim results - Headline numbers

£'000's	First half 2007-8	First half 2006-7	Full year 2007
Revenue	37,566	33,578	69,045
EBITDA	1,967	1,911	3,170
PBT	1,494	1,611	2,750
Basic Eps	2.20p	1.93p	3.47p

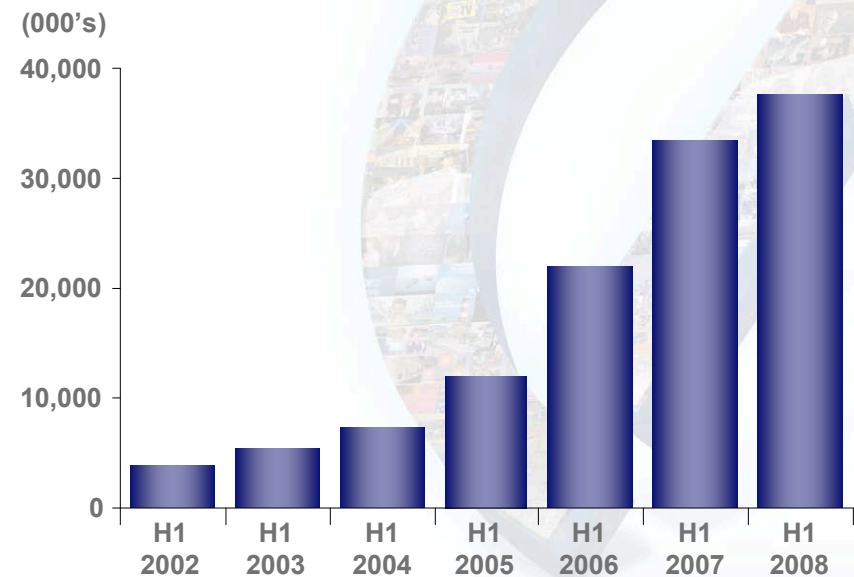
Note: The charge for the period under IFRS was £168,000 (2006: £Nil) whilst under UK GAAP the charge would have been £283,000 (2006: £283,000).

## Continued Profit and Revenue growth

**EBITDA (adj for online investment)**



**Revenue**



## Group Profit & Loss

£'000's	6 months to 30/09/2007	6 months to 30/09/2006	Year to 31/3/2007
<b>Revenue</b>	37,566	33,578	69,045
Operating costs before amortisation	(35,599)	(31,667)	(65,875)
<b>EBITA</b>	1,967	1,911	3,170
Amortisation of intangible assets	(168)	-	(17)
<b>Operating profit</b>	1,799	1,911	3,153
Finance costs	(410)	(300)	(684)
Finance income	105	-	281
<b>Profit before tax</b>	1,494	1,611	2,750
Taxation	(202)	(500)	(740)
<b>Profit for the period</b>	1,292	1,111	2,010



## Selected Group balance sheet items

£'000's	At 30/09/2007	At 30/09/2006	At 31/3/2007
Cash	10,812	13,183	14,368
Net current assets	768	3,754	4,520
Bank loans - current	3,250	2,000	1,000
Bank loans - non-current	8,800	7,350	9,150
Net assets	15,683	13,724	14,372

## Group cash flow items

£'000's	6 months to 30/09/2007	6 months to 30/09/2006	Year to 31/3/2007
Profit for the period	1,292	1,111	2,010
Add back: Taxation	202	500	740
Depreciation	360	354	685
Amortisation	168	-	17
FRS 20 share based payment charge	10	14	23
Loss on sale of fixed assets	(4)	(2)	2
Foreign exchange loss on media loans	10	(11)	5
	2,038	1,966	3,482
Tax paid	(137)	(390)	(712)
(Increase)/decrease in work in progress	(373)	472	590
(Increase)/decrease in trade and other receivables	(4,166)	1,623	2,632
(Decrease)/Increase in trade and other creditors	(428)	(2,324)	(2,168)
Net cash flows (used in)/from operations activities	(3,066)	1,347	3,824
Net cash flows used in investing activities	(2,339)	(1,439)	(3,230)
Net cash flows from financing activities	1,849	(1,240)	(741)
Net decrease in cash and cash equivalents	(3,556)	(1,332)	(147)
Cash and cash equivalents at 1 April	14,368	14,515	14,515
<b>Cash and cash equivalents</b>	<b>10,812</b>	<b>13,183</b>	<b>14,368</b>

# Ten Alps is organised in two divisions

## Digital content is now central to both

### Ten Alps Broadcast (33% of revenue)



### Ten Alps Communications (67% of revenue)



TV

RADIO

ONLINE TV

DIGITAL

EVENTS

PRINT

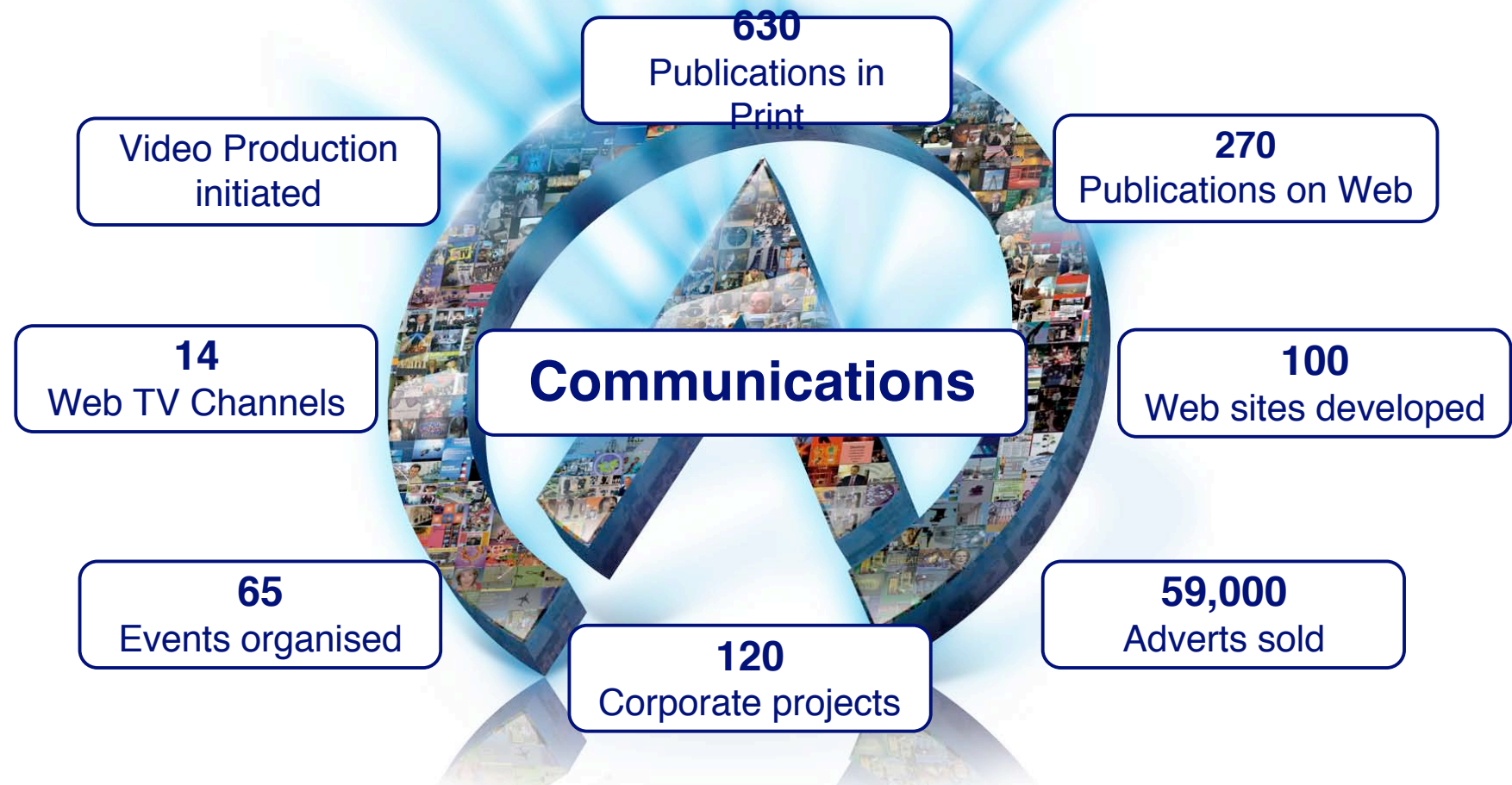
## Communications Division

managed by Adrian Dunleavy

**Growth of Communications businesses, supplemented by bolt on acquisitions, consolidation and cross selling across the group**

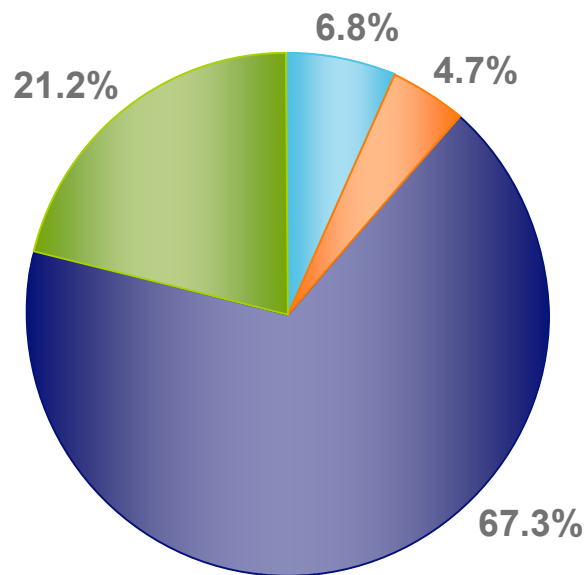
- ⌚ Good performance from publishing, events, marketing, communication companies
- ⌚ All business units performing strongly
- ⌚ Acquisition of DBDA, Mongoose in period
- ⌚ Considerable scope for further consolidation in sector on EBIT multiples of 4-5

## The range of Communications output



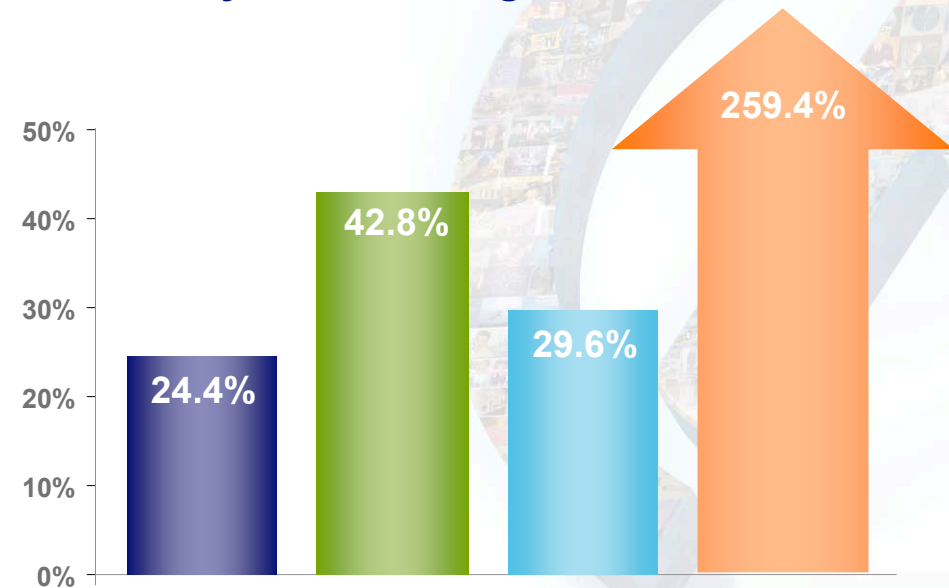
## Revenue growth by commercial activity

Revenue split



■ Publishing ■ Corporate Communications ■ Events ■ Digital

Year on year revenue growth





## Performance - Communications

£'000's	6 months to 30/09/2007	6 months to 30/09/2006	Year to 31/3/2007
Revenue	24,678	18,670	39,367
Gross profit	7,726	6,000	11,842

**Organic Growth**

**On Line Leaders**

**Cross Selling**

**Targeted Acquisition**

## Cross-selling events

### Owned events

- ⌚ Leverage off sector expertise
- ⌚ Government
- ⌚ Transport
- ⌚ Education
- ⌚ Legal
- ⌚ Environment
- ⌚ Trade
- ⌚ Public sector
- ⌚ Delegate / Sponsorship model
- ⌚ 18 staff and growing

### Event Video / Event Web/Public TV



# Owning B2B online video distribution

## Our own video channels

### 14 sector specific channels

- ⌚ User generated content
- ⌚ Sponsor content
- ⌚ Ten Alps Publications

## Commercial opportunities

### Sold by sector sales teams

- ⌚ Links
- ⌚ Banners / Buttons
- ⌚ Sponsorship
- ⌚ Content
- ⌚ Advertisements



# Making money in online video

## Full video services

### Digital

- ⌚ On line advertising
- ⌚ Corporate Communications

### Film

- ⌚ High quality, low cost video

### Delivery

- ⌚ Multi-Platform
  - ⌚ Client/Sector Web, Free Access Web, Public TV, DVD - Sales / Marketing, Events



## Broadcast Division

Managed by Nitil Patel

- ⌚ This was a flat period, but good second half is underway from factual TV companies
- ⌚ Strong full year revenues from core production companies Blakeway and Brook Lapping
- ⌚ Good development slate
  - ⌚ Dispatches for Channel4, documentaries for BBC, factual entertainment programmes for BSkyB & Discovery
  - ⌚ **Teachers TV** - successfully proven model of contract publishing and Brook Lapping / ITN tie up giving strong bid for **Teachers TV**

## Performance - Broadcast

£'000's	6 months to 30/09/2007	6 months to 30/09/2006	Year to 31/3/2007
Revenue	12,921	14,886	29,678
Gross profit	2,900	3,600	7,078



## Group priorities for '08

- ⌚ Continued acquisition programme to enhance existing operations - wide range of low-multiple opportunities
- ⌚ Major push in online video advertising production - clear opportunity to be UK market leader
- ⌚ Further development of online TV on contract publishing model with local authorities, **Peace TV**, **Vets TV** and other specialist sectors
- ⌚ Re-tendering for **Teachers TV** in consortium with ITN, C4 Learning and Espresso, with result expected late January 2008
- ⌚ Cross selling opportunities exploited across all divisions

## History

- ⌚ Founded in 1999 by Alex Connock and Bob Geldof
- ⌚ Listed 2001 @ 23p with 10 staff and revenues below £2m
- ⌚ Now 650 staff, 61,000 clients and revenues this year well above £75m
- ⌚ Consistent EPS growth
- ⌚ Revenue growth compound 45% over 6 years to June 2007
- ⌚ Average of 2 acquisitions per year, all fully integrated into existing structures
- ⌚ Now has footprint in London (five offices), Manchester, Edinburgh, Gateshead, Fareham and Dublin

## 5 years of growth

### Ten Alps fundamentals

Year ending	Revenue (£m)	Pre-tax (£m)	EPSP	EPS Grth
31-Mar-03	13.06	0.08	0.20p	-90%
31-Mar-04	16.73	0.13	1.33p	+565
31-Mar-05	34.75	0.63	1.81p	+36
31-Mar-06	42.21	1.66	2.54p	+40
31-Mar-07	69.04	2.26	3.88p	+53



## Ten Alps Team

- Ⓐ **Alex Connock** - co-founder, graduate of Oxford & Columbia, INSEAD, TV production background
- Ⓐ **Nitil Patel** - ex Sayers Butterworth & Planet 24
- Ⓐ **Adrian Dunleavy** - former Chief Executive McMillan Scott, Nationwide Accident Repair Service Plc & NTS Ltd
- Ⓐ **Derek Morren** - former FD Trinity Mirror's Scottish Daily Record & group financial controller Trinity Mirror PLC
- Ⓐ Non Execs: **Bob Geldof, Tim Hoare, Brian Walden**

## Some Clients



Consumer Affairs Directorate  
STRENGTHENING CONSUMERS AND BUSINESS



British Waterways

