

One Media iP Group Plc
("One Media", the "Group" or the "Company")

UNAUDITED INTERIM RESULTS and DIVIDEND NOTICE

One Media iP Group plc (AIM: OMIP), the digital media content provider that exploits intellectual property rights around music and video, is pleased to announce its half year results for the period ended 30 April 2015 and an interim dividend.

Highlights:

- Turnover of £1,487,132 (2014: £1,492,412);
- Profit before tax of £270,454 (2014: £345,570);
- Cash balances of £1,016,994 at 30 April 2015 (£1,219,466 at 31 October 2014);
- Dividend of 0.071p per ordinary share paid in November in respect of the year ended 31 October 2014; and
- Interim dividend declared of 0.071p per ordinary share declared in respect of the six month period ended 30 April 2015.

Michael Infante, Chairman and CEO, commented: "I am pleased to report the half year numbers for the Group. The directors continue to be satisfied that we are performing well despite the shift in buying habits as more digital consumers embrace 'Streaming' which is becoming the emerging 'method of choice' for consumers in the dominant music territories. We welcomed the launch of Apple's new streaming initiative at the end of June, 'Apple Music'. The music market perception is contentious between rights owners and its digital distributors and this has to play out, however we remain confident that we have the vision for both exploitation and copyright protection firmly in hand and that we remain well positioned to manage the curves of our industry".

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CHAIRMAN & CHIEF EXECUTIVE'S STATEMENT

'Streaming', or 'Screaming' as the Music industry seems to be greeting the transformational medium shift, is becoming the emerging method of choice for digital consumers and we welcomed the arrival of Apple's new streaming initiative at the end of June, 'Apple Music'. The music market perception is contentious between rights owners and the digital distributors and this has to play out, we are 100% behind their initiative. The list of artists and trade associations alike that have resisted the change has been slightly appeased by the recent U-turn by Apple on its "Free for Three" deal as I call it by a 'sticking plaster' token royalty rate, but in my opinion the resisting content owners are just going to be proven as 'coming late to the party' and not just 'fashionably late'. To date, we have successfully navigated the curves, but there is a small price to pay for this in the short term.

The news from Apple Music regarding the 3-month consumer trial with the low royalty rate from inception will seem a mere bagatelle 18-months from now. Increasing understanding of how our business may grow in the future and having the insight that I believe One Media has, has served us well to date. The speed with which the music market is evolving presents exciting prospects for us. Where there's confusion, there's opportunity and it's just about ensuring best value for the business.

Content is the most important element of any music store and without content it can deliver nothing. Apple Music's only fault is that it is 2 years too late, but it will catch up. The 3-month trial is costly but long-term it will prove good for content owners. I cannot predict how many iTunes users will switch to the new service but in all honesty from a One Media point of view, I hope they all do. Our content has achieved a higher yield of transactions on Spotify than on any other downloading store over the last three years, including Amazon. Our type of content, nostalgic back catalogue, performs well on streaming stores. My view is that consumers are more likely to experiment with tracks for their playlists when it does not cost them £0.99p to add. Last year in America, album downloads fell by 9% whilst on-demand streaming soared by 54% (Source: Sunday Times 14/6/15). Apple are reported to hold details of over 800 million credit cards. I believe that this will greatly add to its power of persuasion to its customer base. My view is that Apple's target of 100 million subscriptions over the forthcoming period makes them a serious contender to Spotify and will rewrite the music consumption landscape moving forward. Spotify launched in 2008 in Scandinavia with just a few thousand subscribers; it now boasts 75 million users in total with 20 million of them paying a monthly subscription. The use of 'Freemium Access' was their most compelling route to market. Apple's approach is different, initially the 3-month free trial engenders commitment. During that time the consumer will have built new playlists and stopped paying the track download rate. Not every Apple user will convert, but those who do and the new Apple Music adopters, will enjoy access to over 13 million tracks of great music catalogue with a depth that hitherto they have not yet explored through the previous destination downloading method. Who wants to spend money on something you may only play a few times? When paid for subscription on streaming hits 'critical mass' it can only benefit the music industry.

One more crucial point in this ever-changing music market place. As Streaming grows, the Group has the opportunity to market its music directly with consumers via playlists. We can better engage with our nostalgic music fan base and better understand its behaviour and habits, as well as identify territories in which our fans are based. This can only assist with our acquisition program to buy more of the content that suits One Media's market.

Results

The Group has continued to manage its financial position over the 6 months period to 30 April 2015 with profitable operations, no debt and maintenance of the Group's dividend policy.

Group consolidated turnover was £1,487,132 for the 6 months ended 30 April 2015 (2014: £1,492,412).

Profit before tax and interest was £269,956 (2014 £344,865).

Cash balances at 30 April 2015 continued to remain strong at £1,016,994.

During the period, the Company has not issued new shares as consideration for acquisitions and has used existing cash resources as consideration.

The Group receives the majority of its income in US Dollars. Recent shifts in exchange rates have not favoured us however the Board carefully monitors exchange rates to ensure it can seek to take advantage of the best exchange rates available. One Media deals in a worldwide market and we have to convert our digital income from the many territory's currencies in which we deal on a monthly basis. All of these local currencies are converted to US Dollars which ultimately are reported in Pounds Sterling.

Dividend

Pursuant to the dividend payment of 0.071p per share in November 2014, the Group is pleased to announce that it intends to pay an interim dividend of 0.071p per ordinary share in respect of the 6 month period ended 30 April 2015. The ex-dividend date of this payment is 6 August 2015, the record date is 7 August 2015 and the expected payment date on or by 21 August 2015.

News, Content Exploitation and Acquisitions

'Zot the Dog' directed by Emmy and Bafta Award winner Francis Vose: Zot the Dog is the newest addition to the One Media family. Voiced by Phil Cool, this animated classic made in 1996 is adapted from Ivan Jones's best-selling books and was originally broadcast in 1998 as a 13-episode animated series for the UK's ITV.

The Strange World of Northern Soul: Newly acquired by One Media, an addition to our audio catalogue rights of the Motorcity & Northern Soul collections created by legendary producer, Ian Levine. This comprehensive 999 minutes of video, documents the sounds, fashions, DJs, and clubs of Northern Soul music, from Blackpool Mecca, to the Torch, to the legendary Wigan Casino.

'Downtime' the Dr Who spin off drama, directed by Christopher Barry (1925-2014) the longest serving director on the original Doctor Who series was originally released in 1995. The show stars many actors from the original Dr Who cast including Elisabeth Sladen who went on to find renewed fame in 2006 in the spin-off series The Sarah Jane Adventures, and Nicolas Courtney who reprised his Brigadier role opposite her in 2008. This adds more quality viewing to our growing YouTube channels for worldwide digital distribution.

One Media is also delighted to announce it is the exclusive distributor for Juliette Ashby. This is not a shift into emerging artists but a pure digital distribution deal. A singer-songwriter from London, Juliette's music is a mix of R&B, Reggae and Neo-Soul. She has already triumphed at some of the world's most renowned festivals, including the Isle of Wight Festival and SXSW, and has also received support from BBC 1Xtra and MTV, as well as breaking in to the top ten of Billboard's prestigious 'Next Big Sound' chart. Her new album 'Over & Over' was released on 26th May 2015 and featured the likes of US sensation DA BRAT. Her second album 'Bittersweet' was released on 16th June 2015, both gaining welcomed support from iTunes, Spotify and Deezer.

One Media was nominated for the European Small and Mid-Cap Awards 2014 "Rising Stars" award. The 2014 awards are organised by European Issuers and FESE in cooperation with the European Commission's DG for Enterprise and Industry (DG ENTR) to celebrate Europe's most up and coming companies and to highlight the successes of individual enterprises. We were delighted to be awarded 2nd place in the 'Rising Star' category as a London AIM based company amongst the 27 other European Stock Exchange represented companies.

Synchronisation News

There has been an increasing number of 'track placing' over the last half year. We have been successful in placing music from our own library and those of our strategic partners in some high profile broadcast opportunities, including advertisements for BMW and Toyota. From the world of TV and Film, we have had music placings in the Universal Studio movie 'Minions', a track in the American series 'Nashville' 'The Messengers', 'The Originals', 'Flash', 'Stereotypically You', 'Anitra's Dance', 'Looking' and a show on Fox/FX Networks called 'Wayward Pines' to name a few. Monetising music through Film & TV is a strong way to get content noticed and drive download and streaming opportunities, particularly for more obscure tracks.

Outlook

The outlook for the music industry is very positive, but there are still adjustments to manage whilst the stores fight it out for supremacy. Our video exploitation is growing at a steady rate with YouTube and we are very encouraged as our eighteen video channels gain further traction. In the last 12 months we have achieved over 276 million minutes of viewing on our YouTube channels, bringing the total since launch in 2013 to circa 1 billion minutes of viewing. Income from our channels continues to grow month by month as more territories switch on to an 'Ad-Spend' model. Emerging territories such as Vietnam, Tunisia and Morocco have been added to the monetised list of countries this year, with more set to follow. Whilst the debates and discussions on Apple Music are set to continue, we must mention our excitement about whispers that the best-kept secret within the industry, Google's YouTube 'MusicKey' which is due to launch later this year. This long awaited music site from YouTube is a paid music streaming subscription service. The service is an extension of Google's existing store, Google Play. The All Access 'Music key' service, along with the existing audio-only streaming functionality provided as part of All Access, adds integration with YouTube to provide 'advertising-free' streaming of music videos hosted by the service. With YouTube's 1 billion active users each month, they are certainly the dark horse amongst the pack.

We believe that the Group is positioned correctly both technically and from a content perspective to benefit from the changes within the industry moving forward. Margins (due to reduced rate card trials widely reported in the press) will be challenged but we are a stringently run organisation with a focus on our cost centres and exploitation partners. Opportunities for further acquisition of content and development are paramount to our operation and despite some pending industry turbulence we remain positive on the outlook of our business. We value the integrity of our copyrights and the new emerging consumers that will be embracing music and video through the many new digital stores that are yet to launch.

MICHAEL INFANTE
CHAIRMAN AND CHIEF EXECUTIVE
27 July 2015

Unaudited Consolidated Statement of Comprehensive Income
For the six months ended 30 April 2015

	Unaudited 6 months ended 30 April 2015	Unaudited 6 months ended 30 April 2014	Audited 12 months ended 31 October 2014
	£	£	£
Revenue	1,487,132	1,492,412	2,900,090
Cost of sales	(788,655)	(712,822)	(1,400,653)
	<u>698,477</u>	<u>779,590</u>	<u>1,499,437</u>
Administrative expenses	(428,522)	(434,725)	(861,814)
Profit from continuing activities	<u>269,955</u>	<u>344,865</u>	<u>637,623</u>
Operating profit	<u>269,955</u>	<u>344,865</u>	<u>637,623</u>
Finance income	499	705	4,650
Profit on ordinary activities before taxation	<u>270,454</u>	<u>345,570</u>	<u>642,273</u>
Taxation	(56,682)	(21,000)	(21,913)
Profit for period attributable to equity shareholders	<u>213,772</u>	<u>324,570</u>	<u>620,360</u>
Basic adjusted earnings per share	<u>0.30P</u>	<u>0.49p</u>	<u>0.91p</u>

Unaudited Consolidated Statement of Financial Position
As at 30 April 2015

	Unaudited 30 April 2015 £	Unaudited 30 April 2014 £	Audited 31 October 2014 £
Assets			
Non-current assets			
Intangible assets	3,230,098	2,108,759	3,214,744
Property, plant and equipment	9,257	18,547	11,312
	<u>3,239,355</u>	<u>2,127,306</u>	<u>3,226,056</u>
Current assets			
Trade and other receivables	623,651	585,119	517,255
Cash and cash equivalents	1,016,994	1,411,305	1,219,466
	<u>1,640,645</u>	<u>1,996,424</u>	<u>1,736,721</u>
Total current assets	<u>1,640,645</u>	<u>1,996,424</u>	<u>1,736,721</u>
Total assets	<u>4,880,000</u> =====	<u>4,123,730</u> =====	<u>4,962,777</u> =====
Liabilities			
Current liabilities			
Trade and other payables	1,549,767	1,206,414	1,803,692
	<u>1,549,767</u>	<u>1,206,414</u>	<u>1,803,692</u>
Total liabilities	<u>1,549,767</u>	<u>1,206,414</u>	<u>1,803,692</u>
Equity			
Called up share capital	353,518	353,518	353,518
Share redemption reserve	239,546	239,546	239,546
Share premium account	1,452,895	1,452,895	1,452,895
Share based payment reserve	28,791	40,629	21,215
Retained earnings	1,255,483	830,728	1,091,911
	<u>3,330,233</u>	<u>2,917,316</u>	<u>3,159,085</u>
Total equity	<u>3,330,233</u>	<u>2,917,316</u>	<u>3,159,085</u>
Total equity and liabilities	<u>4,880,000</u> =====	<u>4,123,730</u> =====	<u>4,962,777</u> =====

Unaudited Consolidated Statement of Changes in Equity
For the six months ended 30 April 2015

	Share capital	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 November 2013	324,768	239,546	1,389,145	26,192	556,557	2,536,208
Issue of share capital	28,750	-	63,750	-	-	92,500
Profit for the six months to 30 April 2014	-	-	-	-	324,570	324,570
Share option charge	-	-	-	14,437	-	14,437
Dividends	-	-	-	-	(50,399)	(50,399)
At 30 April 2014	353,518	239,546	1,452,895	40,629	830,728	2,917,316
Profit for the six months to 31 October 2014	-	-	-	-	295,790	295,790
Share based payment charge	-	-	-	(3,822)	-	(3,822)
Release from share based payment reserve	-	-	-	(15,592)	15,592	-
Dividends	-	-	-	-	(50,199)	(50,199)
At 31 October 2014	353,518	239,546	1,452,895	21,215	1,091,911	3,159,085
Issue of share capital	-	-	-	-	-	-
Profit for the six months to 30 April 2015	-	-	-	-	213,772	213,772
Share option charge	-	-	-	7,576	-	7,576
Dividends	-	-	-	-	(50,200)	(50,200)
Balance at 30 April 2015	353,518	239,546	1,452,895	28,791	1,255,483	3,330,233

There has been no issue of shares in the six months ended 30 April 2015.

**Unaudited Consolidated Cash Flow Statement
For the six months ended 30 April 2015**

	Unaudited 6 months ended 30 April 2015 £	Unaudited 6 months ended 30 April 2014 £	Audited 12 months ended 31 October 2014 £
Cash flows from operating activities			
Profit before taxation	270,454	345,570	642,273
Amortisation	111,014	75,677	170,254
Depreciation	3,877	10,557	19,917
Share based payments	7,576	14,437	10,615
Finance income	(499)	(705)	(4,650)
(Increase)/decrease in receivables	(106,396)	(103,666)	(35,802)
(Decrease)/increase in payables	(310,607)	(282,898)	416,742
Corporation tax paid	-	-	(103,275)
	<hr/>	<hr/>	<hr/>
Net cash inflow from operating activities	(24,581)	58,972	1,116,074
	<hr/>	<hr/>	<hr/>
Cash flows from investing activities			
Investment in copyrights	(126,368)	(375,901)	(1,576,463)
Investment in fixed assets	(1,822)	(2,665)	(4,790)
Finance income	499	705	4,650
Corporation tax paid			
	<hr/>	<hr/>	<hr/>
Net cash used in investing activities	(127,691)	(377,861)	(1,576,603)
	<hr/>	<hr/>	<hr/>
Cash flow from financing activities			
Proceeds from the issue of new shares		92,500	92,500
Share issue costs	-	-	
Dividend paid	(50,200)	(50,399)	(100,598)
	<hr/>	<hr/>	<hr/>
Net cash outflow from financing activities	(50,200)	42,101	(8,098)
	<hr/>	<hr/>	<hr/>
Net change in cash and cash equivalents	(202,472)	(276,788)	(468,627)
Cash at the beginning of the period	1,219,466	1,688,093	1,688,093
	<hr/>	<hr/>	<hr/>
Cash at end of the period	1,016,994	1,411,305	1,219,466
	=====	=====	=====

**Notes to the Interim Report
For the six months ended 30 April 2015**

1. Nature of operations and general information

One Media iP Group Plc and its subsidiaries' ("the Group") principal activities are the acquisition and licensing of audio-visual intellectual copyrights and publishing for distribution through the digital medium and to a lesser extent through traditional media outlets.

One Media iP Group Plc is the Group's ultimate parent company incorporated under the Companies Act in England and Wales. The address of One Media iP Group Plc registered office is 623 East Props Building, Goldfinger Avenue, Pinewood Road, Iver Heath, Buckinghamshire, SLO ONH.

The financial information set out in this Interim Report does not constitute statutory accounts. The Group's statutory financial statements for the year ended 31 October 2014 are available from the Group's website. The auditor's report on those financial statements was unqualified.

2. Accounting Policies

Basis of Preparation

These interim consolidated financial statements are for the six months ended 30 April 2015. They have been prepared following the recognition and measurement principles of IFRS. They do not include all the information required for full annual statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 October 2014.

This unaudited interim statement has not been subject to a review by the Group's auditors James Cowper Kreston.

Comparatives

The comparative periods represent the unaudited results for the six months period ended 30 April 2014 and the audited twelve months figures for the year ended 31 October 2014.

3. Earnings per share

The calculation of the earnings per share is based on the profit for the financial period divided by the weighted average number of shares in issue during the period.

	Unaudited 6 months ended 30 April 2015	Unaudited 6 months ended 30 April 2014	Audited 12 months ended 31 October 2014
Profit for period attributable to equity shareholders	213,772	324,570	620,630
Weighted average number of shares in issue at period end	70,703,698	66,037,498	68,421,508
Basic earnings per share	0.30p =====	0.49p =====	0.91p =====

The diluted earnings per share would be lower than the basic profit per share as the exercise of warrants and options would be dilutive.

4. Share capital

Group and company	Unaudited 30 April 2015 £	Unaudited 30 April 2014 £	Audited 31 October 2014 £
Authorised:			
200,000,000 ordinary shares of 0.5p each	1,000,000 =====	1,000,000 =====	1,000,000 =====
Issued:			
Ordinary shares of 0.5p each			
70,703,698 ordinary shares of 0.5p each at 30 April 2015, 30 April 2014 and 31 October 2014	353,518 =====	353,518 =====	353,518 =====

5. Dividend

The Directors are delighted to announce a second dividend for the year of £50,271 (0.071p per share) following the dividend announced on 3 November 2014 of £50,200 (0.071p per share). Our intention is to reward those investors that have been loyal and to further demonstrate that One Media is an investment opportunity providing a return that we believe we will enhance shareholder value.

6. Interim statement

Copies of this statement are available from Group's registered Office at:

623 East Props Building, Goldfinger Avenue, Pinewood Road, Iver Heath, Buckinghamshire, SL0 0NH.