

Ten Alps plc

(“Ten Alps” or the “Group”)

Ten Alps plc: Launch of online video advertising production business through acquisition of production company MMA

Ten Alps plc, the factual media company, has launched an online video advertising business, through acquisition of the assets of Multimedia Arts (MMA) – a specialist online video production company.

MMA are experts in the emerging market for low-cost, high-quality online video advertising production in support of online video channels and websites. Commercials can be produced for as little as £3000, less than a tenth of conventional TV adverts – opening up significant new markets.

Ten Alps will market online video advertising to its existing 61,000 clients through its 480-strong sales force, and distribute through its own 12 sector specific B2B online TV channels as well as wider websites and online directories.

In the year ended 31st December 2006, Manchester-based MMA generated revenues of £747,380 and pre-tax profit of £38,656. Ten Alps paid £165,000 in cash for its assets, of which £10,000 is deferred, dependent on syndication revenues.

The new business unit, called Ten Alps DFD (Digital Film Delivery) fits inside Ten Alps’ Communications division, is based in Manchester (sales) and Macclesfield (production), and is headed by Mike Spencer and Mark Gorton, former directors of MMA.

Adrian Dunleavy, CEO of the division said: “This means we can offer online video advertising at attractive prices to a huge potential client base – whether that’s a commercial for a retail outlet or a business, or tailor-made content for online channels and directories.”

Ten Alps’ online strategy

As the market evolves, Ten Alps has identified five online revenue streams, coordinated by the Communications division.

- (1) Online Video Advertising sales and production for B2B and B2C customers, where revenues are principally in production and upload services - through newly-formed Ten Alps DFD.
- (2) Online Video Channels, publicly-funded, on a contract-published basis, such as *Kent TV*. Ten Alps is now in discussion with other UK local authorities about possible rollout of similar services.
- (3) Online Video Channels for the private sector, again contract – published, such as the forthcoming *Vets TV* channel.
- (4) Sales of banner and other forms of advertising on in-house online TV channels within the *Public TV* system.
- (5) Provision of web production services and/or online advertising sales, across six of Ten Alps’ operating companies, RMA, MTD, Atalink, DBDA, Mongoose and Ten Alps Publishing (Manchester, Gateshead and London.)

- Ends -

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