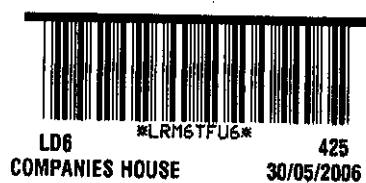


BITE COMMUNICATIONS LIMITED
(Registered number: 3023521)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2005



BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 JULY 2005

The directors present their report together with the audited financial statements of Bite Communications Limited ("the Company") for the year ended 31 July 2005.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the provision of international public and press relations services, dealing principally with clients in the high-technology sector. The company has a branch operating in Sweden.

REVIEW OF BUSINESS

The state of the Company's affairs at the balance sheet date was satisfactory. The directors report a profit after tax of £326,341 (2004: £434,748) for the year.

RESULTS AND DIVIDENDS

The final dividend of £750,000 (2004:Nil) equivalent to 75p per share was proposed on 31 July 2005. The retained loss of £423,659 (2004: profit of £434,748) has been transferred to reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year except as noted are shown below. No directors had any beneficial interest in the share capital of the company.

T W Lewis	resigned 14 January 2005
C Armitage	
S Seitz	resigned 1 July 2005
H Macphail	
I Kirk	resigned 2 September 2004
J Wilks	resigned 2 September 2004
R Bachmann	
P Mackender	
B Dodworth	

T W Lewis, C Armitage, S Seitz, H Macphail, I Kirk and J Wilks were also directors of the immediate parent undertaking, Bite Communications Group Limited, during the year and their interests in the share capital of that company are shown in its financial statements.

T W Lewis is also a director of the ultimate parent undertaking, Next Fifteen Communications Group plc, and his interest in the share capital of that company is shown in its financial statements.

At 31 July 2005, the following other directors held options to purchase 2.5p ordinary shares in the Company's ultimate parent Company, Next Fifteen Communications Group Plc:

	Date granted	Exercise price per share	Unexercised share options at 31 July 2004	Granted during the year	Exercised or Lapsed during the year	Unexercised share options at 31 July 2005
R Bachmann	16.06.2005	56p	-	20,625	-	20,625
P Mackender	16.06.2005	56p	-	21,429	-	21,429
B Dodworth	16.06.2005	56p	-	26,786	-	26,786

The share options become exercisable on the following dates:

- The first third of the total number granted on the third anniversary of the date of granting.
- The second third of the total number granted on the fifth anniversary of the date of granting.
- The final third of the total number granted on the fifth anniversary of the date of granting.

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

DIRECTORS AND THEIR INTERESTS (continued)

The share options will lapse on the date of cessation of the director's employment with the Group or ten years after the date on which the share options were granted.

CHARITABLE DONATIONS

During the year the Company made charitable donations of £3,042 (2004: £1,040).

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

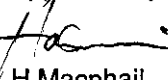
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the board of directors and signed on behalf of the board



H Macphail
Director

25 May 2006

BITE COMMUNICATIONS LIMITED

Independent auditors' report to the shareholders of Bite Communications Limited

We have audited the financial statements of Bite Communications Limited for the year ended 31 July 2005 on pages 6 to 16. These financial statements have been prepared under the accounting policies set out on pages 8 to 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

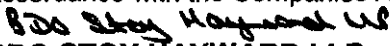
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors

London

25 May 2006

BITE COMMUNICATIONS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 JULY 2005**

	Year Ended <u>31 July 2005</u> £	Year Ended <u>31 July 2004</u> £
TURNOVER (Notes 1 and 2)	6,259,490	5,326,492
Other external charges	<u>(831,797)</u>	<u>(627,053)</u>
TURNOVER LESS OTHER EXTERNAL CHARGES	5,427,693	4,699,439
Wages and salaries	(3,069,286)	(2,401,772)
Social security costs	(403,709)	(334,565)
Other pension contributions	(99,671)	(98,105)
Depreciation	(157,371)	(155,934)
Other operating charges	<u>(1,259,064)</u>	<u>(1,055,002)</u>
	<u>(4,989,101)</u>	<u>(4,045,378)</u>
OPERATING PROFIT (Note 3)	438,592	654,061
Interest receivable (Note 5)	27,389	-
Interest payable and similar charges (Note 6)	<u>(1,061)</u>	<u>(6,529)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	464,920	647,532
Tax on profit on ordinary activities (Note 7)	<u>(138,579)</u>	<u>(212,784)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	326,341	434,748
Dividends (Note 8)	<u>(750,000)</u>	<u>-</u>
RETAINED (LOSS)/PROFIT FOR THE YEAR (Note 16 and 17)	<u>(423,659)</u>	<u>434,748</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**FOR THE YEAR ENDED 31 JULY 2005**

	Year Ended <u>31 July 2005</u> £	Year Ended <u>31 July 2004</u> £
(Loss)/Profit attributable to members	(423,659)	434,748
Currency translation differences on overseas branch	<u>(213)</u>	<u>(5,040)</u>
Total recognised (losses)/gains relating to the year	<u>(423,872)</u>	<u>429,708</u>

The accompanying notes on pages 8 to 16 form an integral part of these financial statements.

BITE COMMUNICATIONS LIMITED**BALANCE SHEET****AS AT 31 JULY 2005**

	<u>2005</u> £	<u>2004</u> £
FIXED ASSETS		
Tangible assets (Note 9)	488,359	482,991
Investments (Note 10)	<u>357,067</u>	<u>382,859</u>
	845,426	865,850
CURRENT ASSETS		
Debtors (Note 11)	2,808,421	1,761,540
Cash at bank and in hand	<u>257,296</u>	<u>391,505</u>
	3,065,717	2,153,045
CREDITORS – Amounts falling due within one year (Note 12)	<u>(2,396,583)</u>	<u>(1,065,250)</u>
NET CURRENT ASSETS	<u>669,134</u>	<u>1,087,795</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	1,514,560	1,953,645
CREDITORS – Amounts falling due after more than one year (Note 13)	(391,484)	(391,484)
Provisions for liabilities and charges (Note 14)	<u>(2,699)</u>	<u>(17,912)</u>
NET ASSETS	<u>1,120,377</u>	<u>1,544,249</u>
CAPITAL AND RESERVES		
Called up share capital (Note 15)	50,000	50,000
Reserves (Note 16)	<u>1,070,377</u>	<u>1,494,249</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS (Note 17)	<u>1,120,377</u>	<u>1,544,249</u>

Approved by the Board on 25 May 2006

H Macphail
Finance Director

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005

1 ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with applicable United Kingdom accounting standards. The principal accounting policies have been consistently applied throughout the year and the preceding year and are as follows:

(1) Basis of accounting

The financial statements are prepared under the historical cost convention and on a going concern basis. The Company has taken advantage of s.228 of the Companies Act 1985 and has not prepared Group accounts. Consequently these financial statements contain information about the Company only and not its Group.

(2) Turnover

Turnover represents the invoiced value of services supplied excluding all sales taxes after adjusting for any change in the level of accrued income during the year.

(3) Accrued income

Accrued income is valued on the basis of the cost of services provided up to the balance sheet date and not yet invoiced. Profit is taken on all work completed by that date. Provision is made for the full amount of foreseeable losses.

(4) Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation. Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Short leasehold property	Depreciated over minimum length of the lease
Office furniture	20% per annum straight line
Motor vehicles	25% per annum straight line
Office equipment	33% per annum straight line

(5) Foreign currencies

The results of overseas subsidiaries are translated at the average rates during the year and the balance sheets of these undertakings are translated at the year end exchange rates. Exchange differences arising on retranslation of opening net assets of foreign subsidiaries and branches are taken to reserves.

Monetary assets and liabilities denominated in foreign currencies are expressed in sterling at the rate of exchange ruling at the balance sheet date. Foreign currency transactions are expressed in sterling at the rate of exchange ruling at the date of the transaction. Exchange gains and losses and translation differences are taken directly to the profit and loss account.

(6) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset or on unremitted earnings of subsidiaries where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

1 ACCOUNTING POLICIES (continued)

(7) Pension costs

Pension costs, which relate to payments to employees' own defined contribution pension plans, are charged to the profit and loss account as incurred.

(8) Leasing transactions

Assets held under finance leases are included in the balance sheet at cost, less accumulated depreciation. The interest element on these obligations is charged to the profit and loss account using the sum of digits method so as to achieve a constant interest rate over the life of each agreement. Operating lease rentals are charged to the profit and loss account as incurred.

(9) Investments

Fixed asset investments and investments in Group undertakings are stated at cost less provisions for impairment in value.

2 TURNOVER

All of the Company's turnover arises from the provision of public relations consultancy services within Europe.

3 OPERATING PROFIT

	<u>2005</u>	<u>2004</u>
Operating profit is stated after charging / (crediting):	£	£
Auditors' remuneration:		
Audit services	11,559	10,566
Tax services	3,272	3,275
Depreciation of tangible fixed assets: Owned	157,369	104,168
Depreciation of tangible fixed assets: Leased	-	51,766
Loss/(profit) on disposal of tangible fixed assets	(2,426)	263
Operating lease rentals: Land and buildings	313,362	313,362
Operating lease income	(84,511)	(68,660)
Foreign exchange (gain)/loss	(2,627)	2,303

4 STAFF COSTS

	<u>2005</u>	<u>2004</u>
Staff costs (including directors) consist of:	£	£
Wages and salaries	3,069,286	2,401,772
Social security costs	403,709	334,565
Other pension costs	99,671	98,105
	<u>3,572,666</u>	<u>2,834,442</u>

The average monthly number of employees during the year was as follows:

	<u>2005</u>	<u>2004</u>
	No.	No.
Directors	6	7
Direct Public Relations	56	50
Administration	13	9
	<u>75</u>	<u>66</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

4 STAFF COSTS (continued)

Directors' emoluments

	Year Ended 31 July 2005 £	Year Ended 31 July 2004 £
Emoluments of highest paid director:		
Aggregate emoluments excluding pension contributions	187,032	175,845
Company contributions to defined contribution scheme	9,818	9,076
	196,850	184,921
Total emoluments of all Directors:		
Aggregate emoluments excluding pension contributions	846,132	812,770
Company contributions to defined contribution schemes	44,357	45,482
	890,489	858,252
The number of directors to whom retirement benefits are accruing is:	Year Ended 31 July 2005 No	Year Ended 31 July 2004 No
Defined contribution schemes	5	7

Tom Lewis is also a director of the ultimate parent company, Next Fifteen Communications Group plc (Note 21), and is also a director of a number of other group companies. The amount of total emoluments he received during the year are disclosed in the accounts of the ultimate parent company since it is not practicable to apportion his emoluments between the companies.

Director's emoluments are shown within staff costs in the profit and loss account.

5 INTEREST RECEIVABLE

	2005 £	2004 £
Intercompany interest received	26,357	-
Bank interest received	884	-
Finance lease interest	148	-
	27,389	-

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2005 £	2004 £
Bank charges paid	-	4,715
Other Interest	1,061	-
Finance lease interest	-	1,814
	1,061	6,529

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2005</u>	<u>2004</u>
	£	£
UK Corporation tax	163,356	217,936
Prior year (over)/under provision	(9,564)	569
Foreign tax	79,986	28,589
Double taxation relief	<u>(79,986)</u>	<u>(28,589)</u>
Current tax charge for the year	153,792	218,505
Deferred taxation (Note 14)	<u>(15,213)</u>	<u>(5,721)</u>
	<u>138,579</u>	<u>212,784</u>
Reconciliation of current year tax charge	£	£
Profit on ordinary activities before taxation	<u>464,920</u>	<u>647,532</u>
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2004: 30%)	139,476	194,260
Factors affecting charge:		
Disallowed expenses	6,000	4,500
Depreciation in excess of capital allowances	17,909	19,176
Prior period adjustment	(9,564)	569
Other	<u>(29)</u>	<u>-</u>
	<u>153,792</u>	<u>218,505</u>

8 DIVIDENDS

	<u>2005</u>	<u>2004</u>
	£	£
Interim dividend of 75p (2004:nil) per ordinary share	750,000	-
	<u>750,000</u>	<u>-</u>

On 14th March 2005 a part payment of £100,000 was made and at 31 July 2005 £650,000 was still owing.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

9 TANGIBLE FIXED ASSETS

	Short Leasehold <u>Premises</u> £	Office <u>Equipment</u> £	Office <u>Furniture</u> £	Motor <u>Vehicles</u> £	<u>Total</u> £
COST					
At 1 August 2004	452,929	564,831	166,290	5,050	1,189,100
Additions	-	110,228	49,936	8,460	168,624
Disposals	-	(19,151)	-	(5,050)	(24,201)
Exchange Differences	-	428	1	-	429
At 31 July 2005	452,929	656,336	216,227	8,460	1,333,952
DEPRECIATION					
At 1 August 2004	121,559	447,108	134,601	2,841	706,109
Charge for the year	48,166	86,799	20,502	1,902	157,369
Disposals	-	(14,621)	-	(3,156)	(17,777)
Exchange Differences	-	(101)	(7)	-	(108)
At 31 July 2005	169,725	519,185	155,096	1,587	845,593
NET BOOK VALUE					
As at 31 July 2005	283,204	137,151	61,131	6,873	488,359
As at 31 July 2004	331,370	117,723	31,689	2,209	482,991

The net book value of short leasehold assets includes £nil (2004: £66,421) in respect of assets held under finance lease.

10 INVESTMENTS

2005

£

SHARES IN GROUP UNDERTAKINGS

Cost at 1 August 2004	382,859
Disposals	(25,792)
Cost at 31 July 2005	357,067

The investment represents a holding of ordinary shares in Bite Communications Group Limited, a company incorporated in Great Britain that acts as an investment holding company. The holding represents a portion of the shares in Bite Communications Group Limited that are held in an Employee Share Ownership Plan Trust (ESOP) as described in Note 19.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

11 DEBTORS

	<u>2005</u> £	<u>2004</u> £
Trade debtors	1,273,983	926,360
Amounts owed by parent undertaking	264,873	344,579
Amounts owed by fellow subsidiaries	730,262	239,925
Other debtors	37,158	30,786
Prepayments and accrued income	502,145	219,890
	<u>2,808,421</u>	<u>1,761,540</u>

All amounts shown in debtors fall due for payment in one year.

12 CREDITORS: Amounts falling due within one year

	<u>2005</u> £	<u>2004</u> £
Obligations under finance leases	-	9,116
Trade creditors	192,712	155,427
Amounts owed to parent undertaking	119,890	26,427
Amounts owed to fellow subsidiaries	340,140	74,309
Other creditors including tax and social security	280,727	206,783
Amount owed to parent undertaking in relation to UK corporation tax	380,383	226,591
Accruals and deferred income	432,731	366,597
Dividends payable	650,000	-
	<u>2,396,583</u>	<u>1,065,250</u>

13 CREDITORS: Amounts falling due after more than one year

	<u>2005</u> £	<u>2004</u> £
Amounts owed to fellow subsidiary	<u>391,484</u>	<u>391,484</u>
	<u>391,484</u>	<u>391,484</u>

14 PROVISION FOR LIABILITIES AND CHARGES

	<u>2005</u> £	<u>2004</u> £
Analysis of deferred tax liability		
Accelerated capital allowances	<u>2,699</u>	<u>17,912</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

14 PROVISION FOR LIABILITIES AND CHARGES (continued)

Analysis of movement in provisions	<u>2004</u>	<u>Movement in</u> <u>profit and loss</u> <u>account</u>	<u>2005</u>
	£	£	£
Deferred tax liability	17,912	(15,213)	2,699

15 CALLED UP SHARE CAPITAL

At 1 August 2004 and at 31 July 2005:	<u>2005</u>	<u>2004</u>
	£	£
Authorised		
1,000,000 ordinary shares of 5p each (2004: 1,000,000 ordinary shares of 5p each)	50,000	50,000
Allotted, called up and fully paid	£	£
1,000,000 ordinary shares of 5p each (2004: 1,000,000 ordinary shares of 5p each)	50,000	50,000

16 RESERVES

	<u>2005</u> Profit & loss Account £	<u>2004</u> Profit & loss Account £
Opening balance at 1 August 2004	1,494,249	1,064,541
Retained (loss)/profit for the year	(423,659)	434,748
Currency translation differences	(213)	(5,040)
Closing balance at 31 July 2005	1,070,377	1,494,249

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2005</u> £	<u>2004</u> £
Retained (loss)/profit for the year	(423,659)	434,748
Currency translation differences	(213)	(5,040)
Net addition to shareholders' funds	(423,872)	429,708
Opening shareholders' funds	1,544,249	1,114,541
Closing shareholders' funds	1,120,377	1,544,249

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

18 RELATED PARTIES

The Company has taken advantage of paragraph 3 of Financial Reporting Standard 8 "Related Party Disclosures", not to disclose transactions with Group undertakings as more than 90 percent of its shares are controlled within the Group which is headed by Next Fifteen Communications Group plc as described in note 21 below.

19 OPERATING LEASE COMMITMENTS

The Company has entered into operating leases and has annual commitments under these expiring as follows:

	2005 Land and Buildings £	2004 Land and Buildings £
Between two and five years	24,363	-
After five years	313,362	313,362

20 EMPLOYEE SHARE OWNERSHIP PLAN TRUST (ESOP)

The Company formed an Employee Share Ownership Plan Trust (ESOP) during the year ended 31 July 1998.

The purpose of the ESOP is to enable the Company to offer participation in the ownership shares in Bite Communications Group Limited, the immediate parent company.

Arrangements for the distribution of benefits to employees which may be the ownership of shares in Bite Communications Group Limited or the granting of options over shares in Bite Communications Group Limited held by the ESOP are made at the ESOP's discretion in such manner as the ESOP considers appropriate.

Administration costs of the ESOP are accounted for in the profit and loss account of the Company as they are incurred.

Shares owned by the ESOP

At 31 July 2004 and at 31 July 2005 the ESOP held 875,000 "B1" Ordinary shares of 0.1p each in Bite Communications Group Limited.

The conditional shares sold to employees in the previous financial year were as follows:

- 372,000 shares exercised at 3.1p and sold for £11,532
- 924,000 shares exercised at 3.85p and sold for £35,574; and
- 71,332 shares exercised at 12.5p and sold for £8,916.

These conditional shares become eligible for payment on the following dates:

- The first one third of the total number sold two years prior to the vesting date;
- The second one third of the total number sold one year prior to the vesting date; and
- The final one third of the total number sold on the vesting date.

The vesting date varies between employees but for the majority of employees it is 4 May 2006.

Once eligible for payment and paid for, the conditional shares gain full voting, dividend and winding-up rights and rank pari passu with the ordinary shares.

A condition of the employee's ownership of the Conditional Shares is that:

- if the employee's employment with all Group companies terminates before the Vesting Date; or
- if the employee attempts to dispose of the Conditional Shares without prior written approval of the Board of directors of the Company; then

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2005 (continued)

20 EMPLOYEE SHARE OWNERSHIP PLAN TRUST (ESOP) (continued)

the employee will forfeit all rights to and derived from the Conditional Shares which they have not yet paid for and must transfer them back to the Bite ESOP at the same price at which they were sold to them.

The shares of Bite Communications Group Limited are not openly traded and as such do not have a market price.

21 IMMEDIATE AND ULTIMATE PARENT COMPANY

The ultimate parent undertaking and the parent company of the smallest and largest group into which the company is consolidated is Next Fifteen Communications Group plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Next Fifteen Communications Group plc are available to the public and can be obtained from 5 Albion Court, Galena Road, London, W6 0QT. The immediate parent undertaking is Bite Communications Group Limited.

22 POST BALANCE SHEET EVENTS

On 31 December 2005 the company acquired the entire share capital of Credo Communications Limited. The purchase price was £372,592 based on a net asset value of £110,000, and subject to adjustment upon finalisation of the completion accounts. Credo is a press relations agency, dealing principally with clients in the high-technology sector.