

Cellcast plc
("Cellcast" or "the Group")

Maiden Interim Results

Cellcast plc (AIM: CLTV.L), a global interactive digital broadcaster, today announces its maiden unaudited interim results for the six months ended 30 June 2005.

Cellcast plc acquired Cellcast UK Limited on 14 September 2005. The interim results that follow are those of the trading entity Cellcast UK Limited, which is now a wholly owned subsidiary of Cellcast plc.

Highlights

- Successful listing on AIM on 21 September 2005
- Share placing raised £5.0 million of new money before expenses
- Agreement signed with Top Up TV whereby Cellcast content will be broadcast during available overnight hours by the Freeview platform, providing significant opportunity to expand UK operations
- Board strengthened by the appointment of Julian Paul as non-executive Chairman and Michael Neville as non-executive director
- Board remains optimistic about the full year prospects

Julian Paul, Chairman of Cellcast plc, said: "Cellcast plc is entering an exciting new era. The IPO funds raised will provide the Group with working capital to finance its future growth and raise the Group's profile in its key markets in Asia, America and in Europe."

- Ends -

For further information:

Cellcast plc

Emmanuelle Guicharnaud, Chief Financial Officer

Emmanuelle@cellcast.tv

Tel: +44 (0) 20 7190 0300

www.cellcast.com

Daniel Stewart & Company Plc

Marc Young, Corporate Finance
marc.young@danielstewart.co.uk

Tel: +44 (0) 20 7776 6550
www.danielstewart.co.uk

Media enquiries:**Abchurch**

Henry Harrison-Topham / Tania Wild
henry.ht@abchurch-group.com

Tel: +44 (0) 20 7398 7700
www.abchurch-group.com

Notes to Editors

Cellcast was launched in 2002 as a provider of interactive mobile content and participation television applications, which enable broadcasters, media ventures, 3G services and mobile networks to maximize opportunities arising from the accelerating convergence of three ubiquitous platforms: television, the internet and mobile telecommunications.

Cellcast has pioneered innovative new TV formats and interactive programming to enable audience participation using mobile phones. At the time of launch Cellcast produced two hours of live television on a daily basis. The company now produces over 50 hours of live UK television per day across seven channels on the Sky platform. Over three of these are wholly owned. Cellcast also develops and distributes proprietary applications and programming for broadcast partners which include Canal + in France; Future TV, LBC, MBC, Dubai Television and Rotana in the Middle East; Zee TV in India; and Asia Interactive Broadcasting reaching China and South-East Asia on AsiaSat 3S.

Cellcast's revenues streams are independent of both advertising and subscription fees. With a network of revenue sharing agreements with telecommunications carriers and aggregators across five continents, Cellcast receives a share of the call revenue every time a consumer uses a mobile or fixed-line phone to participate in its interactive entertainment, revenue which is retained or shared with its broadcast partners. Cellcast's programme formats and proprietary Interactive Platform (CIP) also facilitate delivery of content to mobile phones, the internet and broadband-delivered IPTV. This enables viewers to continue participating in a programme away from the TV, generating 24/7 revenue opportunities.

CHAIRMAN'S STATEMENT

I am pleased to announce the first set of interim results since Cellcast plc joined AIM on 21 September 2005. At the same time, we raised £5 million (before expenses) for the company, and Atlas Group of Companies Limited sold £1.9 million of shares, although it remains a significant investor in the company. These interim figures cover the six months to 30 June 2005 and thus pre-date the acquisition of Cellcast UK Limited by Cellcast plc and the subsequent AIM listing of Cellcast plc.

In this statement, my first as Chairman of Cellcast plc, I would first of all like to welcome our new shareholders and thank them for supporting the company. The placing was well received which resulted in the issue being oversubscribed and meant that we were able to raise more money for the company than we originally had intended, and also allowed Atlas, which has been an investor for some time, to realise part of its holding. We were delighted with the investor response to the company and as a consequence have an excellent institutional shareholder base. The funds raised will enable us to grow our business in line with the strategy set out in the admission document.

In the six months ended 30 June 2005, Cellcast UK Limited incurred a loss before tax of £539,000 on turnover of £5,838,000, in line with our expectations at the time of the flotation. This compares with a loss before tax of £706,000 on turnover of £8,198,000 for the whole of 2004. As outlined in the admission document, Cellcast has recently entered into an agreement with Top-Up TV Limited whereby Top-up TV has agreed to broadcast the company's content during available overnight hours controlled by Top-up TV on the Freeview platform. This represents a significant opportunity for us to expand our operations in the UK market. The company continues to develop internationally with its expansion into India, Argentina and Italy.

Since 30 June 2005, group turnover has continued to be in line with our expectations, and we remain optimistic about our prospects for the full year.

Julian Paul
Chairman

28 September 2005

CELLCAST UK LIMITED

**UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS ENDED 30 JUNE 2005**

	30 June 2005
	£
Turnover	5,838,162
Cost of sales	<u>(4,399,197)</u>
Gross profit	1,438,965
Administrative expenses	<u>(1,971,461)</u>
Operating loss	(532,496)
Other interest receivable and similar income	3,211
Interest payable and similar charges	<u>(10,000)</u>
Loss on ordinary activities before taxation	(539,285)
Tax on loss on ordinary activities	<u>(5,298)</u>
Loss on ordinary activities after taxation	(544,583)
Minority interests	<u>38,399</u>
Loss for the period	<u>(506,184)</u>

CELLCAST UK LIMITED**UNAUDITED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2005**

	30 June 2005
	£
Fixed assets	76,667
Intangible assets	561,849
Tangible assets	304,933
Investments	<u>943,449</u>
Current assets	1,550,352
Debtors	158,569
Cash at bank and in hand	<u>1,708,921</u>
Creditors: amounts falling due within one year	<u>(2,915,107)</u>
Net current liabilities	<u>(1,206,186)</u>
Total assets less current liabilities	(262,737)
Creditors: amounts falling due after more than one year	-
	<u>(262,737)</u>
Capital and reserves	
Called up share capital	632,200
Share premium account	1,144,282
Profit and loss account	<u>(1,996,114)</u>
Shareholders' funds – equity interests	(219,632)
Minority interests	(43,105)
	<u>(262,737)</u>

CELLCAST UK LIMITED

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2005**

	30 June 2005	
	£	£
Net cash outflow from operating activities		(60,456)
Returns on investments and servicing of finance		
Interest received	<u>3,216</u>	
Net cash inflow for returns on investments and servicing of finance		3,216
Financial investment		
Payments to acquire tangible assets	<u>(189,031)</u>	
Net cash outflow for capital expenditure		<u>(189,031)</u>
Net cash outflow before management of liquid resources and financing		(246,271)
Financing		
Capital element of finance lease contracts	<u>(9,093)</u>	
Net cash inflow from financing		<u>(9,093)</u>
Decrease in cash in the period		<u>(255,364)</u>

CELLCAST UK LIMITED**NOTES TO THE UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2005****1 Reconciliation of operating loss to net cash outflow from operating activities**

	30 June 2005
	£
Operating loss	(532,496)
Depreciation of tangible assets	157,101
Amortisation of intangible assets	10,000
Increase in debtors	(307,217)
Increase in creditors	612,156
Net cash outflow from operating activities	<u>(60,456)</u>

2 Analysis of net funds

	1 January 2005	Cash flow	Other non- cash changes	30 June 2005
	£	£	£	£
Net Cash				
Cash at bank and in hand	410,706	(252,137)	-	158,569
Bank overdrafts	(67)	(3,227)	-	(3,294)
	<u>410,639</u>	<u>(255,364)</u>	<u>-</u>	<u>155,275</u>
Finance leases	<u>(24,108)</u>	<u>9,093</u>	<u>-</u>	<u>(15,015)</u>
Net funds	<u>386,531</u>	<u>(246,271)</u>	<u>-</u>	<u>140,260</u>

3 Reconciliation of net cash flow to movement in net debt

	30 June 2005
	£
Decrease in cash in the period	(255,364)
Cash inflow from increase in debt	9,093
	<u>(246,271)</u>
Change in net debt resulting from cash flows	(246,271)
New finance lease	-
	<u>(246,271)</u>
Movement in net funds in the period	<u>(246,271)</u>
Opening net funds	386,531
	<u>386,531</u>
Closing net funds	<u>140,260</u>

CELLCAST UK LIMITED

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2005

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 June 2005 but exclude the results of TV You Plc. The directors of Cellcast UK Limited have considered the exemption available to them under Section 229 (2) of the Companies Act 1985 and confirm that in their opinion the trading results and balance sheet of the subsidiary TV You Plc as at 30 June 2005 are not considered material to the Group for the purpose of giving a true and fair view.