

For immediate release

4 September 2006

The Vitec Group plc
Half Year Results to 30 June 2006

The Vitec Group plc, the international supplier of products, services and solutions to the Broadcast, Entertainment and Media industries, announces its results for the half year to 30 June 2006.

<u>Results</u>	<u>H1 2006</u>	<u>H1 2005</u>	<u>% Change</u>
Revenue	£107.4m	£89.6m	+19.9%
<i>Before significant items*</i>			
Operating profit	£12.0m	£8.1m	+48.1%
Profit before tax	£11.6m	£7.3m	+58.9%
Basic earnings per share	16.8p	10.0p	+68.0%
<i>After significant items*</i>			
Operating profit	£12.1m	£7.7m	+57.1%
Profit before tax	£12.2m	£6.9m	+76.8%
Basic earnings per share	18.2p	9.0p	+102.2%
Interim dividend	6.4p	6.1p	+4.9%

* Significant items comprise restructuring costs, goodwill impairment, amortisation of acquired intangibles, profit on sale of property and fair value adjustments relating to volatile financial instruments.

KEY POINTS

- Buoyant market conditions
 - Strong sales growth in all divisions
 - Sales in Photographic up 26%
- Benefits of operational gearing
 - Operating profit** up 48% to £12.0m
 - PBT** up 59% to £11.6m
- Further reduction in effective tax rate to 40%
 - EPS** up 68% to 16.8p
- Cash generated from operations up 107% to £11.2m
- Petrol trading in line with expectations
- Opening of Bogen Imaging Japan and Kata UK

** before significant items

Commenting on the results, Gareth Rhys Williams, Chief Executive, said:

“We are delighted to report another six months of strong growth, both in sales and operating profit.

“The second half has got off to an encouraging start. Order intake remains good and we believe the underlying demand for our products will continue to be supported by the trend to HD programming by broadcasters, and by the growth in sales of digital SLR cameras. We continue to look for acquisitions that complement our existing portfolio of premium brands.”

“Overall the Board views the outlook for the full year with confidence.”

Enquiries

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CHAIRMAN'S & CHIEF EXECUTIVE'S STATEMENT

Results overview

We are pleased to report another six months of significant progress, continuing the momentum built up in the strong second half of 2005.

Reported sales grew 19.9% and, with the benefit of the higher operational gearing of the restructured business, operating profit before significant items* grew 48.1%. The effects of foreign exchange in the first half were similar to last year – constant currency sales were up 16.2% and operating profit before significant items* 42.9%. With further progress on our headline tax rate, now down to 40%, basic EPS* has risen 68.0% to 16.8p.

As discussed in previous reports, our 'Consolidate-Leverage-Grow' strategy is producing ongoing benefits and, with the great majority of the restructuring behind us, the emphasis is on growth. Of the 19.9% overall revenue growth, 17.9% was organic, with 2.0% from the acquisition of the two Israeli camera bag companies, Kata, acquired in May last year, which contributed 5 months' more sales, and Petrol, acquired in January 2006. Both continue to trade well and in line with expectations.

During the first half we also acquired a minority stake in Media Numerics Ltd. The company has developed a digital network product targeted at the live event market which the Group supplies with its Clear-Com, Litec and Avenger brands. We have also acquired the distribution activities for our photographic products in Japan from our previous distributors. The new company, Bogen Imaging KK, started trading in June and will deliver a modest increase in sales in the second half. In the medium term we would expect to grow our market share and see increased volume. Kata has also opened its own distribution business in the UK, Kata UK, in response to the bankruptcy of its previous distributor. We continue to look proactively for acquisitions that complement or extend the reach of our existing portfolio of premium brands.

Cash generation remains strong. Despite the normal seasonal increase in working capital, stock and debtor days have improved again, to 109 days (H1 2005: 127) and 54 days (H1 2005: 59) respectively. We would now expect these levels of inventory and debtor days to stay stable as sales grow. Net debt at the end of June was £8.6m and compares with £18.8m at the end of June 2005 and £5.4m at the end of December 2005.

In line with the previously stated dividend policy the Board has declared an increased interim dividend of 6.4p (2005: 6.1p).

**Significant items are those items of financial performance that the directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group and in making projections of future results.*

PHOTOGRAPHIC DIVISION

Products for the professional photographer

	H1 2006	H1 2005
Revenue	£45.4m	£36.0m
Operating Profit*	£8.2m	£5.6m
Operating Margin*	18.1%	15.6%

**Before significant item. The Significant item is amortisation of acquired intangibles of £0.2 million (H1 2005: £nil).*

The Photographic Division is organised around three business units, Imaging Products, Distribution and Staging Systems, all of which have achieved good growth in the first half.

In Imaging the growth has come both from the original lighting support product ranges (Manfrotto and Avenger), typically bought by the pro-photographer, and from our camera support products (Manfrotto and Gitzo), where the new products we have launched, most recently the Modo, are capitalising on the ongoing growth in digital SLR camera sales to the keen amateur photographer. Kata's sales of bags grew in line with expectations, helped by the wider geographical distribution the Group has to offer.

Bogen Imaging, our in-house distribution business, has capitalised on the popularity of these products, with particularly strong growth in the US and Germany.

The major marketing event of the year is the upcoming Photokina show in Cologne, held every two years. All Group brands will be showing exciting new product ranges. Also on display will be a special edition Manfrotto '190' tripod with one of the leg elements in Azzurri blue to celebrate the Italian World Cup victory; a total of 2006 tripods will be for sale, with the proceeds going to charity.

In Staging Systems, where the Litec truss and IFF lighting control systems now operate together from a larger facility close to Venice, sales growth has continued strongly. A temporary roof for the Ramazzotti show, built from the largest span of Libera™ staging structures ever, is an example of an exciting innovation recently developed. Assisted by the low cost manufacture of standard products in Slovakia, we believe Litec will continue to grow.

BROADCAST SYSTEMS DIVISION

Products and systems primarily for broadcast applications

	H1 2006	H1 2005
Revenue	£47.1m	£40.9m
Operating Profit*	£2.8m	£2.2m
Operating Margin*	5.9%	5.4%

**Before significant items. Significant items are profit on sale of property of £0.4 million (H1 2005: £nil) and restructuring costs of £0.1 million (H1 2005: £0.4 million).*

At the end of 2005 we were unsure whether the increase we had seen in broadcast spending was due purely to spend in advance of the football World Cup – that level of activity has clearly continued through the first half and into the opening period of the

second half. The increasing importance of High Definition (HD) programming has resulted in our broadcast clients spending more in the production part of the broadcast chain than in recent years. This has translated into a higher level of orders for our products. We have seen no signs in the market to believe that this level of activity will slow down. The Costa Rican facility is running significantly ahead of last year, and we will be investing there to widen the capability of the plant.

The Camera Support unit is enjoying levels of sales not seen since 2001 across all its five main brands, partly due to the HD-led recovery and partly due to the aggressive launch of new products. We launched another 18 products at the NAB show in April, including the revolutionary FUSION™ robotic system, including pedestal, heads and advanced control panels. The Petrol Bags acquisition is trading well and has proven to be a great addition to the product offering for the video cameramen.

Mobile Power has seen steady growth in most regions except for Europe, which had seen strong growth there last year. The business won a ‘TV Star’ award for the launch of the ‘Elipz™’ range of batteries that allow a cameraman to use a palm-size video camera for a full day with one power pack. This product opens up a new segment of the market that has previously used lower capacity consumer batteries.

In Communications volume is up, with new products, particularly the Eclipse platform, beginning to win significant orders. The live performance and theatre intercom market remains Clear-Com’s stronghold, with the first orders received from the Beijing Olympic organisation. However, margins remain unsatisfactory in what remains the most competitive sector of our business.

BROADCAST SERVICES DIVISION

Rental services and technical support mainly for the broadcast market

	H1 2006	H1 2005
Revenue	£14.9m	£12.7m
Operating Profit	£1.0m	£0.3m
Operating Margin	6.7%	2.4%

The core US rentals market has not seen meaningful growth again in this half, however there have been much improved results flowing from rental contracts for the Winter Olympics in Turin and, to a much lesser degree, from the football World Cup. Our investment in HD equipment, cameras in particular, has increased to cover demand in that area, where Bexel’s expertise is valued.

Bexel retains its strong pan-American presence and has opened a new depot in Las Vegas, which is a small but fast-growing market. The small office in Irvine, southern California, has been closed in response to lower local demand. Of the recent technical innovations, 3G-live systems continue to attract attention and growing revenues.

By far the most interesting development during the period has been the signature of a collaborative agreement with a leading US commercial leasing business, National City Commercial Credit Corp. With the rapid uptake of HD production, broadcasters’ capital budgets have become stretched; at the same time the rapid change in technology and the increasing need for broadcasters to have flexible operations means that the traditional

long-term commercial lease has some disadvantages. The combination of National City's expertise at structuring commercial leases and their lower cost of capital, together with Bexel's technical and resale skills means that we can jointly offer cost-effective 'long-term rentals' with attractive technical support and service elements to our US broadcast customers.

Tax

The Group continues to make progress in reducing its headline rate, now 40%, 2% down on the full year rate for 2005. After adjusting headline tax for the 'non-cash' deferred tax element of 5%, the current tax rate is also reduced to 35%. Cash taxes paid over the last two years have been very low due principally to significant tax credits in Italy, but will rise this year to be closer to the current tax rate.

Outlook

While the rest of the year will not see the sporting events that helped us in the first half, and the foreign exchange environment is currently worse than earlier in the year, the second half has got off to an encouraging start. Order intake remains good and we believe the underlying demand for our products will continue to be supported by the trend to HD programming by broadcasters and by the growth in sales of digital SLR cameras.

We continue to look for acquisitions that complement our existing portfolio of premium brands.

Overall the Board views the outlook for the full year with confidence.

Michael Harper
Chairman

Gareth Rhys Williams
Chief Executive

Cautionary statement

This announcement contains forward looking statements that are subject to risk factors associated with, amongst other things, the economic and business circumstances occurring from time to time in the countries and sectors in which the Group operates. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a wide range of variables which could cause actual results to differ materially from those currently anticipated.

Consolidated income statement
For the half year ended 30 June 2006 (unaudited)

	Half year to 30 June 2006			Half year to 30 June 2005			Year to 31 December 2005		
	Before significant items £m	Significant items ⁽¹⁾ £m	Total £m	Before significant items £m	Significant items ⁽¹⁾ £m	Total £m	Before significant items £m	Significant items ⁽¹⁾ £m	Total £m
Revenue									
Continuing operations	106.9		106.9	89.6		89.6	194.9		194.9
Acquisitions	0.5		0.5						
	107.4		107.4	89.6		89.6	194.9		194.9
Cost of sales	(61.9)		(61.9)	(52.7)		(52.7)	(115.6)		(115.6)
Gross profit	45.5		45.5	36.9		36.9	79.3		79.3
Profit on the sale of property		0.4	0.4		-	-		0.3	0.3
Operating expenses									
Amortisation of acquired intangibles		(0.2)	(0.2)		-	-		(0.2)	(0.2)
Restructuring costs		(0.1)	(0.1)		(0.4)	(0.4)		(0.9)	(0.9)
Other operating expenses	(33.5)	-	(33.5)	(28.8)	-	(28.8)	(59.3)	-	(59.3)
	(33.5)	(0.3)	(33.8)	(28.8)	(0.4)	(29.2)	(59.3)	(1.1)	(60.4)
Operating profit									
Continuing operations	12.2	0.1	12.3	8.1	(0.4)	7.7	20.0	(0.8)	19.2
Acquisitions	(0.2)	-	(0.2)						
	12.0	0.1	12.1	8.1	(0.4)	7.7	20.0	(0.8)	19.2
Interest payable on bank borrowings	(0.6)		(0.6)	(0.9)		(0.9)	(1.5)		(1.5)
Interest income	0.1		0.1	-		-	0.2		0.2
Pension scheme:									
Interest charge	(1.1)		(1.1)	(1.0)		(1.0)	(2.0)		(2.0)
Expected return on assets	1.3		1.3	1.1		1.1	2.2		2.2
Other financial income/(expense)	(0.1)	0.5	0.4	-	-	-	(0.5)	(0.5)	(1.0)
Net financial income/(expense)	(0.4)	0.5	0.1	(0.8)	-	(0.8)	(1.6)	(0.5)	(2.1)
Profit before tax	11.6	0.6	12.2	7.3	(0.4)	6.9	18.4	(1.3)	17.1
Current tax	(4.1)	-	(4.1)	(2.0)	-	(2.0)	(6.6)	-	(6.6)
Deferred tax	(0.6)	-	(0.6)	(1.2)	-	(1.2)	(1.1)	-	(1.1)
Overseas taxation	(4.7)	-	(4.7)	(3.2)	-	(3.2)	(7.7)	-	(7.7)
Profit from continuing operations	6.9	0.6	7.5	4.1	(0.4)	3.7	10.7	(1.3)	9.4
Profit from discontinued operations	-		-	-		-	0.4		0.4
Profit for the period (attributable to Equity Shareholders)	6.9	0.6	7.5	4.1	(0.4)	3.7	11.1	(1.3)	9.8
Earnings per share									
Basic earnings per share			18.2p			9.0p			23.9p
Diluted earnings per share			18.0p			9.0p			23.7p
Average exchange rates									
Euro			1.46			1.45			1.46
US\$			1.78			1.88			1.82

⁽¹⁾ See Note 2

Consolidated balance sheet
As at 30 June 2006 (unaudited)

	As at 30 June 2006 £m	As at 30 June 2005 £m	As at 31 December 2005 £m
Assets			
Non-current assets			
Property, plant and equipment	32.8	30.7	33.6
Intangible assets	21.4	18.8	19.9
Investments	0.4	-	-
Deferred tax assets	5.1	6.6	5.8
	59.7	56.1	59.3
Current assets			
Inventories	37.2	37.0	31.3
Trade and other receivables	40.1	37.5	37.0
Derivative financial instruments	1.2	-	0.2
Current tax assets	0.3	4.0	0.9
Cash and cash equivalents	9.1	12.1	12.7
	87.9	90.6	82.1
Total assets	147.6	146.7	141.4
Liabilities			
Current liabilities			
Bank overdrafts	0.8	5.4	0.9
Trade and other payables	34.7	27.1	31.5
Derivative financial instruments	0.1	-	0.9
Current tax liabilities	9.6	8.2	7.6
Provisions	3.4	2.8	1.2
	48.6	43.5	42.1
Non-current liabilities			
Bank loans	16.9	25.5	17.2
Other payables	0.2	0.2	0.2
Post-employment obligations	6.1	10.1	7.5
Provisions	0.1	1.2	2.7
Deferred tax liabilities	1.4	2.0	1.1
	24.7	39.0	28.7
Total liabilities	73.3	82.5	70.8
Net assets	74.3	64.2	70.6
Equity			
Share capital	8.2	8.2	8.2
Share premium	3.1	2.7	2.7
Translation reserve	(4.1)	(4.1)	(1.8)
Other reserves	2.3	1.3	0.9
Retained earnings	64.8	56.1	60.6
Total equity	74.3	64.2	70.6

Consolidated statement of recognised income and expense

For the half year ended 30 June 2006 (unaudited)

	Half year to 30 June 2006 £m	Half year to 30 June 2005 £m	Year to 31 December 2005 £m
Actuarial gain/(loss) on pension obligations	1.1	(0.3)	0.5
Currency translation differences on foreign net investments	(2.7)	(0.1)	2.4
Net gain/(loss) on hedge of net investment in foreign subsidiaries	0.4	-	(0.2)
Cash flow hedging reserve :			
Amounts released to income statement	0.4	(0.8)	(0.8)
Effective portion of changes in fair value	1.0	(0.3)	(0.7)
Net income/(expense) recognised directly in equity	0.2	(1.5)	1.2
Profit for the year	7.5	3.7	9.8
Total recognised income for the year	7.7	2.2	11.0
Effect of adoption of IAS 32 and IAS 39 at 1 January 2005 on :			
Retained earnings		0.4	0.4
Cash flow hedging reserve		0.8	0.8
Total		3.4	12.2

Consolidated cash flow statement
For the half year ended 30 June 2006 (unaudited)

	Notes	Half year to 30 June 2006 £m	Half year to 30 June 2005 £m	Year to 31 December 2005 £m
Cash flows from operating activities				
Profit for the year		7.5	3.7	9.8
Adjustments for :				
Taxation		4.7	3.2	7.7
Depreciation		5.0	4.9	8.9
Amortisation of intangibles		0.5	-	1.2
Profit on sale of property, plant and equipment		(0.5)	(0.4)	(1.6)
Fair value losses on derivative financial instruments		-	-	(0.4)
Cost of equity-settled employee share schemes		0.4	0.2	0.3
Financial income		(1.8)	(0.1)	(2.4)
Financial expense		1.7	0.9	4.5
Operating profit before changes in working capital & provisions		17.5	12.4	28.0
Decrease/(increase) in inventories		(6.2)	(4.2)	3.0
Increase in receivables		(3.8)	(1.6)	(0.8)
Increase/(decrease) in payables		3.8	(0.3)	3.1
Decrease in provisions		(0.1)	(0.9)	(3.4)
Adjustments for foreign exchange losses		-	-	(0.1)
Cash generated from operations		11.2	5.4	29.8
Interest paid		(0.7)	(0.8)	(1.8)
Tax (paid)/received		(1.5)	0.7	(1.6)
Net cash inflow from operating activities		9.0	5.3	26.4
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		0.6	0.2	2.1
Purchase of property, plant and equipment		(5.0)	(4.3)	(11.1)
Software and development costs capitalised as intangible assets		(0.2)	(0.3)	(0.6)
Interest received		0.1	-	0.5
Acquisition of investment		(0.4)	-	-
Acquisition of subsidiaries, net of cash acquired		(3.2)	(4.4)	(4.6)
Net cash outflow from investing activities		(8.1)	(8.8)	(13.7)
Cash flows from financing activities				
Proceeds from the issue of shares		0.4	0.1	-
Purchase of own shares		(0.9)	-	-
Movement on bank loans		(0.2)	1.4	(8.2)
Dividends paid		(3.9)	(3.6)	(6.1)
Net cash outflow from financing activities		(4.6)	(2.1)	(14.3)
Currency variations on cash and cash equivalents		0.2	(1.1)	-
Decrease in cash and cash equivalents	8	(3.5)	(6.7)	(1.6)
Cash and cash equivalents at beginning of period		11.8	13.4	13.4
Cash and cash equivalents at end of period	9	8.3	6.7	11.8

Notes to the interim financial statements

For the half year ended 30 June 2006 (unaudited)

- 1. Basis of preparation** The financial information set out above is unaudited and does not comprise statutory accounts within the meaning of Section 240 of the Companies Act 1985. The interim financial statements have been prepared in accordance with accounting policies set out in the Group's audited accounts.

The statutory accounts for the year ended 31 December 2005 prepared in accordance with International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs') have been filed with the Registrar of Companies. The auditors have reported on the 2005 accounts; their report was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

- 2. Significant items** are those items of financial performance that the directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group and in making projections of future results.

Of the significant items included in net operating expenses, £0.2 million (2005: £nil) relates to the amortisation of intangible assets and £0.1 million (2005: £0.4 million) relates to the ongoing restructuring costs in Broadcast Systems (primarily severance in connection with the actions taken to enable the business to operate in a more integrated manner).

The profit on the sale of property of £0.4 million (2005 : £nil) relates to Broadcast Systems division.

The Group uses options as part of its hedging of future foreign exchange cash flows. As such options are held to maturity, the ultimate net amount charged to the income statement in respect of any option will always equate to the initial premium paid for that option. However, as a result of the the time value of such options being marked-to-market at each balance sheet date, volatile income and expenses can be introduced between periods, and such amounts are therefore identified as significant other financial expense. An income of £0.2 million (2005: £nil) relating to this volatile premium on options was recorded in significant items within other financial expense. An expense of £0.1 million (2005: £nil) relating to the amortisation of options was recorded as a non-significant item within other financial expense.

Currency translation differences arising on long-term intra-group funding loans that are similar in nature to equity are charged/credited to reserves. Currency translation income of £0.3 million (2005: £nil) arising on certain other intra-group funding balances that do not meet this strict criteria but are very similar in nature are recorded in significant items within other financial expense.

- 3. The tax rate** on profits before significant items for the half year is estimated at 40% (2005: 44%) on the basis of the anticipated tax rates which will apply for the full year, and the charge comprises current tax £4.1 million (2005: £2.0 million) and deferred tax £0.6 million (2005: £1.2 million). The tax credit on significant items was £nil (2005: £nil).

Deferred tax and current tax in the 2005 first half year comparatives balance sheet have been reclassified to align disclosures with the 2005 Annual Report.

Notes to the interim financial statements

For the half year ended 30 June 2006 (unaudited)

4. Earnings per share

Basic earnings per share of 18.2 pence (2005: 9.0 pence) is based on profit for the period attributable to equity shareholders of £7.5 million (2005: £3.7 million) and the weighted average number of shares of 41,178,309 (2005: 41,082,140).

Adjusted basic earnings per share of 16.8 pence (2005: 10.0 pence) is based on profit for the period attributable to equity shareholders but before significant items, using the same number of shares.

Diluted earnings per share of 18.0 pence (2005: 9.0 pence) is based on profit for the period attributable to equity shareholders and the weighted average number of shares as adjusted for the weighted number of shares under option of 41,647,999 (2005: 41,238,319).

5. **Interim dividend** The directors have declared an interim dividend of 6.4 pence per share, which will absorb £2.6 million (2005: 6.1 pence absorbing £2.5 million). The dividend will be paid on 2 November 2006 to shareholders on the register at the close of business on 29 September 2006.

6. Acquisitions

Bogen Imaging KK On 5 May 2006 the Group announced that it has acquired the Japanese photographic distribution activities for its Manfrotto photographic and video camera and lighting supports and its Kata photographic bags, from Honjo & Co in Kobe, and for its Gitzo photographic and video camera supports, from KFC Ltd in Tokyo. The consideration amounted to Yen191.5 million (£0.9 million). Based on a provisional assessment of the fair values of the tangible and intangible assets, no goodwill arose on acquisition.

A new Vitec company, Bogen Imaging KK, commenced trading on 1 June 2006, and its results have been included in the Photographic Division.

Petrol Bags Ltd On 15 January 2006 the Group completed the acquisition of Petrol, which is based in Tel Aviv, and is a broadcast equipment bag manufacturer and comprises design of broadcast video bags and accessories, together with third party sourcing and assembly operations in China. The cash consideration amounted to US\$2.7 million (£1.5 million) and there is an estimated contingent consideration of US\$0.9 million (£0.5 million) conditional upon profitability targets in 2006. Based on a provisional assessment of the fair values of the tangible and intangible assets, goodwill of £1.2 million arose on acquisition.

The results of Petrol have been included in the Broadcast Systems Division.

Kata As at 31 December 2005 there was an estimated contingent consideration of US\$4.6 million (£2.5 million) conditional upon future sales and profitability targets. On 16 May 2006 part of this consideration was paid in cash amounting to US\$1.5 million (£0.8 million), leaving a balance of US\$3.1 million (£1.7 million). The results of Kata have been included in the Photographic Division.

Notes to the interim financial statements
For the half year ended 30 June 2006 (unaudited)

7. Segment Reporting

Primary format - by business segments

For the half year ended 30 June	Photographic		Broadcast Systems		Broadcast Services		Total	
	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Revenue from external customers	45.4	36.0	47.1	40.9	14.9	12.7	107.4	89.6
Operating profit								
Operating profit before significant items ⁽¹⁾	8.2	5.6	2.8	2.2	1.0	0.3	12.0	8.1
Profit on the sale of property	-	-	0.4	-	-	-	0.4	-
Amortisation of acquired intangibles	(0.2)	-	-	-	-	-	(0.2)	-
Restructuring costs	-	-	(0.1)	(0.4)	-	-	(0.1)	(0.4)
Operating profit after significant items ⁽¹⁾	8.0	5.6	3.1	1.8	1.0	0.3	12.1	7.7

⁽¹⁾See Note 2

Secondary format - by geographical segments

For the half year ended 30 June	United Kingdom		The rest of Europe		The Americas		The rest of the World		Total	
	2006 £m	2005 £m	2006 £m	2006 £m	2005 £m	2005 £m	2006 £m	2005 £m	2006 £m	2005 £m
Revenue from external customers:										
By origin	13.6	11.8	34.6	26.9	54.3	49.3	4.9	1.6	107.4	89.6
By location of customer										
Photographic	2.7	2.2	19.7	14.8	17.7	14.4	5.3	4.6	45.4	36.0
Broadcast Systems	3.9	2.8	13.6	11.1	20.0	17.8	9.6	9.2	47.1	40.9
Broadcast Services	-	-	0.4	-	14.5	12.7	-	-	14.9	12.7
Total revenue by location of customer	6.6	5.0	33.7	25.9	52.2	44.9	14.9	13.8	107.4	89.6

Notes to the interim financial statements

For the half year ended 30 June 2006 (unaudited)

8. Movement in net debt

	Half year to 30 June 2006 £m	Half year to 30 June 2005 £m	Year to 31 December 2005 £m
Net movement in cash and cash equivalents	(3.5)	(6.7)	(1.6)
Net repayment of borrowings	0.2	(1.4)	8.2
Currency variations on borrowings	0.1	0.6	(0.7)
Movement in period	(3.2)	(7.5)	5.9
Net debt at beginning of period	(5.4)	(11.3)	(11.3)
Net debt at end of period	(8.6)	(18.8)	(5.4)

9. Reconciliation of cash and cash equivalents

	Half year to 30 June 2006 £m	Half year to 30 June 2005 £m	Year to 31 December 2005 £m
Cash and cash equivalents per cash flow statement	8.3	6.7	11.8
Add : Bank overdrafts	0.8	5.4	0.9
Cash and cash equivalents per balance sheet	9.1	12.1	12.7

10. Copies of this statement will be sent to all shareholders on the share register as at 4 September 2006. Copies are available on application to the Company Secretary.