

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 2016 and an interim dividend.

Highlights:

- Turnover of £1,055,693 (2015: £1,487,132);
- Profit before tax of £118,721 (2015: £270,454);
- Cash balances of £549,888 at 30 April 2016 (£816,249 at 31 October 2015);
- Dividend of 0.071p per ordinary share paid in November 2015 in respect of the year ended 31 October 2015; and
- Interim dividend declared of 0.071p per ordinary share declared in respect of the six-month period ended 30 April 2016.

Michael Infante, Chairman and CEO, commented: "The half year point is a barometer for companies for the climate ahead. Our long-term view is that of a continued repositioning of the Groups content in the changing digital marketplace and one of fresh initiatives that bring new areas of monetisation to the Company. My year-end Chairman's report of 31st October 2015 reported in detail our repositioning program as we weather the shift in the digital stores (eg. iTunes, Amazon, Spotify and Deezer) changing pattern of exploitation and monetisation of music, from the downloading model to that of streaming. In addition we manage the digital stores changes in content and genres in which many of them wish to specialise. Six months on, I believe that the seismic change will most affect us this year and into the beginning of the next year. What market intelligence does tell us is that our core business (like the rest of the music industries) is set to reach its hiatus. We continue to have confidence in our market approach and our new music and video and technical related initiatives are well positioned to regain our mission of 'IP' exploitation, growth and continued profit.

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CHAIRMAN & CHIEF EXECUTIVE'S STATEMENT

As a whole industry in the UK, almost 27bn audio streams were measured by the official charts company to December 2015. That's 1,000 streams per UK household (source BPI) . All of these took place across both free and premium tiers of dedicated audio services such as Spotify, Google Play, Napster and Deezer. This excluded YouTube. A total increase of 81.7% on that reported in 2014 (14.8bn). Your Groups statistic on Streaming is now 57.1% of its revenues compared with 44% for the same period (H1 2014/15) last year. This is expected to continue to grow for the remainder of this year and into the next financial year. Downloading (the iTunes model) is beginning to show a stabilisation and even a predicted levelling between now and in the first half of next year with growth returning to this sector in our opinion.

Managing the changes in our 'core' business income requires a very special focus on our music assets positioning within the market place. Our team of Creative Technicians have had a clear direction on where best to promote the Groups content. This is no easy task and given our ten years of digital experience we are confident that managing the curve into a future resurgence is underway. It is for this reason that we have slowed on our content acquisition program whilst we evaluate investment return within the new emerging market. There really are times when one sits on ones hands and is not accused of procrastination. Far from it, we have never been so motivated into new content initiatives and technical development.

Our confidence remains in recovery as the new formats take further hold of the market, but it still has a way to go until more users are persuaded into paying for streaming over 'freemium' (the advert funded monetisation revenue system). Spotify has long-anticipated '100m active users' announcement on the 21st June 2016 means the streaming service can enthuse brands with its (just under) 70 million free users, having separately trumpeted its 30 million paying subscribers milestone for the music industry earlier this year. The growth further demonstrates the strong shift of public demand for the dominating format of streaming. Quite when the monetisation follows through meaningfully to the industry to offset revenue falls in downloading will be a matter of time and I look forward to updating you as the effects become positive for your Company. Which they will.

I am pleased to report that our continued development program into our two key new initiatives is progressing well. Our Technical Copyright Analysis Tool (TCAT) has made great progress and I am pleased to report it is now on test with two major music industry companies. TCAT is proving to be a versatile tool and is not restricted to just that of searching out tracks on legitimate stores on behalf of content owners. Our latest developments and testing is showing that TCAT can also identify; Global retail pricing of a given album across 121 territories, chart positioning, releasing label, original and cover versions of a particular track and territorial public domain status on a territory-by-territory basis. In addition it can identify tracks not being offered for digital sale, which assists all labels to maximise their exploitation of back-catalogue content that may have been left in the archive. We are rightly proud of our developments so far and it further demonstrates the in-house technical ability of our team and our in-house developed software. Tough times breed the best ingenuity.

Men & Motors has begun a new road trip on the back of its growing YouTube viewing figures. As previously reported we are receiving circa half a million views per week on the existing YouTube channel established by us in 2013 with the archive content. With car viewing programs in the UK being the subject of much press we have taken the decision to offer to broadcasters during the next 12 months the opportunity of licensing a whole new motoring format TV show under the brand of Men & Motors. Presenters have been carefully selected together with a strong supporting team and a new format never seen previously in the form of a motoring/entertainment show has been designed. A short pilot will be shot in the 2nd half of this year. We are pleased that 'petrol head and ex-British drift-car champion' and Boyzone member, Shane Lynch and Torie Campbell (CNBC 'One Second in F1 and Mercedes-Benz automotive journalist) will host. At this time no broadcasters have seen the new format but we are enthusiastic with the initiative and will report in due course on the progress.

We reached an agreement earlier this year with the “Associated Rediffusion Television, Archive footage of 1954 to 1968” controlled by Archbuild Ltd. The exclusive distribution agreement includes thousands of hours of television footage, broadcast by Reddiffusion from the 1950s through to the 1960s. This is an exciting deal that will allow us to make much of this rare and historic archive available digitally for the first time. Many of the programs have not been seen for over 50 years but will prove to be of great historical importance as this archive reflects the development of independent television which revolutionised TV broadcast as we know it today. Programs include TV classics such as: The Frost Program, This Week (over 500 hours of international current affairs from the era covering the post war changes across the world), Various Popular Quiz Shows from the period, Children's of Other Lands, Half Hour Story, Intertel, The Levin Interviews, Man of our Times, Peace Keepers, No Hiding Place (crime dramas), Play of the Week, Something to Say (interviews with the great leaders and celebrities of the time) Do Not Adjust your set, At last the 1948 Show, World of Crime series, Out of Step (Dan Farson) and over a hundred of 'one-off' documentaries from the time period including, the Ideal Home, The Queens Speech, Harrods a Shopping Guide, The Harlem Globetrotters, British Communism, The Derby in the 60's, The Budget 1962 and the British Academy Awards to just name a few selected titles. It is a vast historic collection of TV history memorabilia. All of the footage is carefully curated and stored at the British Film Institute (BFI) archives and will be made available to One Media under the Archbuild deal and the trans-coding process from the original formats will be undertaken throughout the term of the deal to allow both audio and visual digital exploitation of the content. The transcribing of the content is a complicated specialist process, we are currently in discussions with the BFI as how best to approach this delicate procedure. Being based at Pinewood Studios again affords us all the technical skills to administer this transformation. The content will be made available for exploitation via One Media's digital channels and chosen partners such as YouTube and via podcasting so that monetisation via the ad-funded model and subscription can be achieved.

In April this year I announced the appointment of Philip Miles as a director to the main board of One Media iP Group Plc. Philip joined the company in 2006 and was appointed as a director of One Media iP Limited in April 2007. His area of expertise has been in technical development for the Company on its internal ingestion systems and most recently on TCAT (Technical Copyright Analysis Tool).

Nigel Smethers, our Finance Director retired under rotation at the AGM in May 2016. Nigel will stay with the Group as Company Secretary and Financial Controller until a new Finance Director is appointed. A further strategic realignment of the Group saw Alice Dyson-Jones promoted to Commercial director to the One Media iP Limited subsidiary board and Mary Kuehn has left the subsidiary board as a Non-Executive Director and taken up the role as the Executive Sales Consultant for North America. As our Group enters a new stage of digital development we must put into place the skill sets that will serve the Group moving forward. Nigel's retirement from the full responsibilities of a director will require a candidate with a specialist skill set to meet our new challenges. Nigel's relentless energy and involvement in the Groups founding development cannot be more appreciated and respected by me for which I thank him.

Results

The Group has continued to manage its financial position over the 6 months period to 30 April 2016 with profitable operations, no debt and maintenance of the Group's dividend policy.

Group consolidated turnover was £1,055,693 for the 6 months ended 30 April 2016 (2015: £1,487,132).

Profit before tax and interest was £118,530 (2015 £269,956).

Cash balances at 30 April 2016 continued to remain strong at £549,888.

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

Litigation

The Company continues its collection of monies awarded to it regarding its copyright infringement case against Henry Hadaway, HHO Licensing Ltd and Henry Hadaway Organisation Ltd ("Hadaway"). In May 2016 further to the various announcements by the Group in Nashville Tennessee USA and the Group's successful judgement in its favour on 17 September 2015 in the sum of \$781,846.32 USD against Hadaway (which includes costs of \$9,928.82 USD) for the willful infringement of 1,466 recordings from the Point Classics catalogue owned exclusively by One Media, we updated the market in May 2016 on the progress of the claim. One Media was informed by the Criminal Investigator's office of the United States Marshal of the Southern District of New York that it has successfully intercepted \$44,585.94 of income due to Hadaway by its New York-based distributor from its on-going digital music exploitation within the United States. The Company is aware that Hadaway is now attempting to re-litigate the aforementioned judgment in Nashville Tennessee. We remain robust in our collection on the Judgement and will continue to make all representations necessary to see the continue enforcement.

Dividend

A dividend payment of 0.071p per share was made in November 2015. The Board further announces that it is making an interim dividend payment of 0.071p per ordinary share in respect of the 6 month period ended 30 April 2016. The ex-dividend date of this payment is 7 July 2016, the record date is 8 July 2016 and the expected payment date on or by 22 July 2016 . This further demonstrates the Boards confidence in the Groups ability to manage the current transitional period.

News, Content Exploitation and Acquisitions

Working on our in-house developments and investing in technical developments such as TCAT and Men & Motors has been a priority. As previously stated realigning our existing content to meet the demands of the changing digital market place has also been a time consuming business. I again reiterate that buying more content whilst we adjust to the new demands of the digital market place at acquisition prices out of kilter within the market place would be ill timed. Opportunities will present in the very near future to acquire at more advantageous prices and/or on various other terms and conditions.

Outlook

I continue to be very enthusiastic about our business. I have previously stated and will now reiterate that this is a journey that requires the ability to react and adopt change. The music industry in the UK as a whole shrank by 1% last year and that's with all the big chart hits, major spend on video campaigns, Concerts, Film and TV shows and the reintroduction of Vinyl records, which is like the Stevenson Rocket being put back into service for National Rail.

Our continued TCAT development program and TV aspirations are important to the company as will a return to content acquisition as the market realigns. The mission remains the same, exploit IP (Intellectual Copyright), whether it be content or brands or technical software development. We are a strong team well motivated and with a confused market ahead of us, what more could a company ask for.

MICHAEL INFANTE
CHAIRMAN AND CHIEF EXECUTIVE
27 June 2016

Unaudited Consolidated Statement of Comprehensive Income

For the six months ended 30 April 2016

	Unaudited 6 months ended 30 April 2016	Unaudited 6 months ended 30 April 2015	Audited 12 months ended 31 October 2015
	£	£	£
Revenue	1,055,693	1,487,132	2,519,330
Cost of sales	(601,080)	(788,655)	(1,227,201)
	<u>454,613</u>	<u>698,477</u>	<u>1,292,129</u>
Administrative expenses	(336,083)	(428,522)	(846,817)
Operating profit	<u>118,530</u>	<u>269,955</u>	<u>445,312</u>
Finance income	191	499	3,457
Profit on ordinary activities before taxation	<u>118,721</u>	<u>270,454</u>	<u>448,769</u>
Taxation	(23,744)	(56,682)	(92,031)
Profit for period attributable to equity shareholders	<u>94,977</u>	<u>213,772</u>	<u>356,738</u>
Basic adjusted earnings per share	<u>0.13P</u>	<u>0.30P</u>	<u>0.50p</u>

Unaudited Consolidated Statement of Financial Position
As at 30 April 2016

	Unaudited 30 April 2016	Unaudited 30 April 2015	Audited 31 October 2015
	£	£	£
Assets			
Non-current assets			
Intangible assets	3,338,237	3,230,098	3,323,323
Property, plant and equipment	7,787	9,257	8,017
	<u>3,346,024</u>	<u>3,239,355</u>	<u>3,331,340</u>
Current assets			
Trade and other receivables	478,174	623,651	440,252
Cash and cash equivalents	549,888	1,016,994	816,249
Total current assets	<u>1,028,062</u>	<u>1,640,645</u>	<u>1,256,501</u>
Total assets	<u>4,374,086</u>	<u>4,880,000</u>	<u>4,587,841</u>
	=====	=====	=====
Liabilities			
Current liabilities			

Trade and other payables	869,999	1,549,767	1,143,883
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Total liabilities	869,999	1,549,767	1,143,883
	<hr/>	<hr/>	<hr/>
Equity			
Called up share capital	355,268	353,518	355,268
Share redemption reserve	239,546	239,546	239,546
Share premium account	1,457,645	1,452,895	1,457,645
Share based payment reserve	59,097	28,791	43,497
Retained earnings	1,392,531	1,255,483	1,348,002
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Total equity	3,504,087	3,330,233	3,443,958
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Total equity and liabilities	4,374,086	4,880,000	4,587,841
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Unaudited Consolidated Statement of Changes in Equity
For the six months ended 30 April 2016

	Share capital	Share redemption reserve	Share premium	Share based payment reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 November 2014	353,518	239,546	1,452,895	21,215	1,091,911	3,159,085
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)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2015	353,518	239,546	1,452,895	28,791	1,255,483	3,330,233
Issue of share capital	1,750	-	4,750	-	-	6,500
Profit for the six months to 31 October 2015	-	-	-	-	142,966	142,966
Share based payment charge	-	-	-	14,706	-	14,706
Dividends	-	-	-	-	(50,447)	(50,447)
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At 31 October 2015	355,268	239,546	1,457,645	43,497	1,348,002	3,443,958
Profit for the six				-	94,977	94,977

months to 30 April 2016	-	-	-			
Share option charge	-	-	-	15,600	-	15,600
Dividends	-	-	-	-	(50,448)	(50,448)
Balance at 30 April 2016	355,268	239,546	1,457,645	59,097	1,392,531	3,540,087
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There has been no issue of shares in the six months ended 30 April 2016.

**Unaudited Consolidated Cash Flow Statement
For the six months ended 30 April 2016**

	Unaudited 6 months ended 30 April 2016 £	Unaudited 6 months ended 30 April 2015 £	Audited 12 months ended 31 October 2015 £
Cash flows from operating activities			
Profit before taxation	118,721	270,454	448,769
Amortisation	103,633	111,014	216,989
Depreciation	1,980	3,877	8,503
Share based payments	15,600	7,576	22,282
Finance income	(191)	(499)	(3,457)
(Increase)/decrease in receivables	(37,922)	(106,396)	77,003
(Decrease)/increase in payables	(297,628)	(310,607)	(734,154)
Corporation tax paid	-	-	(17,686)
Net cash inflow from operating activities	(95,807)	(24,581)	18,249
Cash flows from investing activities			
Investment in copyrights	(118,547)	(126,368)	(325,568)
Investment in fixed assets	(1,750)	(1,822)	(5,208)
Finance income	191	499	3,457
Corporation tax paid			
Net cash used in investing activities	(120,106)	(127,691)	(327,319)
Cash flow from financing activities			
Proceeds from the issue of new shares		-	6,500
Dividend paid	(50,448)	(50,200)	(100,647)
Net cash outflow from financing activities	(50,448)	(50,200)	(94,147)
Net change in cash and cash	(266,361)	(202,472)	(403,217)

equivalents			
Cash at the beginning of the period	816,249	1,219,466	1,219,466
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Cash at end of the period	549,888	1,016,994	816,249
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Notes to the Interim Report
For the six months ended 30 April 2016

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	Unaudited	Audited
Basic earnings per share	6 months ended	6 months ended	12 months ended
	30 April 2016	30 April 2015	31 October 2015
Profit for period attributable to equity shareholders	94,977	213,772	356,738
Weighted average number of shares in issue at period end	71,053,698	70,703,698	70,817,534
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Basic earnings per share	0.13p	0.30p	0.50p
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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 2016 £	Unaudited 30 April 2015 £	Audited 31 October 2015 £
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			
71,053,698 ordinary shares of 0.5p each at 30 April 2016 and 31 October 2015 and 70,703,698 at 30 April 2015	355,268 =====	353,518 =====	355,268 =====

5. Dividend

The directors are pleased to announce a second dividend for the year of £50,448 (0.071p per share) following the dividend announced on 12 November 2015 of £50,448 (0.071p per share). Our intention as always is to reward those investors that have been loyal and to further demonstrate that One Media is an investable opportunity proving a return that 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.