SPARK Ventures

Venture Capital Investors Half Year Report 2009

Key Highlights

- Management buy out completed after the balance sheet date.
- First ever return of cash directly to shareholders with £8.2m payment made in August.
- Net asset value per share falls to 11.6p, down from 14.6p at 31 March 2009, but 2p of this fall due to £8.2m cash return.
- Strong performance from two largest portfolio companies (IMI and Kobalt) but no valuation events in the period.
- Sale of Unanimis for expected total proceeds of £3.1m, making a 50% return above cost.
- Strong trading performances from many portfolio companies.

SPARK Ventures plc (SPARK) is an AIM listed early stage venture capital company, established in 1999 with a portfolio of investments in fast growing technology companies. In August 2009 SPARK decided to change its strategy and will no longer make any new investments, but will aim to realise its portfolio over the next five years and return the proceeds to shareholders.

As part of this change in policy, **SPARK outsourced the management of its portfolio to a company owned by its former executive management team,** SPARK Venture Management Limited (SPARK Ventures) in a management buyout in October 2009. As a consequence, SPARK no longer has any full-time employees but has a Board of five directors, being three independent non-executive directors and two representatives of its new manager.

The SPARK Ventures team is very experienced, has been investing in early-stage businesses for 12 years and has a wealth of expertise in backing and developing companies from start-up through to eventual trade sale or IPO.

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Chairman's Report

Dear Shareholder
This is our first report to you since the completion of the Management Buy Out ("MBO") on 9 October 2009.

You will recall that following the MBO SPARK Ventures Plc remains the owner of the investment portfolio, the management of which has now been assigned to SPARK Venture Management Limited, a company now wholly owned by SPARK Venture Management Holdings Limited ("SVMH"), who also acquired the other third party management contracts, through their acquisition of Querist Limited.

You received your first distribution of 2p a share on 24 August 2009 and as you are aware the Board plans to realise the portfolio over the next five years and return the proceeds to you. The Manager's report is included on the following pages, the principal feature of which was the sale of Unanimis for £3.1m, which represented a return of 1.5 times our original investment.

You will recall that part of the MBO process called for the retention of £6m for follow on investment where it is appropriate to do so either to protect our percentage ownership or to help fructify the investment. In the period under review we made some modest follow on investments totalling £0.6m in five companies.

After adjusting for the 2p per share dividend/capital distribution paid in August 2009, the equivalent NAV on 30 September was 13.6p, compared with 14.6p at 31 March 2009.

The Board has determined that it will review making a distribution of capital received from the sale of investments on a semi-annual basis in March and September (if any disposals occurred during the preceding period). Distributions will generally be of a minimum of 1p per share (equivalent to approximately £4m) to save administrative cost. Due to the anticipated timing of disposals, we do not presently expect that there will be any further dividend in respect of the year to March 2010.

Good progress is being made in the majority of the investments, although the economic outlook remains rather challenging.

Finally, I would like to pay tribute to my predecessor Tom Teichman, who was one of the Founders of the Company and who has been Chairman since its flotation in 1999. Tom's wisdom, leadership and understanding of entrepreneurs have been a huge asset to the Company.

David Potter
Non-Executive Chairman

Investment Manager's Report

Introduction

This is the first Investment Manager's Report since the management of the SPARK portfolio was transferred to SPARK Venture Management Limited. The externalisation was completed on 9 October 2009, after the end of the period under review, and although all full-time employees have now left the SPARK Ventures group, the SPARK portfolio continues to be managed by exactly the same team as before, now as external investment managers under contract to SPARK.

At SPARK's EGM on 7 August 2009, a change in investing policy was adopted which was to make no new investments and to realise all existing investments over the next 5 years.

In the six month period to 30 September 2009 one significant sale took place, that being of Unanimis to France Telecom in August 2009 with expected proceeds being around SPARK's book value of £3.1m – which represents approximately a 50% return above cost, in just over two years. The aggregate returns should be enhanced by the stake SPARK has retained in OpenX which was a spin-off from the investment.

While there has been no investment in any new companies in the period, there has been a limited amount of follow-on investing, with a total of £0.6m being advanced to OpenX, Kobalt Music (from the exercise of share options), Academia, DEM Solutions and Mind Candy.

There have been only a few investment valuation events in the period and, as a result, most of the portfolio valuations are unchanged. There has been one significant upward valuation event in connection with the recent funding round of Academia. Downward valuations have taken place in mBlox, iSango! and Skinkers, in each case due to performance being behind expectations.

The two largest portfolio companies by value (IMImobile and Kobalt Music Group) continue to perform very strongly with year on year revenue growth in the past full financial year of over 60%. notonthehighstreet.com and Mind Candy have also performed exceptionally well with even faster growth in revenues; DEM, Aspex, Complinet and Gambling Compliance have performed well and in line with expectations with only Skinkers and MyDeco performing behind targets out of the major portfolio companies. This is a very creditable performance for a portfolio of companies trying to make new sales in a depressed economic environment.

IMImobile

IMImobile is a leading global end-to-end provider of converged mobile and online value-added services for mobile operators, media companies and enterprises. It is a rapidly growing, profitable business and its services are currently accessible to 500 million subscribers of more than 40 operator customers in 66 countries.

IMImobile has continued to develop strongly. The company took a major step in its international strategy when it was selected by MTN Group to bring mobile and online content to MTN's 103 million users across 21 countries. IMImobile was selected from a group of major global telecom software and service providers on account of the scalability of its technology platforms and its proven managed services business model. IMImobile's value proposition and technology solutions will enable MTN to innovate, reduce the time-to-market for new services and to increase Average Revenue Per User (ARPU).

IMImobile bolstered its ability to continue to expand aggressively by recently closing a $13m funding round led by one of the world's leading venture capitalists, Sequoia Capital. SPARK did not participate in this funding round but remains the largest shareholder.

Kobalt

Kobalt has become the world's largest independent music publisher and continues to deliver significant growth. Revenue for the year to 30 June 2009 was £37m – an increase of over 80% on revenues of £20.3m generated in the previous year. Contract renewals are running at over 95%, reflecting Kobalt's service quality and enhanced collection capability for artists and writers over its competition. The performance has largely been driven by US expansion with strong performance from existing and new clients. Kobalt now has 25 people in three offices in the US up from 12 in early 2008 and in Q2 2009 and Q3 2009 Kobalt achieved 7.4% and 6% respectively of US airplay market share (according to Billboard) and was also the largest independent publisher in the UK and in Germany with around 5% market share. The management of Kobalt believe that the company is now fully-staffed in the US and UK so that future top-line growth should lead to improved bottom line profitability.

In the period to September 2009, SPARK exercised share options in Kobalt and revalued these up to the same price as used in the last external funding round of the company.

Unanimis

On 28 August 2009, Unanimis, the UK's largest exclusive digital advertising network, was acquired by Orange France Telecom Group. SPARK could receive proceeds of up to £4.7m, of which 50% is subject to earn out arrangements, £1.8m has already been received and £1.3m is the current fair value assessment of the likely future proceeds.

SPARK invested £2.1m in Unanimis in March 2007 and will make a 1.3x return based on the initial consideration and proceeds received to date, and will make up to a total 2.4x return if the full earn out arrangements are reached. The earn-out is payable in 2012 and is subject to certain profit and revenue targets. In addition, the retained stake in OpenX is expected, in due course, to significantly enhance SPARK's total return on its investment in Unanimis.

notonthehighstreet.com

notonthehighstreet.com is an online retailer of quality goods from many independent suppliers which are not typically found in high street shopping centres.

notonthehighstreet.com continues to perform very well, exceeding its forecasts. The monthly run rate is over double the level of a year ago, annual revenues are now expected to be over £6m and it is likely that the business will breakeven shortly – an impressive result for a business that was started in 2006. notonthehighstreet.com has gained significant new partners/suppliers. The management team continues to win prestigious accolades as high quality entrepreneurs and significant PR, helpful in growing the business.

There has not been a valuation event in the period so the investment value remains the same as at 31 March 2009. Nevertheless it is considered that SPARK's £1.6m valuation for its 31% stake in notonthehighstreet.com is conservative.

DEM

DEM Solutions Limited is a leading provider of 'discrete element modelling' (DEM) software for simulating and analysing industrial processes. Progress in the last six months has been encouraging in a very tough market. Profitability has been reached ahead of budget (as of October 2009), due to cost-cutting and revenues being ahead of expectations. In addition the company is now cash-flow breakeven. In the previous period to June 2009, having delivered a financial performance showing substantial growth on prior year, but below budget due to the economic slowdown, the company needed to raise a short term loan from investors of £400k, to which SPARK contributed £150k.

As the company raised debt in the period, there was not an equity valuation event so the value of SPARK's stake has been held.

Complinet
Complinet provides online regulatory solutions for the global financial services industry. Complinet has continued to grow revenues in a year of turmoil in the financial sector. The company has focused on operational efficiencies to become more profitable and with increased regulation and compliance expected in the financial sector, the outlook for the company is positive.

Gambling Compliance
Gambling Compliance is an online publishing business providing regulatory, legal and compliance information for the global gambling industry.

Gambling Compliance has performed very well in the last few months and it has established itself as the leading independent regulatory authority in its sector. Full year revenues are expected to be 40% higher than in the previous year and the business is cash-flow positive and expected to be profitable in the current year.

Aspex
Aspex Semiconductor is a fabless semiconductor company. Aspex has reverted to being held as a portfolio investment within the accounts of SPARK having previously been consolidated. Aspex signed a contract with a major global systems company in February 2009 which covers all of their operating costs for as long as the company continues to meet delivery milestones for a new custom chip. Aspex has hit all the technical milestones and revenues, profits and cash balances are above budget, but there remains a substantial risk in delivering the project successfully. If the project is successful it is highly likely that their client will exercise an option to purchase the company in 2011 or 2012. If exercised, this option would result in SPARK receiving proceeds substantially greater than the current book value of the investment of £1m.

MyDeco
MyDeco is a home decoration community website that allows users to design rooms, visualise thousands of products and also to purchase them from scores of suppliers.

In contrast to all the positive developments in the portfolio mentioned so far, Mydeco continues to trade behind budget.

On the positive side, however, it has embarked on many new initiatives in its product range and presentation, and changed some key management including the appointment of a new CEO in December 2009, formerly from Google, and has also appointed a new Head of Site.

Despite being behind budget, year on year, monthly unique visitors are up 40% to 750,000, registered users up over 100% and the conversion of visitors to sales up 40%. From a rather low base, total transaction value is up 84% year on year, total revenue up 160%, and revenue per visitor up 88%. The business has cut its cost base significantly to preserve cash.

The valuation has been left unchanged for the time being.

Investment Manager's Report continued

Skinkers
Skinkers supplies software that provides clients with an enterprise class, multi-channel message and content delivery platform.

Skinkers has made good progress in reducing its exposure to the banking sector after the turmoil last year led to significant delays in converting customer interest into orders. In the last six months the company did successfully deliver solutions to MBNA and Capital One and recently also won Aviva as a client.

Additionally Livestation (in which Skinkers has a 30% stake) continues to make good strategic progress and has recently signed distribution deals with CNBC and CNN.

However, given the overall revenue performance of Skinkers, it was felt appropriate to impair SPARK's stake by 50% reducing its value from £2m to £1m.

Mind Candy
Mind Candy launched a new product in April 2008 after 18 months of development called moshimonsters (see www.moshimonsters.com) which has had an enthusiastic reception by the children's market for online games. Moshimonsters is an educational offering combined with amusement. Its user base stands at over 10 million and daily sign ups are running at an average of between 30,000 to 60,000 new players from many parts of the world. Mind Candy has become cash positive and is now profitable month on month and has already built up good cash reserves.

New additions to the games are steadily being released and the reception from the press and users is excellent. All the signs show moshimonsters will be a valuable property going forward, despite a very long gestation period since the company was founded in 2004, when SPARK first invested in the business.

Conclusion
In a period where the UK economy has remained in recession it is very encouraging that most of the portfolio companies have had sales growth – in many cases recording exceptional growth. The SPARK portfolio is fairly mature with few companies requiring further funding to allow them to continue trading and many of them already profitable. We therefore believe that SPARK is in a strong position to fulfil shareholders' wishes of exiting from the SPARK portfolio for full value as opportunities arise over the next five years.

It is increasingly clear that, although it has taken a number of years, SPARK has developed a portfolio with considerable inherent value and in several instances with the potential, if market conditions are favourable, to achieve realisation proceeds significantly above current book value and cost. We look forward to working closely with the Board of SPARK to realise this potential in due course so that the proceeds can be returned to shareholders.

Independent Review Report

To SPARK Ventures plc

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2009 which comprises the income statement, the balance sheet, the reconciliation of movements in equity, the cash flow statement and related notes 1 to 6. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in Note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with the accounting policies the group intends to use in preparing its next annual financial statements.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2009 is not prepared, in all material respects, in accordance with the AIM Rules of the London Stock Exchange.

Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom
9 December 2009

Group Income Statement (condensed)

Unaudited Interim Results

Six months to 30 September 2009

	Six months ended 30 Sep 2009 £'000	Restated** Six months ended 30 Sep 2008 £'000	Restated** Year ended 31 March 2009 £'000
Continuing operations:			
Gains on investments at fair value through profit and loss			
Realised gains and losses	**7**	10	452
Unrealised gains and losses	**(938)**	334	(3,474)
	(931)	344	(3,022)
Revenue			
Bank interest receivable	**94**	617	935
Fund management revenue	**158**	180	343
Portfolio dividends and interest	**–**	–	151
Other income	**759**	707	1,449
	1,011	1,504	2,878
Administrative expenses			
Salaries and other staff costs	**(105)**	(127)	(236)
Depreciation and amortisation	**(237)**	(211)	(400)
Other costs	**(1,223)**	(739)	(2,108)
	(1,565)	(1,077)	(2,744)
(Loss)/profit before taxation	**(1,485)**	771	(2,888)
Taxation	**24**	–	73
(Loss)/profit before taxation from continuing operations	**(1,461)**	771	(2,815)
Discontinued operations (Note 4)			
Loss for the period from discontinued operations	**(1,584)**	(1,328)	(1,108)
Loss for the financial period	**(3,045)**	(557)	(3,923)

** Please see Note 4 for details

Group Balance Sheet (condensed)

Unaudited Interim Results

At 30 September 2008

	30 Sep 2009 £'000	30 Sep 2008 £'000	31 March 2009 £'000
Non-current assets			
Property, plant and equipment	**383**	543	482
Investments at fair value through profit and loss (Note 5)	**33,820**	38,268	37,349
Deferred consideration (Note 6)	**1,951**	700	700
Intangible assets: Fund management contracts	**900**	4,208	3,330
Restricted cash	**2,699**	2,869	3,199
	39,753	46,588	45,060
Current Assets			
Inventory	**–**	40	–
Trade and other receivables	**685**	2,294	2,060
Asset held for sale	**–**	450	–
Taxation	**–**	23	–
Cash and cash equivalents	**7,643**	15,405	14,423
	8,328	18,212	16,483
Current and non-current assets classified as held for sale	**1,618**	–	–
Current liabilities			
Trade and other payables	**(1,308)**	(2,003)	(2,112)
Deferred consideration	**–**	(500)	(500)
	(1,308)	(2,503)	(2,612)
Liabilities directly associated with non-current assets classified as held for sale	**(720)**	–	–
Net current assets	**7,020**	15,709	13,871
Net assets	**47,671**	62,297	58,931
Equity			
Issued capital	**2,250**	11,250	11,250
Share premium	**26,486**	39,693	26,486
Revenue reserve	**9,542**	10,961	20,802
Capital redemption reserve	**9,568**	568	568
Own shares	**(175)**	(175)	(175)
Total equity	**47,671**	62,297	58,931

Group Balance Sheet (condensed) continued
Unaudited Interim Results
At 30 September 2008

Net assets per share (NAV)

	Number '000	Number '000	Number '000
Ordinary shares in issue	**450,000**	450,000	450,000
Shares held in Treasury	**(39,245)**	(39,245)	(39,245)
Shares held by Employee Benefit Trust	**(915)**	(6,273)	(6,273)
Shares in issue for net asset value per share calculation	**409,840**	404,482	404,482
NAV per share (pence)	**11.63**	15.40	14.57

Reconciliation of Movements in Equity (condensed)
Unaudited Interim Results

	Six months ended 30 Sep 2009 £'000	Six months ended 30 Sep 2008 £'000	Year ended 31 March 2009 £'000
Opening total equity	**58,931**	62,854	62,854
Loss for the financial period	**(3,045)**	(557)	(3,923)
Dividend/Capital repayment paid	**(8,215)**	–	–
Closing total equity	**47,671**	62,297	58,931

Group Cash Flow Statement (condensed)

Unaudited Interim Results

Six months ended 30 September 2008

	Six months ended 30 Sep 2009 £'000	Six months ended 30 Sep 2008 £'000	Year ended 31 March 2009 £'000
Cash flows from operating activities			
Cash flow from operations	**110**	(1,589)	(816)
Tax recovered	**–**	–	110
Net cash inflow/(outflow) from operating activities	**110**	(1,589)	(706)
Cash flows from investing activities			
Purchase of property, plant and equipment	**(1)**	(43)	(66)
Purchase of financial investments	**(557)**	(387)	(2,532)
Sale of financial investments	**1,883**	3,143	3,446
Net cash inflow from investing activities	**1,325**	2,713	848
Cash flows from financing activities			
Dividend/Capital repayment paid	**(8,215)**	–	–
	(8,215)	–	–
Change in cash and cash equivalents	**(6,780)**	1,124	142
Opening cash and cash equivalents	**14,423**	14,281	14,281
Closing cash and cash equivalents	**7,643**	15,405	14,423

Reconciliation of Operating Loss to Net Cash Inflow/(Outflow) from Operations

Unaudited Interim Results

	Six months ended 30 Sep 2009 £'000	Restated Six months ended 30 Sep 2008 £'000	Restated Year ended 31 March 2009 £'000
Revenue	**1,011**	1,504	2,878
Administrative expenses	**(1,565)**	(1,077)	(2,744)
Operating (loss)/profit	**(554)**	427	134
Operating loss on discontinued operations	**(1,560)**	(1,375)	(1,423)
Decrease/(increase) in trade and other receivables	**1,404**	368	(20)
(Decrease) in trade and other payables	**(534)**	(1,492)	(946)
Decrease in inventory	**–**	7	47
Depreciation and amortisation	**1,354**	476	1,392
Net cash inflow/(outflow) from operations	**110**	(1,589)	(816)

Notes
To the Unaudited Interim Results

Note 1 – General information
SPARK Ventures Plc is a company incorporated in UK under the Companies Act 1985. The information set out in this unaudited Interim Announcement for the periods ended 30 September 2009 and 30 September 2008 does not constitute statutory accounts as defined in section 435 of Companies Act 2006 and Section 240 of the United Kingdom Companies Act 1985 respectively. Comparative figures for 31 March 2009 are derived from the financial statements for that year, after making adjustments regarding discontinued operations following the disposal of the Group's fund management division. The financial statements for the year ended 31 March 2009 have been delivered to the Registrar of Companies and contain an unqualified audit report, did not contain a statement under matter of emphasis and no statements under section 237(2) or (3) of the Companies Act 1985. The Group has not adopted IAS 34: "Interim Financial Reporting" as the AIM rules do not require this.

This Interim Announcement was approved by the Board and authorised for issue on 9 December 2009.

Note 2 – Basis of accounting
The Annual Group financial statements are prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial information set out in this Interim Announcement has been prepared using accounting policies, methods of computation and presentation consistent with those applied in the preparation of the accounts for the Group for the year ended 31 March 2009, after adopting new IFRS and IFRICs that will apply for the year ended 31 March 2010. While the financial figures included in this half-yearly report have been computed in accordance with IFRSs applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34. None of the new IFRS and IFRICs, listed below, have resulted in material changes to the Group's accounting policies.

In the current financial period, the Group has adopted the IAS 1 Presentation of Financial Statements (revised 2007), IAS 23 (revised) Borrowing Costs, Amendments to IFRS 1 and IAS 27 Cost of an investment in a subsidiary, jointly controlled entity or associate, International Financial Reporting Standard 8 Operating Segments, Amendment to IFRS 2 Vesting conditions and cancellations, Amendment to IAS 32 Financial Instruments: Presentation and 2008 Annual improvements.

The following standards and interpretations, which have not been applied in the unaudited interim report, were in issue and endorsed by the EU, but are not yet effective: IFRS 3 (revised): Business Combinations; IAS 27 (revised): Consolidated and Separate Financial Statements; Amendment to IAS 39: Eligible hedged items.

The directors anticipate that the adoption of these standards and interpretations will have no material impact on the financial statements in the period when they become applicable, except for IFRS 3 (as amended), which deals with business combinations and may have an impact on the Group's financial statements depending upon the investment decisions that the Group may take in the future. None of the standards have been adopted early.

Notes continued
To the Unaudited Interim Results

Note 3 – Going concern
After making inquiries, the directors have reasonable expectations that the Company and the Group have sufficient funds to continue in operational existence for the foreseeable future. In assessing the Group as a going concern, the directors' have considered the forecasts which reflect the directors' strategy for portfolio investments and the current uncertain economic outlook. The Group's forecast projections, taking into account reasonably possible changes in performance, show that the Group is able to operate within its available working capital for a period of at least twelve months from the date of this Interim Announcement.

Accordingly, they continue to adopt the going concern basis in preparing the interim report.

Note 4 – Discontinued operations

	Six months ended 30 Sep 2009 £'000	Six months ended 30 Sep 2008 £'000	Year ended 31 March 2009 £'000
Revenue			
Bank interest receivable	**–**	15	30
Fund management income	**1,261**	1,695	2,854
Sales of goods and related services	**–**	571	1,480
Other income	**25**	127	1,191
	1,286	2,408	5,555
Administrative expenses			
Salaries and other staff costs	**(1,093)**	(2,397)	(4,212)
Depreciation and amortisation	**(1,118)**	(265)	(1,017)
Other costs	**(635)**	(1,121)	(1,749)
	(2,846)	(3,783)	(6,978)
Operating loss	**(1,560)**	(1,375)	(1,423)
Taxation	**(24)**	47	123
Gain on disposal of discontinued operations	**–**	–	192
Loss from discontinued operations	**(1,584)**	(1,328)	(1,108)

Note 4 – Discontinued operations continued

Discontinued operations in the six months to 30 September 2009 represents the results of the fund management division of SPARK prior to this division being sold to SPARK's former management team in October 2009 (the MBO).

Discontinued operations in the six months to September 2008 and for the year to 31 March 2009 include the results of the MBO as defined above plus the results of the former consolidated subsidiaries, Aspex and DX3 prior to their deconsolidation at 31 December 2008 and 30 September 2008 respectively.

Prior period comparatives have been restated to give effect to discontinued operations presentation.

Note 5 – Investments at fair value through profit and loss

Portfolio Company	Note	Value at 31 March 2009 £'000	Additions £'000	Disposals £'000	Revaluations £'000	Value at 31 Sep 2009 £'000
IMImobile		13,000	–	–	–	13,000
Kobalt Music		6,640	90	–	88	6,818
Unanimis		3,127	–	(3,127)	–	–
DEM Solutions		1,723	150	–	–	1,873
notonthehighstreet.com		1,590	–	–	–	1,590
Complinet		1,520	–	–	–	1,520
MyDeco		1,500	–	–	–	1,500
OpenX		1,000	200	–	–	1,200
Aspex		1,000	–	–	–	1,000
Skinkers		2,000	–	–	(1,000)	1,000
Gambling Compliance		959	–	–	–	959
Firebox		730	–	–	–	730
Academia		191	63	–	412	666
Mindcandy		606	48	–	–	654
Mblox		500	–	–	(250)	250
		36,086	551	(3,127)	(750)	32,760
Other investments	(1)	1,263	6	(21)	(188)	1,060
TOTAL portfolio		37,349	557	(3,148)	(938)	33,820

(1) Other investments include Crocus, Freesourcing, Market Clusters, Quester Venture Partnership and iSango!

Notes continued
To the Unaudited Interim Results

Note 6 – Deferred Consideration

	Six months ended 30 Sep 2009 £'000 Unaudited	Six months ended 30 Sep 2008 £'000 Unaudited	Year ended 31 Mar 2009 £'000 Audited
IMI Engineering	**700**	700	700
Unanimis	**1,251**	–	–
	1,951	700	700

The deferred consideration for IMI engineering is held in escrow to cover warranties that are not currently expected to be payable.

The deferred consideration in relation to Unanimis includes an amount held in escrow pending expiry of warranty (£0.5m) and an assessment of the likely receipt under an earn-out (£0.8m).

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