6 December 2013

Ten Alps Plc

Interim Results

Ten Alps Plc ("Ten Alps" or the "Group"), producer of high quality TV and radio together with integrated publishing and communications content, today announces its half year results for the six months to 30 September 2013.

As the Group continues to move further away from its previous legacy, it now has a simplified management structure, reduced overheads, a refreshed portfolio and has expanded services in sectors and markets which we believe will grow in the future. We believe that the implementation of these measures is now starting to bear results.

The key focus going forward continues to be the return to Group profitability, with particular emphasis on quality and delivery of products and services within the Group's divisions.

Highlights for the year include:

Performance

- Group revenues of £12.24m (2012: £13.47m)
- Adjusted EBITDA loss of £(0.19)m (2012: £(0.74)m)
- Reorganisation and restructuring costs of £0.04m (2012: £0.12m)
- Amortisation charge of £0.21m (2012: £0.52m)
- Operating Losses of £(0.52)m (2012: £(1.53)m)
- Loss for the period after tax £(0.51)m (2012: £(1.82)m)
- Diluted loss per share (0.19)p (2012: (0.74)p)
- Total Assets £17.24m (2012: £26.51m)
- Net Debt of £6.08m* (2012: £3.70m) with facilities maturing in 2016

** £420k is secured on a specific long term production*

Business Overview and Highlights

- Disposal of non-core Agency asset in May 2013 at a gain of £243k
- Further reduction in cost base across all units
- British Journalism Award for Breaking News 2013: *Channel 4 News: Plebs, Lies and Videotape*
- TV and Radio highlights *include Panorama: Secrets of Britain's Sharia Councils, Dispatches: Secrets from the Cockpit, Special: Cyril Smith, Secret History of the Bossa Nova and TS Elliot's India: Many Gods, Many Voices*
- Key highlights in the Publishing division for the period have been the retention of key accounts including the *Association of Optometrists*, *The Caravan Club* and an extend contract with the *MOD*. New business wins included the contract for the launch of *So Film* and the hugely successful launch of the *Cream Awards* and *Animal Health* industry training seminars
- New private sector clients for the Communications Agency unit including *Astra Zeneca and Sanofi Pasteur*

Peter Bertram, Chairman, commented:

"The first half of the year has been relatively encouraging. Although we are still not yet profitable, the losses have been reduced significantly from previous years.

Going forward the focus of the Group will now evolve to increase the quality of the revenues by enhancing our core strengths and expanding the diversity and digital expertise across our divisions.

Finally, I would like to continue to acknowledge our core asset- our employees. We employ and attract highly talented individuals across all our divisions, and they constantly and impressively create and deliver quality and professional products, something this Board is proud of."

For further information, please contact:

Ten Alps plc
Peter Bertram, Chairman — Tel: +44 (0) 20 7878 2311
c/o Moira McManus
www.tenalps.com

Grant Thornton, Nominated Adviser — Tel: +44 (0) 20 7383 5100
Colin Aaronson / Jen Clarke/ Jamie Barklem
www.grant-thornton.co.uk

CanaccordGenuity, Broker — Tel: +44 (0) 207 523 8000
Simon Bridges/ Kit Stephenson
www.canaccordgenuity.com

Chairman’s Statement

BUSINESS REVIEW

Quality, Delivery, Diversity and Digital

After a considerable period of restructuring, the Group has evolved in to a streamlined entity of two core divisions namely Broadcasting and Integrated Services. With a simpler and more effective Group structure, together with a leaner senior management team (the "Management"), the Group can deliver its new stated goals of quality, delivery, diverse and digital services. The Management intends to manage these goals through key performance indicators ("KPIs") which have been designed to focus not just on short term profitability but on quality, reputation enhancement and long term growth. The Group believes that this is the beginning of a new chapter in the history of Ten Alps, one that is more focussed on its core strengths and talents which will promote its future growth.

The Management set out to improve our performance from last year and, as the results show, we believe we are on the right track. Although we still need to return to profitability, our ability to do so has been strengthened by the actions taken in the last few years. To that end, although our focus has changed, our KPIs have fundamentally not altered. We are therefore setting similar KPIs for the coming year with clear emphasis on:

- creative and digital content and products
- cash generation
- core market growth
- enhanced overall performance and
- investment opportunities

These KPIs should enable us to continue to address the interests of the various stakeholders of the Group.

By continuing to implement the current plans and evolving the focus of the Group to the growth of quality revenues, the Directors believe that Ten Alps' assets in Broadcasting and Integrated Services will be stronger and thereby increase in value in the coming years. To ensure we are successful in the implementation and delivery of these strategies, we will have to increase our internal investment and deploy the limited resources we have in a planned and assessed manner.

Broadcasting

TV and Radio

The key aim remains that of producing high quality programming which is intelligent, engaging and entertaining. The division continues to grow its output in various new genres, increasing its diversity and range. A key KPI has been to expand our international sales and we believe we are starting to make good progress not only in America but also in China, which we consider to be a key growth market for the division.

The division's key strategy remains the same, which is to grow organically over the coming years. As the focus of the Group changes to the quality of its revenues, the division will be looking for strategic additions to its talent pool. In order to address this strategy, we will look at more imaginative ways to enhance our offering to attract new talent, which will inevitably call for more internal investment. We believe this investment is required to ensure we can deliver the growth strategy of the division.

Integrated Services

Publishing

Over the last few years we have implemented a major rationalisation programme on this unit and we now believe we have the right foundations to build upon. It has been a long journey for our shareholders but now that we have exclusively UK based assets managed by a focussed and streamlined team, we can look at enhancing the quality of the services we provide and to further expand our offering.

As ever, the unit is at the forefront of the advertising market and generally faces changes in the macroeconomic climate at the earliest point in any cycle. Although the environment has stabilised it remains challenging in many respects. To address the various risks that the unit faces, the division's management has been concentrating on the delivery of increasingly high quality revenue streams and products. This will provide the ability to upscale new offerings which can expand the diversity of our client base and increase our footprint in new growth markets. Further, we have centralised our digital offering in order to deliver a better product to enable us to address a key growth area.

We continue to monitor advertising sales run-rates, the cost of selling and new business targets as they remain critical to the unit. To that end we have retained the same KPIs as last time namely return to profitability, cash generation, retention of clients and new business wins.

Communications Agency

This division, formerly known as dbda, has rebranded itself to Ten Alps Communicate (www.tenalpscommunicate.com), as it expands its offering to a more diverse client base. The aim of this division continues to be that of increased and more diverse revenue, greater focus on the quality of digital offering though creative campaigns and programmes and exploitation of owned IP assets.

The unit, which has benefitted from the previous strategies, now needs to deliver on its key growth plans in the coming years. Consequently it has restructured its new business team and will be looking for further additions in the coming months to grow key identified market sectors in which it believes it has a market advantage, namely education, health, finance, employability, environment and safety.

The KPIs will continue to be similar to the previous years, including continued emphasis on increasing revenues, improving margins and controlling costs. However, to achieve future growth, the unit will look to enhance employee skills through strategic training, further develop its own IP assets and thereby expand its offering in selected sectors which are set to grow in the coming years such as safety, health and environment. With limited resources for investment, the strategies will be enacted on strict return on investment criteria.

New Websites

As part of our focus on further enhancing our digital skills and offerings we have revamped our websites over the last six months. The project was developed, managed and delivered by our in house digital agency Ten Alps Communicate (formerly called dbda). To view the various websites please click on to www.tenalps.com. For more information on Ten Alps Communicate and their offering please click on to www.tenalpscommunicate.com.

OPERATING REVIEW

Overview

The detailed performance for the Group is shown below.

Income Statement Analysis	Adjusted EBITDA	Non-Cash items	Reorg/ Restructure	Finance Charges	Taxation	Profit on disposals	Loss for period Sept 2013	Loss for period Sept 2012
Plc	£(0.23)m	£(0.18)m	-	£(0.2)m	£(0.04)m	£0.24m	£(0.41)m	£(0.94)m
Broadcasting	£0.23m	£(0.02)m	-	-	-	-	£0.21m	£0.21m
Integrated Marketing								
Publishing	£(0.19)m	£(0.05)m	£(0.04)m	-	-	-	£(0.28)m	£(0.91)m
Communications Agency	£0.001m	£(0.04)m	-	-	-	-	£(0.03)m	£(0.18)m
Total	**£(0.19)m**	**£(0.29)m**	**£(0.04)m**	**£(0.02)m**	**£(0.04)m**	**£0.24m**	**£(0.51)m**	£(1.82)m

Broadcasting

The broadcasting division of Ten Alps focusses on the production of high quality factual programming for major broadcasters worldwide. The output of the division includes award winning documentaries featuring current affairs and investigative content. The business enjoys a premium reputation and employs a number of highly respected television producers operating under industry leading brands. It is based in London with an office in Manchester under four major brands.

The division continues to perform well. Although revenue was marginally up by 1.8% it is second half weighted this year as productions have been delayed in the first half. A consequence of the delays has meant that EBITDA has slipped as a significant proportion of the profits on the programmes are recognised only after completion. Year on year EBIT profits have remained the same at £0.21m.

Broadcasting	2013	2012	% Change
Revenue	£4.09m	£4.02m	1.79%
EBITDA*	£0.23m	£0.28m	-18.86%
EBIT**	£0.21m	£0.21m	0.00%
**Development Costs*	*£(0.15)m*	*£(0.13)m*	-
***Reorganisation Costs*	*£Nil*	*£(0.04)m*	-

The current order book as at 30 November 2013 was c£7.24m. This validates the division's decision to invest in its development in order to achieve the stated KPIs and the results are now coming through. Development costs for the year increased by 15.38% to £0.15m (2012: £0.13m) which was expensed to the income statement.

In order to achieve the stated KPIs, the division will need to strategically allocate the limited resources it has at its disposal according to targeted investment plans. The addition of the new executive producer has resulted in increased revenue and production at Films of Record. The division therefore needs to bolster, via a similar plan, its range of offering at Brook Lapping Productions and consolidate on the growth in

Blakeway North. The challenge, as always, remains our ability to attract talented individuals in a highly competitive market.

Films of Record continue to develop access driven observational documentaries and were nominated for a Bafta in the Factual Series Category for *Great Ormond Street Series*. It has expanded into the corporate market by producing programmes for BBC World such as *Changing Fortunes* and has lined up its first co-production with Group M during the second half of the year. In late October 2013, Films of Record's *Iceland Foods: Life in the Freezer Cabinet Series* was aired on BBC2 to critical acclaim.

Brook Lapping has completed its flagship BBC series *The Iraq War* co-produced with National Geographic Channel in the US and Canal+ in France amongst others, to acclaim reviews and is looking to commence another ground breaking political series shortly. As mentioned earlier, Brook Lapping is seeking to expand its genre and will look to complete a strategic management appointment in the coming months.

Blakeway is finalising its first theatrical commission, a stated KPI for the division and it has been commissioned directly by the current affairs division of Chinese broadcaster CCTV to produce an eight part series called *The Secrets of Branding*. It has also been contracted to an output deal with Channel 4 to produce a minimum of 8 *Dispatches* in the financial year going forward. Blakeway is also looking to expand its corporate portfolio and has made programmes for the National Gallery and Prudential.

Blakeway North has had a success in *My £9.50 Holiday* and is looking to expand that one off in to a series idea. It continues to successfully produce and deliver its flagship programme returning series *Benidorm ER*. Going forward, Blakeway North is also planning to invest in a strategic appointment in order to build on the growth in the unit's commissions and to further enhance its regional offering.

Integrated Services

Publishing

The publishing unit of Integrated Services delivers content in four main methods: print, online, tablet and events. Consequently the offering from the unit has been streamlined to:

- Publishing
- Events and Awards
- Contract Publishing and
- Media Sales

Current forward sales as at 30 November 2013 were £4.82m. The division achieved revenues from continuing operations of £7.29m (2012: £8.40m) and an EBITDA loss of £(0.20)m (2012: loss of £0.74m). EBIT was a reported loss of £(0.28m) (2012: loss £(0.91)m) after reorganisation charge of £0.04m (2012: £0.08m).

Integrated Marketing - Publishing	2013	2012	% Change
Revenue	£7.29m	£8.40m	-13.25%
EBITDA	£(0.20)m	£(0.74)m	73.66%
EBIT*	£(0.28)m	£(0.91)m	68.93%
**Reorganisation Costs*	*£(0.04)m*	*£(0.08)m*	-

Our aim continues to be the expansion of owned media to enhance digital media, awards, conferences and exhibitions, increase the margins of contract publishing by focusing on high value clients and create market sector focus and expertise.

While the market and economic environment remain challenging, the changes we have made in this unit are starting to yield some positive results and we can now concentrate on delivering on the stated KPIs.

There will be a constant drive for new business opportunities. The strategy is to concentrate on quality revenues and clients who are evolving their communication strategy to meet an ever changing environment be it print, digital and events. The unit is developing awards in conjunction with its Broadcasting Division and looking to expand its range of products in areas in which it believes it has a market advantage or expertise in such areas as *Vet Marketing Awards*, *Primary Care Today Forums*, *Primarycare.uk.org* and *Food Freight Awards*.

Investment in training for our staff will be increased in the coming years as well as our investment in digital, audience and customer data. This will hopefully continue to develop our skill sets and enable us to address, in advance, our client needs.

Communications Agency

Ten Alps Communicate specialises in creating strategies, programmes, campaigns and resources for blue chip corporates, charities and government departments, targeting the sectors of education, safety and health. Our main objective over the last six months has been to reposition the company so as to broaden its portfolio and capabilities, while ensuring we have the right team with the appropriate skills in place.

We have appointed a new business manager and a lead generation company to support the new business team, driving to extend our client base, both in terms of number of clients and diversity of spectrum. We continue to grow and develop existing clients and have seen an increase in revenue in the health sector, as we work together to drive awareness campaigns by developing innovative communication plans for the following clients:

- *Sanofi Pasteur: A campaign to raise awareness on the HPV vaccination*
- *Astra Zeneca: A communication on Influenza*
- *PZ Cussons: A school programme built around 'Live life hands on'.*

Current order book as at 30 November was c£0.84m. Revenues were down by 18% to £0.86m (2012: £1.05m) with EBITDA of £0.001m (2012: £0.04m). The drop in revenues was mainly due to timing differences on the unit's largest contract which will be beneficial in the second half. The amortisation charge has now been fully expensed.

Integrated Marketing-Communications Agency	**2013**	**2012**	**% Change**
Revenue	£0.86m	£1.05m	-18.30%
EBITDA	£0.001m	£0.04m	-85.00%
EBIT*	£(0.03)m	£(0.18)m	83.15%
**Amortisation Charge*	*£(0.03)m*	*£(0.22)m*	-

We are confident that the recent rebranding to Ten Alps Communicate will have a positive effect on driving our reputation and the ability to demonstrate our skills, knowledge, experience and capabilities in the communications space. The new website has had an encouraging impact and has received very positive feedback. We will be following this through with a marketing/PR plan to capitalise on the rebranding.

Opportunities for international outreach of our safety knowledge has led us to openings with *The Children's Traffic Club* ("CTC") in Oman and we are currently liaising with the Ministry of Education there and have a meeting in the next couple of months with a possible funder. It has expanded its footprint outside the London area with Derbyshire, Lancashire and Norfolk all on board now.

Our greatest asset lies in the talents and abilities of our digital and creative teams and going forward we need to develop and build this for maximum benefit. Some well selected training for staff is already reaping benefits and we hope to further develop our staff training programme.

The stated KPIs for this unit were a return to profitability, increased revenue from private sector clients, and expansion of its own intellectual property into revenues generating concepts.

PLC

With the departure of three senior management members in the last fiscal year, we have started to see significant overhead reductions. Plc costs for the period end, at EBITDA level were down by 28% to £0.23m (2012: £0.32m) and at operating loss level they were £0.41m (2012: £0.64m) after an amortisation charge of £0.18m (2012: £0.31m).

Plc	**2013**	**2012**	**% Change**
Revenue	-	-	N/a
EBITDA	£(0.23)m	£(0.32)m	27.62%
EBIT*	£(0.41)m	£(0.64)m	36.14%
**Amortisation Charge*	*£(0.18)m*	*£(0.31)m*	-

Peter Bertram - Chairman

<u>Chief Financial Officer's Statement</u>

FINANCIAL REVIEW

The Group, we believe, is moving in the right direction. The extensive root and branch restructuring over the last few years has been completed and the results are starting to show stability and future growth potential. We believe we have stable foundations to build upon.

Revenue from continuing operations was down 9.2% to £12.24m (2012: £13.47m) and gross profit decreased by 14.44% to £3.97m (2012: £4.64m). The main variance came in the integrated marketing division which saw revenues decrease by 13.8% or £1.31m year on year.

Gross margin decreased from 34.43% to 32.47% in the period, with operating expenses representing 34.02% of revenues (2012: 39.91%). This is a consequence of significant restructuring undertaken by the Group over the last three years and the aim is to have that below 30% by 2014. The charge for reorganisation and restructuring was £0.04m (2012: £0.12m). The reduced charge reflects the Group's statement that planned reorganisations and restructure have now been implemented.

Adjusted EBITDA or headline profit, a key performance indicator used by the board, was a loss of £0.19m (2012: loss of £0.74m). Operating loss decreased to £0.52m (2012: loss of £1.53m) after an amortisation charge of £0.21m (2012: £0.52m).

As the Group made losses for the period end to 30 September there was no corporation tax charge in the period. However, the Group reflected a movement in the deferred tax asset by incurring a charge for the period of £0.04m (2012: £Nil).

Discontinued operations relate to the agency unit of publishing which was disposed of during the period. Ten Alps Agency was based in Fareham and was considered a non-core business unit. The results for the period include a gain on discontinued operations of £0.24m (2012: loss of £0.11m).

Earnings per share

Basic and diluted loss per share from continuing operations in the year was 0.27p (2012: loss 0.73p) and was calculated on the losses for the year attributable to Ten Alps shareholders of £0.76m (2012: loss £1.71m) divided by the weighted average number of shares in issue during the year being 276,666,012 (2012: 234,836,094).

Effectively all share options at 30 September 2013 were ‘under water’ and, therefore, deemed non- dilutive.

Statement of Financial Position

Assets

The Group’s non-current assets comprise of goodwill of £7.08m (2012: £11.18m), reflecting the impairment charge for the year ended 31 March 2013 of £3.2m, property, plant and equipment of £0.26m (2012: £0.59m) and deferred tax asset of £0.71m (2012: £0.51m).

Inventories and trade receivables have decreased by £3.47m to £5.85m (2012: £9.32m) reflecting the impact of the disposals in the period and a receivables review which resulted in the provision of specific amounts of £1.44m at 31 March 2013. Other receivables have reduced significantly to £0.78m (2012: £2.4m) reflecting a fall in accrued income in the period.

The Group had a cash balance of £2.56m as at 30 September 2013 (2012: £2.51m). The balance is marginally higher than last year, reflecting the unfavourable movement in working capital in the period of £2.06m (2012: £0.41m) and increase in gross debt from £6.21m to £8.65m.

Total assets for the Group were £17.24m (2012: £26.51m) with the main movements being goodwill and working capital assets in the period.

Equity and Liabilities

On 28 March 2013, the Company issued 24,125,000 ordinary shares at a price of 2p per share to institutional and ordinary investors.

Consequently called up share capital at the period end was £5.53m (2012: £5.05m) and the share premium was £15.23m (2012: £15.23m).

Retained losses as at 30 September 2013 were £20.81m (2012: losses: £13.62m) and total shareholders’ equity at that date was £0.65m (2012: £7.36m).

On 23 September 2013, the Group announced that it received an unsecured loan note of £1.25m for business development and general working capital requirements. As a consequence the Group had an outstanding long term debt debt of £8.23m (2012: £6.21m). The borrowings are split into three categories. The unsecured debt facility of £4.34m (2012: £4.30m), secured loan notes of £2.45m (2012: £1.91m) and unsecured loan notes of £1.44m (2012: £Nil). The debt facility is due in February 2016 and the loan notes in March 2016 with no mandatory repayments on either of these amounts until the due dates.

Current liabilities consisting of trade and other creditors have decreased by £5.0m to £7.94m (2012: £12.94m). Deferred income of £1.4m (2012: £4.35m) has decreased due to disposals in the period and clients paying later which has had an impact on the cash balance at the period end. The Group has a production finance loan of £0.4m (2012: £Nil) relating to a specific long term production and is secured on the assets of that production alone.

The Group has provided for deferred consideration of £0.1m (2012: £0.1m) on the balance sheet of which £Nil (2012: £0.1m) is due after more than one year. The amounts relate to earn out payments due on the acquisition of Grove House Publishing.

Cash flows

During the period the Group took the opportunity to normalise its day to day working capital by taking a long term loan of £1.25m as mentioned above. As a consequence the Group used cash of £2.28m (2012: £0.87m) in its operations. The net movement in the period was a decrease in cash of £0.57m (2012: £0.34m).

Nitil Patel- Chief Financial Officer

Condensed consolidated interim income statement

	6 Months to 30 September 2013 £'000	6 Months to 30 September 2012 £'000	Year to 31 March 2013 £'000
Continuing Operations			
Revenue	**12,239**	13,472	27,641
Cost of Sales	**(8,265)**	(8,833)	(19,535)
Gross Profit	**3,974**	4,639	8,106
Operating expenses before restructuring costs, depreciation, amortisation and impairment	**(4,164)**	(5,377)	(10,818)
Adjusted EBITDA	**(190)**	(738)	(2,712)
Restructuring costs	**(39)**	(123)	(461)
Depreciation	**(80)**	(146)	(254)
Amortisation and impairment of intangible assets	**(211)**	(523)	(4,217)
Operating loss	**(520)**	(1,530)	(7,644)
Finance costs	**(199)**	(187)	(359)
Finance income	**-**	3	1
Loss before tax	**(719)**	(1,714)	(8,002)
Income tax charge/credit	**(36)**	-	230
Loss for the period	**(755)**	(1,714)	(7,772)
Discontinued operations			
Profit/(loss) for the period from discontinued operations	**243**	(109)	(727)
Loss for the period	**(512)**	(1,823)	(8,499)
Continuing operations attributable to:			
Equity holders of the parent	**(755)**	(1,714)	(7,772)
Non-controlling interest	**-**	-	-
Discontinued operations attributable to:			
Equity holders of the parent	**243**	(22)	(640)
Non-controlling interest	**-**	(87)	(87)
	(512)	(1,823)	(8,499)
Basic earnings per share			
From continuing operations	**(0.27)p**	(0.73)p	(3.15)p
From discontinued operations	**0.09p**	(0.01)p	(0.26)p
Total	**(0.19)p**	(0.74)p	(3.42)p
Diluted earnings per share			
From continuing operations	**(0.27)p**	(0.73)p	(3.15)p
From discontinued operations	**0.09p**	(0.01)p	(0.26)p
Total	**(0.19)p**	(0.74)p	(3.42)p

Condensed consolidated statement of comprehensive income

	6 Months to 30 September 2013 £'000	6 Months to 30 September 2012 £'000	Year to 31 March 2013 £'000
Loss for the period	**(512)**	(1,823)	(8,499)
Other comprehensive income			
Foreign investment translation differences	**-**	-	(14)
Total comprehensive income for the period	**(512)**	(1,823)	(8,513)
Attributable to:			
Equity holders	**(512)**	(1,736)	(8,426)
Non-controlling interest	**-**	(87)	(87)
	(512)	(1,823)	(8,513)

Condensed consolidated statement of financial position

	As at 30 September 2013 £ '000	As at 30 September 2012 £ '000	As at 31 March 2013 £ '000
Assets			
Non-current			
Goodwill and intangibles	**7,084**	11,181	7,305
Property, plant and equipment	**259**	586	331
Deferred tax	**706**	511	742
	8,049	12,278	8,378
Current assets			
Inventories	**1,712**	1,879	1,710
Trade receivables	**4,135**	7,440	4,828
Other receivables	**779**	2,400	1,001
Cash and cash equivalents	**2,561**	2,509	3,130
	9,187	14,228	10,669
Total assets	**17,236**	26,506	19,047
Equity and liabilities			
Shareholders' equity			
Called up share capital	**5,534**	5,051	5,534
Share premium account	**15,228**	15,228	15,228
Merger reserve	**696**	696	696
Retained earnings	**(20,806)**	(13,618)	(20,294)
Total shareholders' equity	**652**	7,357	1,164
Non-controlling interest	**-**	-	-
Total equity	**652**	7,357	1,164
Liabilities			
Non-current			
Borrowings	**8,225**	6,208	6,872
	8,225	6,208	6,872
Current liabilities			
Trade payables	**3,750**	5,136	4,959
Other payables	**4,189**	7,805	6,052
Borrowings - current	**420**	-	-
	8,359	12,941	11,011
Total equity and liabilities	**17,236**	26,506	19,047

Condensed consolidated statement of cash flows

	6 Months to 30 September 2013 £ '000	6 Months to 30 September 2012 £ '000	Year to 31 March 2013 £ '000
Cash flows from operating activities			
Loss for the period	**(512)**	(1,823)	(8,499)
Adjustments for:			
Income tax expense/(credit)	**36**	(10)	(230)
Depreciation	**81**	169	318
Amortisation and impairment of intangibles	**211**	611	4,270
Finance costs	**199**	187	359
Finance income	**-**	(3)	(3)
Share based payment charge	**-**	159	159
(Gain)/loss on disposal of subsidiaries	**(237)**	257	255
Loss on sale of property, plant and equipment	**1**	-	104
	(221)	(453)	(3,267)
Increase in inventories	**(15)**	(375)	(240)
Decrease in trade and other receivables	**717**	1,308	4,305
Decrease in trade and other payables	**(2,760)**	(1,345)	(2,076)
Cash used in operations	**(2,279)**	(865)	(1,278)
Finance costs paid	**(96)**	(96)	(196)
Finance income received	**-**	3	3
Tax paid	**-**	-	(42)
Net cash flows used in operating activities	**(2,375)**	(958)	(1,513)
Investing activities			
Disposal of subsidiary undertakings	**163**	248	368
Payment of contingent consideration	**(24)**	(126)	(126)
Purchase of property, plant and equipment	**(2)**	(79)	(118)
Proceeds of sale of property, plant and equipment	**(1)**	-	15
Net cash flows from/(used in) investing activities	**136**	43	139
Financing activities			
Issue of ordinary share capital	**-**	578	1,061
Borrowings repaid	**-**	-	592
Borrowings received	**1,670**	-	-
Capital element of finance lease payments	**-**	(4)	(4)
Net cash flows from financing activities	**1,670**	574	1,649
Net (decrease)/increase in cash and cash equivalents	**(569)**	(341)	275
Translation differences	**-**	(14)	(9)
Cash and cash equivalents at 1 April	**3,130**	2,864	2,864
Cash and cash equivalents at end of period	**2,561**	2,509	3,130

Condensed consolidated statement of changes in equity

	Note	Share capital	Share premium	Merger reserve	Exchange reserve	Retained earnings	Total attributable to equity shareholders	Non-controlling interest	Total equity
		£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2012		**2,651**	**14,630**	**696**	**14**	**(12,041)**	**5,950**	**199**	**6,149**
Loss for the year		-	-	-	-	(8,412)	(8,412)	(87)	(8,499)
Other comprehensive income									
Translation differences		-	-	-	(14)	-	(14)	-	(14)
Total comprehensive income		**-**	**-**	**-**	**(14)**	**(8,412)**	**(8,426)**	**(87)**	**(8,513)**
Equity-settled share-based payments		-	-	-	-	159	159	-	159
Disposal of non-controlling interest		-	-	-	-	-	-	(112)	(112)
Shares issued		2,883	598	-	-	-	3,481	-	3,481
Balance at 31 March 2013		**5,534**	**15,228**	**696**	**-**	**(20,294)**	**1,164**	**-**	**1,164**
Balance at 1 April 2012		**2,651**	**14,630**	**696**	**14**	**(12,041)**	**5,950**	**199**	**6,149**
Loss for the period		-	-	-	-	(1,736)	(1,736)	(87)	(1,823)
Other comprehensive income									
Translation differences		-	-	-	(14)	-	(14)	14	-
Total comprehensive income		**-**	**-**	**-**	**(14)**	**(1,736)**	**(1,750)**	**(73)**	**(1,823)**
Equity-settled share-based payments		-	-	-	-	159	159	-	159
Disposal of non-controlling interest		-	-	-	-	-	-	(126)	(126)
Shares issued		2,400	598	-	-	-	2,998	-	2,998
Balance at 30 September 2012		**5,051**	**15,228**	**696**	**-**	**(13,618)**	**7,357**	**-**	**7,357**
Balance at 1 April 2013		**5,534**	**15,228**	**696**	**-**	**(20,294)**	**1,164**	**-**	**1,164**
Loss for the period		-	-	-	-	(512)	(512)	-	(512)
Other comprehensive income									
Translation differences		-	-	-	-	-	-	-	-
Total comprehensive income		**-**	**-**	**-**	**-**	**(512)**	**(512)**	**-**	**(512)**
Balance at 30 September 2013		**5,534**	**15,228**	**696**	**-**	**(20,806)**	**652**	**-**	**652**

Notes to the consolidated financial statements

1) GENERAL INFORMATION

The condensed interim Financial Statements for the six months ended 30 September 2013 were authorised for issue in accordance with a resolution of the Board of Directors on 5 December 2013.

The Company is a public limited company incorporated in the United Kingdom. The address of its registered office is 7 Exchange Crescent, Conference Square, Edinburgh EH3 8AN.

The Company is listed on the London Stock Exchange's Alternative Investment Market.

These extracts do not comprise statutory accounts within the meaning of Section 235 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2013 were approved by the Board of Directors on 20 June 2013 which received an unqualified auditors' report and have been delivered to the delivered to the Registrar of Companies. The financial information contained in this report is unaudited.

2) BASIS OF PREPARATION

These condensed consolidated interim financial statements (the interim financial statements) have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 31 March 2013.

3) ACCOUNTING POLICIES

The accounting policies applied in these condensed interim Financial Statements are consistent with those of the annual Financial Statements for the year ended 31 March 2013, as described in the annual Financial Statements.

4) SEGMENTAL INFORMATION

The operations of the group are managed in two principle business divisions, Broadcast and Integrated Marketing Services. The Integrated Marketing Services division is made up of publishing and communications agency (formerly CSR) units. These divisions are the basis upon which the management reports its primary segment information.

Revenues by Business Division

	6 months to 30 September 2013	6 months to 30 September 2012	Year to 31 March 2013
	£ '000	£ '000	£ '000
Publishing	**7,289**	8,402	17,189
Broadcast- TV and Radio	**4,093**	4,021	8,294
Communications Agency	**857**	1,049	2,158
Total	**12,239**	13,472	27,641

5) DISCONTINUED OPERATIONS

During the six-month period ended 30 September 2013, the Agencies cash generating unit in Publishing was disposed of.

During the year ended 31 March 2013, two cash generating units were disposed of: Ten Alps Communications Asia unit (consisting of the following legal entities: Ten Alps Asia Holdings Pte Limited and Ten Alps Communications Asia Pte Limited) in the Publishing unit and Below the Radar Limited in the TV division. The Edinburgh office was closed as part of the ongoing Publishing units overall Group restructuring:

Analysis of the result of the discontinued operations is as follows:

	6 Months to 30 September 2013 £'000	6 Months to 30 September 2012 £'000	Year to 31 March 2013 £'000
Revenue	**333**	4,073	6,954
Cost of sales	**(250)**	(3,410)	(5,264)
Gross Profit	**83**	663	1,690
Operating expenses	**(77)**	(788)	(2,030)
Reorganisation and restructuring costs	**-**	117	(272)
Depreciation	**(1)**	(23)	(64)
Amortisation and impairment	**-**	(88)	(53)
Operating loss	**5**	(119)	(729)
Finance income	**-**	-	2
Loss before tax	**5**	(119)	(727)
Taxation	**-**	10	-
Profit/(loss) for the period of discontinued operations	**5**	(109)	(727)
Pre-tax gain on disposal of discontinued operations	**238**	-	-
Profit/(loss) for the period from discontinued operations	**243**	(109)	(727)

The net cash flows attributable to the discontinued operations are as follows:

	6 Months to 30 September 2013 £'000	6 Months to 30 September 2012 £'000	Year to 31 March 2013 £'000
Operating cash flows	**110**	50	(872)
Investing cash flows	**-**	(337)	(72)
Financing cash flows	**-**	-	-
Total cash flows	**110**	(287)	(944)

6) EARNINGS PER SHARE

	6 Months to 30 September 2013	6 Months to 30 September 2012	Year to 31 March 2013
Weighted average number of shares used in basic earnings per share calculation	**276,666,012**	234,836,094	243,664,300
Dilutive effect of share options	-	-	-
Weighted average number of shares used in diluted earnings per share calculation	**276,666,012**	234,836,094	243,664,300
	£'000	£'000	£'000
Loss for the period attributable to shareholders	**(755)**	(1,714)	(7,685)
Amortisation and impairment of intangible assets adjusted for deferred tax impact	211	559	4,103
Restructuring	39	123	461
Share-based payments	-	159	159
Adjusted loss for period attributable to equity holders of the parent	**(505)**	(873)	(2,962)
Loss for the period from discontinued operations attributable to shareholders	**243**	(22)	(640)
Continuing operations:			
Basic Loss per Share	(0.27)p	(0.73)p	(3.15)p
Diluted Loss per Share	(0.27)p	(0.73)p	(3.15)p
Adjusted Basic Loss per Share	(0.18)p	(0.37)p	(1.22)p
Adjusted Diluted Loss per Share	(0.18)p	(0.37)p	(1.22)p
Discontinued operations:			
Basic Loss/Earnings per Share	0.09p	(0.01)p	(0.26)p
Diluted Loss/Earnings per Share	0.09p	(0.01)p	(0.26)p

7) SHARE CAPITAL

	Shares	**Share capital £'000**	**Share premium £'000**
Authorised ordinary shares of 2p each	**No Maximum**	**N/A**	**N/A**
Allotted, called up and fully paid ordinary of 2p each:			
At 1 April 2012	132,541,012	2,651	14,630
Shares issued as remuneration	10,800,000	256	35
Shares issued as private placement	133,325,000	2,627	563
At 31 March 2013	276,666,012	5,534	15,228
Shares issued as remuneration	-	-	-
Shares issued as private placement	-	-	-
At end of period	**276,666,012**	**5,534**	**15,228**