8 September 2009

IMMEDIA GROUP PLC

INTERIM RESULTS

Immedia Group Plc, the UK's leading provider of live, bespoke Radio Stations and Digital Signage for retail, today announces its interim results for the half year to 30 June 2009.

Operational Highlights

- Reduced first half operating loss of £40,615 (2008 H1 operating loss £115,423)
- Growth in revenues and margins whilst overhead costs reduced
- Cash in bank £706,596 as at 30 June 2009 (£645,143 as at 30 June 2008)
- New 3 year contract with major UK high street bank announced 1 April 2009
- Deepening relationships with all clients
- Continuing high level of interest from new business prospects

Financial Highlights

	Unaudited Half year to 30 June 2009	Unaudited Half year to 30 June 2008
Revenue	**£ 1,749,175**	£ 1,608,872
Results from operating activities	**£ (40,615)**	£ (115,423)
Loss before income tax	**£ (39,705)**	£ (101,535)
Loss for period attributable to equity shareholders	**£ (38,655)**	£ (101,535)
Basic and diluted loss per share (pence)	**(0.28)p**	(0.71)p
Cash and cash equivalents	**£ 706,596**	**£645,143**

Bruno Brookes, Chief Executive of Immedia, said:

"Immedia continues its progress in 2009, emphasising the strength of its relationships with leading UK brands."

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Chief Executive's Review

I am pleased to present our results for the six months ended 30 June 2009 and to report Immedia's continuing progress during the half-year.

Results

Immedia's progress in 2009 emphasises the strength of its relationships with leading UK brands. Revenue for the period was £1,749,175 (up 8.7% on 2008: £1,608,872) with the operating loss reduced from £115,423 to £40,615.

Our focus on cost control and profitability continues: overhead costs were reduced during the first half of 2009 and the benefits will be seen in the second half of 2009 and in 2010. The Group closed the period with £706,596 cash in the bank (30 June 2008: £645,143).

Subscription Stations

Our subscription radio stations continue to perform well, with ongoing opportunities to help our clients with new product development.

In April we announced we had won a three year contract with a leading UK high street bank. This contract followed a successful trial period and memorandum of understanding announced in July 2008. Under this contract, Immedia provides the bank's retail branches with a RadioVision network. The award winning 'RadioVision' is Immedia's latest revolutionary product which innovatively combines in-store radio with synchronised bespoke video content. Through this unique and impressive technology, radio works in unison with plasma and LCD screens to engage consumers and staff. The specially consolidated video content can be instantly triggered by presenters when explaining products and services. Immedia provides the radio service together with bespoke audio and visual content, all hardware, network delivery and maintenance support for the store network.

Elsewhere, we continue to work closely with HSBC; the HSBC Live! subscription radio station is now broadcast to over 1,000 branches across the UK and to other HSBC buildings. We look forward to developing our relationship with HSBC further.

Our strong relationship with SPAR has seen SPAR LIVE radio deployed to 35 additional stores in the first half of 2009 and is now broadcast to circa 1,330 stores across the UK.

GAME Live! Is broadcast to approximately 380 GAME stores across the UK, and we have added maintenance to the services we provide in 2009.

Lloyds Pharmacy Live! operates across all 1,475 stores and, with our renewed contract, we continue to explore further opportunities to assist with new product development.

On 4 September we signed a two year contract extension to provide 'IKEA LIVE' to all 21 IKEA stores across the UK. A further contract has also been signed for the provision of a regionalised version of

'IKEA LIVE' for the Republic of Ireland starting with the Dublin store, complete with Irish tailored content. These contracts follow the original three year contract signed in September 2006 and now also include sound installation, consultancy and a maintenance programme, together with an additional podcast service.

Installation and maintenance services

During the first half of 2009 we completed audio and visual installations for the TopShop and TopMan brands at various key locations in the UK and Eire and have other installation projects currently in progress for completion before Christmas.

We now provide maintenance services for the majority of our customers under contract.

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Outlook

Immedia has continued its progress in close collaboration with leading brands throughout the first half of 2009. In particular, our RadioVision service attracts great interest in a competitive market as companies seek new ways to win customers.

Bruno Brookes
Chief Executive
07 September 2009

Condensed consolidated statement of comprehensive income

	Note	**Unaudited Half year to 30 June 09 £**	Unaudited Half Year to 30 June 08 £	Year Ended 31 Dec 08 £
Revenue		**1,749,175**	1,608,872	3,875,010
Cost of sales		**(759,076)**	(667,262)	(1,608,926)
Gross profit		**990,099**	941,610	2,266,084
Administrative expenses		**(1,030,714)**	(1,057,033)	(2,208,968)
Results from operating activities		**(40,615)**	(115,423)	57,116
Finance income		**1,824**	13,911	25,925
Finance costs		**(914)**	(23)	(107)
Net finance income		**910**	13,888	25,818
(Loss)/profit before income tax		**(39,705)**	(101,535)	82,934
Income tax income/(expense)		**1,050**	-	(2,816)
(Loss)/profit and total comprehensive (loss)/profit for the period attributable to equity shareholders		**(38,655)**	(101,535)	80,118
Continuing operations				
(Loss)/earnings per share – basic and diluted	11	**(0.28)p**	(0.71)p	0.56p

Condensed consolidated statement of financial position

	Note	**Unaudited as at 30 June 09**	Unaudited as at 30 June 08	As at 31 Dec 08
		£	£	£
Assets				
Property, plant and equipment	4	**158,298**	154,253	196,479
Intangible assets	5	**284,785**	334,176	291,085
Total non-current assets		**443,083**	488,429	487,564
Current assets				
Inventories	6	**102,415**	756	96,142
Trade and other receivables	7	**485,996**	670,416	617,003
Prepayments for current assets		**134,251**	178,251	131,282
Cash and cash equivalents	8	**706,596**	645,143	883,197
Total current assets		**1,429,258**	1,494,566	1,727,624
Total assets		**1,872,341**	1,982,995	2,215,188
Equity				
Share capital	9	**1,455,684**	1,455,684	1,455,684
Share premium		**3,586,541**	3,586,541	3,586,541
Merger reserve		**2,245,333**	2,245,333	2,245,333
Retained losses		**(6,695,979)**	(6,814,264)	(6,666,324)
Total equity		**591,579**	473,294	621,234
Liabilities				
Loans and borrowings		**33,000**	-	44,000
Deferred tax liabilities		**14,246**	12,480	15,296
Total non-current liabilities		**47,246**	12,480	59,296
Loans and borrowings		**22,000**	-	22,000
Trade and other payables	10	**1,143,853**	1,408,243	1,434,798
Deferred income		**67,663**	88,978	77,860
Total current liabilities		**1,233,516**	1,497,221	1,534,658
Total liabilities		**1,280,762**	1,509,701	1,593,954
Total equity and liabilities		**1,872,341**	1,982,995	2,215,188
Total net current assets/(liabilities)		**195,742**	(2,655)	192,966
Total net non-current assets		**395,837**	475,949	428,268
Net assets		**591,579**	473,294	621,234

Condensed consolidated statement of changes in equity

	Attributable to equity shareholders of the Company				
	Share capital	Share Premium account	Merger reserve	Profit & loss account	Total equity
	£	£	£	£	£
For the half year ended 30 June 2009 (unaudited)					
Balance at 1 January 2009	1,455,684	3,586,541	2,245,333	(6,666,324)	621,234
Total comprehensive loss for the period	-	-	-	(38,655)	(38,655)
Equity settled share options	-	-	-	9,000	9,000
Balance at 30 June 2009	**1,455,684**	**3,586,541**	**2,245,333**	**(6,695,979)**	**591,579**
For the half year ended 30 June 2008 (unaudited)					
Balance at 1 January 2008	1,455,684	3,586,541	2,245,333	(6,712,729)	574,829
Total comprehensive loss for the period	-	-	-	(101,535)	(101,535)
Balance at 30 June 2008	1,455,684	3,586,541	2,245,333	(6,814,264)	473,294
For the year ended 31 December 2008					
Balance at 1 January 2008	1,455,684	3,586,541	2,245,333	(6,712,729)	574,829
Total comprehensive profit for the period	-	-	-	80,118	80,118
Purchase of own shares by employee benefit trust	-	-	-	(33,713)	(33,713)
Balance at 31 December 2008	1,455,684	3,586,541	2,245,333	(6,666,324)	621,234

Condensed consolidated statement of cash flows

	Note	**Unaudited Half Year to 30 June 09 £**	Unaudited Half Year to 30 June 08 £	Year Ended 31 Dec 08 £
Cash flows from operating activities				
(Loss)/profit for the period attributable to equity shareholders		**(38,655)**	(101,535)	80,118
Adjustments for:				
Depreciation, amortisation and impairment		**64,616**	132,375	247,827
Financial income		**(1,824)**	(13,912)	(25,925)
Financial expense		**914**	23	107
Loss on sale of property, plant and equipment		**294**	-	2,871
Deferred tax (credit)/charge		**(1,050)**	-	2,816
Decrease/(increase) in trade and other receivables		**128,038**	(21,142)	79,240
(Increase)/decrease in inventories		**(6,273)**	2,947	(92,439)
(Decrease)/increase in trade and other payables		**(301,142)**	5,430	20,867
Net cash from operating activities		**(155,082)**	4,186	315,482
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		**89**	-	423
Interest received		**1,824**	13,912	25,925
Acquisition of property, plant and equipment	4	**(20,518)**	(34,777)	(152,658)
Net cash from investing activities		**(18,605)**	(20,865)	(126,310)
Cash flows from financing activities				
Interest paid		**(914)**	(23)	(107)
Repayment of borrowings		**(11,000)**	-	-
Proceeds from long-term borrowings		**-**	-	66,000
Equity settled share options		**9,000**	-	-
Purchase of own shares for EBT		**-**	-	(33,713)
Net cash from financing activities		**(2,914)**	(23)	32,180
Net (decrease)/increase in cash and cash equivalents		**(176,601)**	(16,702)	221,352
Cash and cash equivalents at beginning of period		**883,197**	661,845	661,845
Cash and cash equivalents at end of period	8	**706,596**	645,143	883,197

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Immedia Group plc (the "Company") is a company incorporated and domiciled in the United Kingdom. The address of the Company's registered office and its principal place of business is The Old Brewery, The Broadway, Newbury, Berkshire RG14 1AU.

The condensed consolidated interim financial statements of the Company as at and for the half year ended 30 June 2009 comprise the Company and its subsidiaries (together referred to as the "Group"). The consolidated financial statements of the Group as at and for the year ended 31 December 2008 are available on request from the Company's registered office (address as above) or at www.immediaplc.com

The Group primarily is involved in marketing and communication services through radio and screen based media.

2. Basis of preparation

These consolidated financial statements for the half year ended 30 June 2009 are unaudited. They have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"); they do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2008.

The Group has applied revised IAS1 *Presentation of Financial Statements (2007)*, which became effective as of 1 January 2009, including the re-presentation of comparative information in conformity with the revised standard.

On the basis of current financial projections prepared up to the end of 2010, recent news of contract renewals, continuing improvements in management of costs, and ongoing availability of facilities, the Directors are satisfied that the Group has adequate resources to continue in operation for the foreseeable future and consequently the financial statements have been prepared on the going concern basis.

The financial statements were approved by the Board of Directors on 07 September 2009.

Notes to the condensed consolidated interim financial statements *continued*

3. Significant accounting policies

The accounting policies set out in detail in note 3 of the Group's consolidated financial statements to 31 December 2008 have been applied consistently to these unaudited financial statements to 30 June 2009, including:

(a) Revenue
Revenue represents the amounts receivable by the Group for the provision of its media services, related equipment and equipment maintenance services in the normal course of business, excluding value added tax. Revenue from these services and equipment is recognised on the date of broadcast or delivery, respectively. Revenue from equipment maintenance services, sponsorship and promotions is recognised over the life of the contract.

4. Property, plant and equipment

	Plant and equipment	**Fixtures and fittings**	**Network equipment**	**Total**
	£	£	£	£
Cost				
At 1 January 2009	695,484	396,938	659,509	1,751,931
Additions	6,045	13,437	1,036	20,518
Disposals	-	(430)	-	(430)
At 30 June 2009	701,529	409,945	660,545	1,772,019
Depreciation and impairment losses				
At 1 January 2009	679,125	256,406	619,921	1,555,452
Charge for period	5,328	25,393	27,595	58,316
On disposals	-	(47)	-	(47)
At 30 June 2009	684,453	281,752	647,516	1,613,721
Carrying amounts				
Unaudited at 30 June 2009	**17,076**	**128,193**	**13,029**	**158,298**
At 31 December 2008	16,359	140,532	39,588	196,479
Unaudited at 30 June 2008	18,580	49,084	86,589	154,253

Notes to the condensed consolidated interim financial statements *continued*

5. Intangible assets

	Customer relationships	Video library	Goodwill	Total
	£	£	£	£
Cost				
At 1 January and 30 June 2009	566,880	126,000	1,173,310	1,866,190
Amortisation and impairment losses				
At 1 January 2009	566,880	34,225	974,000	1,575,105
Charge for period	-	6,300	-	6,300
At 30 June 2009	566,880	40,525	974,000	1,581,405
Carrying amounts				
Unaudited at 30 June 2009	**-**	**85,475**	**199,310**	**284,785**
At 31 December 2008	-	91,775	199,310	291,085
Unaudited at 30 June 2008	36,755	98,111	199,310	334,176

6. Inventories

	Unaudited as at 30 June 09	Unaudited as at 30 June 08	As at 31 Dec 08
	£	£	£
Work in progress	**28,455**	756	29,122
Finished goods	**73,960**	-	67,020
	102,415	756	96,142

The inventory expense included in cost of sales in the Consolidated Income Statement was £119,836 *(30 June 2008: £141,441; 31 December 2008: £528,325)*. Impairment charges for obsolete and slow moving inventories were £nil *(30 June 2008: £nil; 31 December 2008: £1,958)*.

Notes to the condensed consolidated interim financial statements *continued*

7. Trade and other receivables

	Unaudited as at 30 June 09 £	Unaudited as at 30 June 08 £	As at 31 Dec 08 £
Trade receivables	**380,132**	585,365	554,607
Other debtors	**105,864**	85,051	62,396
	485,996	670,416	617,003

As 30 June 2009 trade receivables are shown after a provision for impairment of £26,716 *(30 June 2008: £10,025; 31 December 2008: £28,064)* arising from slow moving debts and disputed charges. During the period to 30 June 2009 £1,348 of the 2008 provision for impairment was utilised. All debts are due within one year.

At 30 June 2009 the total of trade receivables past due, net of provision for impairment, was as follows:

	Unaudited as at 30 June 09 £	Unaudited as at 30 June 08 £	As at 31 Dec 08 £
Up to 3 months past due	**178,396**	274,405	239,930
Over 3 months past due	**-**	73,157	55,177
	178,396	347,562	295,107

8. Cash and cash equivalents

	Unaudited as at 30 June 09 £	Unaudited as at 30 June 08 £	As at 31 Dec 08 £
Bank balances	**70,565**	1,175	11,359
Call deposits	**636,031**	643,968	871,838
Cash and cash equivalents	**706,596**	645,143	883,197

Notes to the condensed consolidated interim financial statements *continued*

9. Share Capital

	Unaudited as at 30 June 09 £	Unaudited as at 30 June 08 £	As at 31 Dec 08 £
Authorised 36,000,000 Ordinary shares of 10 pence each	**3,600,000**	3,600,000	3,600,000
Allotted, called up and fully paid 14,556,844 Ordinary shares of 10 pence each	**1,455,684**	1,455,684	1,455,684
Movements in period At beginning and end of period	**1,455,684**	1,455,684	1,455,684

10. Trade and other payables

	Unaudited as at 30 June 09 £	Unaudited as at 30 June 08 £	As at 31 Dec 08 £
Trade payables due to related parties	**6,231**	6,190	4,266
Other trade payables	**421,782**	581,958	615,626
Other taxation & social security	**107,772**	149,952	151,858
Non-trade payables and accrued expenses	**608,068**	670,143	663,048
	1,143,853	1,408,243	1,434,798

Notes to the condensed consolidated interim financial statements *continued*

11. (Loss)/earnings per share

	Unaudited as at 30 June 09 Number	Unaudited as at 30 June 08 Number	As at 31 Dec 08 Number
Weighted average number of shares in issue	**14,556,844**	14,556,844	14,556,844
Less weighted average number of own shares	**(564,854)**	(213,500)	(367,097)
Weighted average number of shares in issue for basic loss per share	**13,991,990**	14,343,344	14,189,747

The basic and diluted (loss)/earnings per share are calculated using the after tax (loss)/profit and total comprehensive (loss)/profit attributable to equity shareholders for the financial period of £38,655 *(30 June 2008: loss of £101,535; 31 December 2008: profit of £80,118)* divided by the weighted average number of Ordinary shares in issue in each of the relevant periods: 30 June 2009: 13,991,990 shares *(30 June 2008: 14,343,344 shares; 31 December 2008: 14,189,747 shares)*.

The weighted number of shares used for the diluted (loss)/earnings per share is calculated after reflecting the outstanding share options at the period end. But in accordance with IAS 33 the diluted basic loss per share is stated as the same amount as basic as there is no dilutive effect.