DCD Media Plc

("DCD Media", the "Company" or the "Group")

Unaudited Interim Results for the Six Months Ended 30 June 2016

DCD Media, the independent TV distribution and production group, is pleased to report unaudited interim results for the six months ended 30 June 2016.

Financial highlights

• Revenue	£3.3m (2015: £6.5m)
• Gross profit	£1.2m (2015: £1.6m)
• Operating loss	£0.5m (2015: £0.2m)
• Unadjusted loss before tax	£0.5m (2015: £0.3m)
• Adjusted EBITDA	£0.0m (2015: £0.1m)
• Adjusted profit/(loss) before tax	£0.0m (2015: (£0.0m))
• Cash & cash equivalents	£0.9m (2015: (£1.5m))
• Adjusted basic earnings per share	3p (2015: Loss 2p)

Highlights

- Continued focus and execution of strategy to expand **DCD Media** into one of the UK's leading independent pure-play TV rights and distribution businesses.
- Relocation of **DCD Media** to streamlined and affordable new premises close to the heart of London's media centre.
- **DCD Rights distributed drama Rake** had recognition through nominations for best drama series in both the Screen Producer Awards and the AWGIEs.
- **DCD Rights** benefitted from the launch of a number of programmes at MIPTV such as **Real Detective,** signing deals with Netflix, Sony True Crime, Nine Networks Australia, Universal, and Sky Italy.
- **DCD Rights** secured the co-production of the second series of **Penn & Teller: Fool Us in Vegas.** The series is a co-production between 1/17 Productions and **September Films** for the CW Network in the USA.
- **DCD Rights** secures additional funding for content acquisition.
- **Rize USA**'s hugely popular talent show for teenagers **Got What it Takes?** aired on CBBC.
- **Sequence Post** successfully completed the 4K post-production of **'The Rolling Stones: Havana Moon'** released on 23 September 2016.

Post period events

- **DCD Rights** continues to expand its acquisitions team with the appointment of Philippa Chuter to the new role of Senior Acquisitions Executive.

David Craven, Executive Chairman, commented:

“As indicated in the Chairman’s statement in the 2015 Annual Report, the Board of DCD Media announced that, in order to strategically realign the business, it had ceased development activity within its production division. While the Group has had to make a number of redundancies, the outlook for the business going forward is positive. Despite the cessation of production, the Group will continue to focus on key production franchises including, September Films’ **Penn and Teller: Fool Us in Vegas** having delivered season two to the CW Network in America, and Rize USA’s **Got What it Takes?,** produced for CBBC in the UK.

“While the business reports an unadjusted loss before tax of £0.5m; the period has been a transitional one, with a shift from relatively high-risk TV production development activity into a pure-play rights entity which brings with it a more predictable yet scalable business model. We believe the negative impact for the business is short term and the Board is confident that the steps taken in 2016 to refocus DCD Media will create a more solid, cash-flow positive growth business going forward.

“In the short-term, Group revenue is likely to be lower than it was (HY16 £3.3m; HY15: £6.5m) under the larger consolidated umbrella of production and rights. However, the Board anticipates the continued growth of the rights division and discussions are underway with a number of new funding partners keen to help the DCD Rights team acquire more programming on commercial terms.

“Consistent with this theme, during the period, the rights team has achieved a number of notable successes and continue to set the pace as a leading independent global content distributor. DCD Rights achieved recognition for its ABC Australia drama **Rake** through nominations for best drama series in both the Screen Producer Awards and the AWGIEs.

“And returning for a second series, **The Code** has also been well-received, securing an AWGIE nomination, and landing major deals with AMC Networks International Broadcasting, Netflix, BBC, and broadcasters in Denmark, Canada, Iceland, and France. Both formats were amongst a number of DCD Rights distributed dramas including **The Principal**, **Dreamland, Jack Irish** and **How To Murder Your Wife**, which gained international recognition at several of the major film and television awards.

“We are also delighted to welcome Philippa Chuter to the new role of Senior Acquisitions Executive.

“In Sequence, the Group’s post production business, the period saw two features for The Rolling Stones being commissioned, **‘The Rolling Stones: Havana Moon’**, which premiered for theatrical release on 23 September, and the feature documentary **‘Ole, Ole, Ole: A Trip Across Latin America’**, recently shortlisted for an award at the Toronto International Film Festival.

“To conclude, we are pleased with the steps taken by the Board during the course of the year and we anticipate a performance in line with management expectations for 2016 underpinning the new strategic focus.”

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

For further information please contact:

Angelica Tziotis
Investor Relations/ Media Relations
DCD Media plc

Tel: +44 (0)20 8563 9393
ir@dcdmedia.co.uk

Stuart Andrews or Carl Holmes
finnCap

Tel: +44 (0)20 7220 0500

Executive Chairman's Statement

This announcement presents the unaudited interim results for the Group for the six months ended 30 June 2016.

During the period, following a long-standing review of the production businesses, and in the context of strong competition from consolidated TV production companies with scale, the Board of DCD Media announced, in May 2016, that it had immediately ceased development activity within its production division. As a consequence, the Group unfortunately made a number of redundancies in the production businesses and support team, which has now concluded.

The resultant business is a rights focused play with an ambition for DCD Media to become one of the UK's leading independent distributors through a deep, globally-connected network of distribution relationships. The rights business has more than doubled in size in the last three years and has achieved success largely because it has been expertly managed and has proven itself to be a true partner to creative talent across the world.

We are pleased to report that DCD Rights has delivered a promising first half performance in 2016, securing a range of world-wide distribution deals across a number of genres, to add to its catalogue, including scripted dramas, factual, entertainment, and music programming. As a consequence, it has further cemented its growing reputation as a rights business at the forefront of both media acquisition and distribution.

This year's MIPTV, typically one of the Company's major trade marketplaces, saw the launch of a number of programmes which went on to secure major global deals. **Real Detective**, for example, struck deals with Netflix, Sony True Crime, Nine Networks Australia, Universal, and Sky Italy. The ratings proved to be exceptional, resulting in talks for the commissioning of a new season.

In May 2016, DCD Media relocated from its long-time Hammersmith accommodation to a streamlined facility next to Edgware Road in London's west end. The new facility is smaller but allows the Rights team to work effectively as a self-contained unit. The location has already proved to be a hugely popular space for meetings and for content demonstrations.

The strong reputation, credibility and success of the DCD Rights business, while widely recognised in the industry, is now generating interest in the investment community.

As alluded to above and consistent with the growth strategy, DCD Media has been working with third party investors to attract additional investment into programming, bolstering the content library. To date, the Company has struck an agreement with an EIS fund provider with more than £1m being made available from this fund already in addition to a fund which has been provided by DCD Media majority shareholder Timeweave Ltd. Further discussions are underway with new funding providers and material updates will be provided when appropriate.

In the Post Production business, Sequence, has formed some new relationships with successful production teams. We are delighted that Sequence has continued to build on its strong reputation for music content post production and continues to forge ahead with new clients in broad based TV production genres.

We are pleased that we now have a business which feels capable of sustained growth on a stable platform, and that has the capacity to challenge in the marketplace and is proving to be a long-term partner with TV distributors and content houses alike across the world.

1. Financial Review

The Group benefitted from an overdraft facility of £250k throughout the period and the Board is discussing the level of this facility with Coutts.

At 30 June 2016 the Group had cash and cash equivalents of £0.9m, comprising client cash held on account by DCD Rights and an element of free cash available to the Group.

2. Profit and Loss Review

Revenues for the six months to 30 June 2016 were £3.3m (2015: £6.5m). The decrease is primarily due to the poor uptake of new production commissions coupled with the cessation of Celebrity Squares. The development of new programmes has ceased and several redundancies were announced. These results include the redundancy and other restructuring costs associated with this decision.

DCD Rights has performed well despite revenue falling by £0.5m to £2.7m. This reduction in revenue has been caused by a couple of larger contracts being signed early in July 2016 whereas their prior year equivalents were concluded before the period end in June 2015.

Adjusted profit before tax was £0.02m (2015: loss £0.02m), resulting in an adjusted gain per share for the period of 3p (2015: loss 2p). Due to the £0.2m non-cash charge against intangibles, described in the balance sheet section below, and £0.3m of restructuring costs in the period, the Group's statutory loss after tax was £0.4m (2015: £0.2m).

Adjusted profit or loss before tax (PBT or LBT) is the measure used by the Group to indicate operating performance and aims to reflect normalised trading before exceptional, restructuring items and non cash impairment charges, but after net finance costs. Adjusted PBT was £0.03m (2015: LBT £0.02m). This change is largely down to restructuring cost add backs and continued cost control efforts across all divisions.

A reconciliation of the Group's operating loss to Adjusted Loss before Tax and Earnings before Interest Tax Depreciation and Amortisation (EBITDA) is shown below:

	Unaudited 6 months ended 30 June 2016 £'m	**Unaudited 6 months ended 30 June 2015 £'m**
Operating loss per accounts	**(0.48)**	**(0.15)**
Add: Net amortisation and capitalisation of programme rights	0.04	0.01
Add: Impairment of programme rights	-	0.01
Add: Amortisation of trade names	0.21	0.21
Add: Depreciation	0.01	0.03
EBITDA	**(0.22)**	**0.11**
Add: Restructuring costs	0.26	0.03
Adjusted EBITDA	**0.04**	**0.14**
Less: Net financial expense	(0.01)	(0.13)
Less: Depreciation	(0.01)	(0.03)
Adjusted PBT/(LBT)	**0.02**	**(0.02)**

3. Balance Sheet review

Intangible assets as at 30 June 2016 stood at £1.5m (2015: £3.8m). The balance as at 31 December 2015 was £1.8m and details of this movement were explained in the results for the year ended 31 December 2015. The subsequent movement in intangible assets within the six month period to 30 June 2016 reflects the ongoing amortisation of trade names of £0.2m (2015: £0.2m) and the net capitalisation, amortisation and impairment of programme rights of £0.04m (2015: £0.07m).

Trade and other receivables and trade and other payables at £9.0m (2015: £7.1m) and £9.6m (2015: £7.5m) respectively have both risen due to the continued increase in activity in DCD Rights.

Cash on hand at the period end stood at £1.2m (2015: £2.1m). The majority of the Group's cash balances represent working capital commitment in relation to programme making and cash held in DCD Rights' client accounts and therefore is not all considered to be free cash. The balance at June 2015 contained £0.6m of cash in relation to production activity.

Bank overdrafts are secured by a fixed charge over the Group's intangible programme rights and a floating charge over the remaining assets of the Group. The bank overdraft has been extended to the 31 October 2016, and is repayable on demand. The Directors expect an overdraft facility to be available to the Group for the foreseeable future.

The total convertible loan debt at 30 June 2016 stood at £0.1m (2015: £2.2m) including accrued interest. The balance as at 31 December 2015 was £0.1m and details of this movement were explained in the results for the year ended 31 December 2015.

In 2015, the Group accrued £0.4m of recharges for director, management and financial services from Timeweave Ltd ("Timeweave"), its major shareholder that remained unpaid. In addition, £0.2m of input VAT recovered by the Group and due to Timeweave on these recharges was also not paid. In the period to 30 June 2016, a further £0.1m of such charges were accrued. The Group continues to be in discussion with Timeweave to formalise this debt.

The amounts recoverable from HMRC in relation to VAT and social security stood at £0.3m (2015: owing to HMRC of £0.3m).

There is no UK tax charge as a result of losses available for offset. No deferred tax asset has been recognised in relation to these losses.

Called up share capital at 30 June 2016 stood at £12.3m (2015: £10.1m). The balance as at 31 December 2015 was £12.3m and details of the movement in the second half of 2015 can be found in the results to 31 December 2015.

No interim dividend is proposed for the period. Adjusted earnings per share are disclosed in note 3 to the interim financial statements.

4. Substantial shareholdings

As at 29 September 2016, the following notifications had been made by holders of beneficial interests in 3% or more of the Company's issued ordinary share capital as follows:

	No. of £1 ordinary shares	%
Timeweave Ltd *	1,562,180	61.47
Colter Ltd *	124,000	4.88
Henderson **	637,040	25.07

*Timeweave Ltd and Colter Ltd are under common ownership.
**Henderson means Henderson Global Investors Limited and certain funds managed by Henderson Alternative Investment Advisor Limited.

5. Review of operational activities

The Group consists of three key divisions: Rights and Licensing, Production and Post Production.

Rights and Licensing
DCD Rights has had a very encouraging first half of 2016, securing an array of world-wide distribution deals across a number of genres to add to its catalogue, including scripted dramas, factual, entertainment, and music programming. As a result it further cemented its growing reputation as a business at the forefront of both media acquisition and distribution.

Hit ABC Australian drama **Rake** had yet another successful season, receiving nominations as best drama series for both the Screen Producer Awards, and the AWGIE's. The series sold exceptionally well across many territories including the US, Australia, Europe, Latin America, and the Middle East. The third and fourth seasons saw a number of big names such as Cate Blanchett and Miriam Margolyes grace the screens alongside Richard Roxburgh.

Returning for a second series, **The Code** also proved successful, receiving an AWGIE nomination, and landing major deals with AMC Networks International Broadcasting, Netflix, BBC, and broadcasters in Denmark, Canada, Iceland, and France. Both formats were amongst a number of DCD Rights distributed dramas including **The Principal**, **Dreamland, Jack Irish** and **How To Murder Your Wife**, which gained international recognition at several of the major film and television awards.

MIPTV saw the launch of a number of programs which went on to secure major global deals. **Real Detective**, for one, struck deals with Netflix, Sony True Crime, Nine Networks Australia, Universal, and Sky Italy. The ratings proved to be exceptional, resulting in talks for the commissioning of a new season.

On the culinary front, **Sarah Graham's Food Safari** sold well, with deals across major broadcasters including Discovery, The Food Network, AMC Networks International Broadcasting in Latin America, and more. On the back of the success of the first season, a new season has been commissioned. Meanwhile, in our music catalogue, DCD is quickly topping the charts as a 'go-to' distributor for hit music programming, with global sales on programs such as **David Gilmour - Wider Horizons**.

Finally, the first six months of 2016 has been a big year for the DCD Rights team dynamic, with a number of new additions to the legal, accounts, technology, sales, and acquisitions departments. Most noteworthy, was the recent hiring of Acquisitions Executive, Phillipa Chuter, who has already initiated the acquisition of many new titles including most notably from independent producers such as Tern TV.

Production
As noted in the 2015 Annual Report, the Board of DCD Media announced that it had ceased development activity within its production division. As a consequence, the Group unfortunately had to make a number of redundancies in the period. The Group, however, continues to focus on its key production franchises including September Films' **Penn and Teller: Fool Us**

in Vegas season transmitted on the CW Network in America, and Rize USA's **Got What it Takes?,** produced for CBBC in the UK.

Post Production
The start of 2016 saw two features for The Rolling Stones get commissioned and due to their long standing relationship with JA Digital, Sequence Post were fortunate enough to land the deal to complete full 4K post-production on both. These films were what came to be **'The Rolling Stones: Havana Moon'**, which premiered for theatrical release on 23 September, and the feature documentary **'Ole, Ole, Ole: A Trip Across Latin America'**, recently shortlisted for an award at the Toronto International Film Festival.

After seven months of skilled work across the team, the films were delivered to Eagle Rock in August 2016 (ingest and transcoding commenced in early February 2016) and Sequence aims to capitalise on its involvement in these projects. The sense of achievement throughout the team has been palpable.

One project from this year, namely **'Ed Sheeran: Jumpers for Goalposts'** has been entered for a Broadcast Award for 'Best Music Documentary' and Sequence is also vying for the 'Best Post House' too.

Amidst the larger scale shows, Sequence has formed new relationships with several short form production teams. Commercial / Brand work is generally much more profitable than standard HD Broadcast work so the aim for the near future is to focus on encouraging more of these type of relationships.

6. Outlook

The last six months has been challenging for the business given the obvious shift to a more streamlined, cash-flow positive and stable business. But the transition has been a necessity and has now brought with it a refreshing and tangible energy in the rights team as they forge ahead with their strategic goals for the next two to three years.

As a Board, we are happy with the balance we have now struck with a capable, skilled and motivated team who are comfortable operating at any level and are highly-respected among their industry peer group. The challenge for the Board going forward is ensuring we have sufficient capital for the acquisition of good content; and once that has been achieved, that we maintain the highest standards possible for content acquisition to protect the integrity of the existing library and the reputation of the team for putting quality ahead of quantity.

The outlook in the short to medium term is very encouraging, as we continue to expand and enrich our library and seek to affirm our position as one of the UK's most progressive TV content distribution businesses.

In my time as Chairman and CEO of DCD Media, the future has never looked brighter.

David Craven
Executive Chairman
30 September 2016

Consolidated income statement (unaudited) for the 6 months ended 30 June 2016

	Note	**Unaudited 6 months to 30 June 2016 £'000**	Unaudited 6 months to 30 June 2015 £'000	Audited Year to 31 December 2015 £'000
Revenue		**3,327**	6,511	11,115
Cost of sales		**(2,173)**	(4,916)	(8,041)
Impairment of programme rights		**-**	(5)	(152)
Gross profit		**1,154**	1,590	2,922
Selling and distribution expenses		**(9)**	(18)	(37)
Administration expenses:				
- Other administrative expenses		**(1,162)**	(1,486)	(2,936)
- Impairment of goodwill and trade names		**-**	-	(1,772)
- Amortisation of goodwill and trade names		**(209)**	(209)	(419)
- Restructuring costs		**(254)**	(29)	54
Total administrative expenses		**(1,625)**	(1,724)	(5,073)
Operating loss		**(480)**	(152)	(2,188)
Finance costs		**(10)**	(124)	(164)
Loss before taxation		**(490)**	(276)	(2,352)
Taxation - current	2	**38**	43	118
Loss for the period		**(452)**	(233)	(2,234)
Loss attributable to:				
Owners of the parent		**(444)**	(228)	(2,324)
Non controlling interest		**(8)**	(5)	90
		(452)	(233)	(2,234)
Earnings per share attributable to the equity holders of the Company during the period (expressed as pence per share)				
Total basic loss per share	3	**(17p)**	(56p)	(254p)
Total diluted loss per share		**(17p)**	(56p)	(254p)

Consolidated statement of comprehensive income (unaudited) for the 6 months to 30 June 2016

	Unaudited 6 months to 30 June 2016 £'000	Unaudited 6 months to 30 June 2015 £'000	Audited Year to 31 December 2015 £'000
Loss	**(452)**	(233)	(2,234)
Other comprehensive income/(expenses)			
Exchange gain/(loss) arising on translation of foreign operations	**3**	(2)	4
Total other comprehensive (expenses)/income	**(449)**	(235)	(2,230)
Total comprehensive expenses	**(449)**	(235)	(2,230)
Total comprehensive expenses attributable to:			
Owners of the parent	**(441)**	(230)	(2,320)
Non controlling interest	**(8)**	(5)	90
	(449)	(235)	(2,230)

Consolidated statement of financial position (unaudited) at 30 June 2016

	Unaudited 30 June 2016 £'000	Unaudited 30 June 2015 £'000	Audited 31 December 2015 £'000
Assets			
Non-current			
Goodwill	**1,017**	2,789	1,017
Other intangible assets	**499**	1,082	745
Property, plant and equipment	**74**	77	68
Trade and other receivables	**89**	393	398
	1,679	4,341	2,228
Current assets			
Inventories	**-**	36	5
Trade and other receivables	**8,893**	6,712	8,149
Taxation and social security	**331**	-	-
Cash and cash equivalents	**1,210**	2,092	1,594
	10,434	8,840	9,748
Liabilities			
Current liabilities			
Bank overdrafts	**(296)**	(597)	(413)
Bank and other loans	**-**	-	(61)
Unsecured convertible loan	**(62)**	(2,165)	(62)
Trade and other payables	**(9,586)**	(7,510)	(8,676)
Taxation and social security	**-**	(322)	(101)
Obligations under finance leases	**(8)**	(10)	(10)
	(9,952)	(10,604)	(9,323)
Non-current liabilities			
Obligations under finance leases	**(20)**	(27)	(22)
Deferred tax liabilities	**(84)**	(176)	(125)
	(104)	(203)	(147)
Net assets	**2,057**	2,374	2,506
Equity			
Called up share capital	**12,272**	10,145	12,272
Share premium account	**51,215**	51,118	51,215
Equity element of convertible loan	**1**	98	1
Translation reserve	**(174)**	(183)	(177)
Own shares held	**(37)**	(37)	(37)
Retained earnings	**(61,244)**	(58,704)	(60,800)
Equity attributable to owners of the parent	**2,033**	2,437	2,474
Non controlling interest	**24**	(63)	32
Total equity	**2,057**	2,374	2,506

Consolidated statement of cash flows (unaudited) for the 6 months ended 30 June 2016

Cash flow from operating activities	**Unaudited 6 months ended 30 June 2016 £'000**	Unaudited 6 months ended 30 June 2015 £'000	Audited Year ended 31 December 2015 £'000
Net loss before taxation	**(490)**	(276)	(2,422)
Adjustments for:			
Depreciation of tangible assets	**15**	27	57
Amortisation and impairment of intangible assets	**400**	484	2,996
Net bank and other interest charges	**10**	124	164
Increase in stock provision	**-**	-	(51)
Net exchange differences on translating foreign operations	**3**	(2)	4
Net cash flows before changes in working capital	**(62)**	357	748
Decrease in inventories	**5**	13	-
Increase in trade and other receivables	**(436)**	(593)	(1,750)
Increase in trade and other payables	**350**	923	1,712
Cash from operations	**(143)**	700	710
Interest paid	**(10)**	(9)	(22)
Net cash flows from operating activities	**(153)**	691	688
Investing activities			
Purchase of property, plant and equipment	**(21)**	(25)	(46)
Purchase of intangible assets	**(154)**	(279)	(653)
Net cash flows used in investing activities	**(175)**	(304)	(699)
Financing activities			
Repayment of finance leases	**(3)**	(4)	(8)
Repayment of loan	**-**	(1,640)	(147)
New loans raised	**64**	1,466	61
Net cash flows from financing activities	**61**	(178)	(94)
Net increase in cash	**(267)**	209	(105)
Cash and cash equivalents at beginning of period	**1,181**	1,286	1,286
Cash and cash equivalents at end of period	**914**	1,495	1,181

Statement of changes in equity (unaudited)

	Share capital	Share premium	Equity element of convertible loan	Translation reserve	Own Shares Held	Retained earnings	Equity attributable to owners of the parent	Amounts attributable to non-controlling interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 June 2014	**10,145**	**51,118**	**99**	**(201)**	**(37)**	**(58,476)**	**2,648**	**(137)**	**2,511**
Loss and total comprehensive income for the period	-	-	(1)	-	-	-	**(1)**	79	78
Exchange differences on translating foreign operations	-	-	-	20	-	-	**20**	-	20
Balance at 31 December 2014	**10,145**	**51,118**	**98**	**(181)**	**(37)**	**(58,476)**	**2,667**	**(58)**	**2,609**
Loss and total comprehensive income for the period	-	-	-	-	-	(228)	**(228)**	(5)	**(233)**
Exchange differences on translating foreign operations	-	-	-	(2)	-	-	**(2)**	-	**(2)**
Balance at 30 June 2015	**10,145**	**51,118**	**98**	**(183)**	**(37)**	**(58,704)**	**2,437**	**(63)**	**2,374**
Loss and total comprehensive income for the period	-	-	-	-	-	(2,096)	**(2096)**	95	(2,001)
Shares allotted on conversion of loan notes	2,127	-	-	-	-	-	**2,127**	-	2,127
Equity element on conversion of convertible loans	-	97	(97)	-	-	-	**-**	-	-
Exchange differences on translating foreign operations	-	-	-	6	-	-	**6**	-	6
Balance at 31 December 2015	**12,272**	**51,215**	**1**	**(177)**	**(37)**	**(60,800)**	**2,474**	**32**	**2,506**
Loss and total comprehensive income for the year	-	-	-	-	-	(444)	**(444)**	(8)	**(452)**
Exchange differences on translating foreign operations	-	-	-	3	-	-	**3**	-	**3**
Balance at 30 June 2016	**12,272**	**51,215**	**1**	**(174)**	**(37)**	**(61,244)**	**2,033**	**24**	**2,057**

Notes to the interim financial statements (unaudited)

Nature of operations and general information

During the period, the principal activity of DCD Media Plc and subsidiaries (the Group) was the production of television programmes in the United Kingdom, and the worldwide distribution of those programmes for television and other media; the Group also distributes programmes on behalf of other independent producers. On 27 May 2016, the Group announced the cessation of development in its TV production divisions and the continued focus is primarily on the distribution division.

DCD Media Plc is the Group's parent company, and it is incorporated and domiciled in Great Britain. The address of DCD Media Plc's registered office and its principal place of business is 9th Floor Winchester House, 259-269 Old Marylebone Road, London, NW1 5RA. DCD Media Plc's shares are listed on the AIM market of the London Stock Exchange.

DCD Media Plc's condensed consolidated interim financial statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

These condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 30 September 2016.

The financial information in the half yearly report has been prepared using the recognition and measurement principles of International Accounting Standards, International Financial Reporting Standards and Interpretations adopted for use in the European Union (collectively Adopted IFRSs). The principal accounting policies used in preparing the half yearly report are those the Group expects to apply in its financial statements for the year ending 31 December 2016 and are unchanged from those disclosed in the Group's Directors' Report and consolidated financial statements for the year ended 31 December 2015. This interim report has neither been audited nor reviewed pursuant to guidance issued by the Audit Practice Board.

The financial information for the six months ended 30 June 2016 and the six months ended 30 June 2015 is unaudited and does not constitute the Group's statutory financial statements for those periods. The comparative financial information for the full year ended 31 December 2015 has, however, been derived from the audited statutory financial statements for that period. A copy of those statutory financial statements has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified.

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.

1. Basis of preparation

These interim condensed consolidated financial statements (the Interim Financial Statements) are for the six months ended 30 June 2016. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2015.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements and remain unchanged form those set out in the previous audited consolidated financial statements.

Basis of preparation – Going Concern

In considering the going concern basis of preparation of the Group's financial statements, the Board have prepared profit and cash flow projections which incorporate reasonably foreseeable impacts of the ongoing challenging market environment.

The Directors' forecasts and projections, which make allowance for reasonably possible changes in its trading performance, show that, with the ongoing support of its lenders and its bank, the Group can continue to generate cash to meet its obligations as they fall due.

The Directors, after making enquiries, have a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

The financial statements do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

2. Tax

There is no UK tax charge as a result of losses available for offset. No deferred tax asset has been recognised in relation to these losses.

3. Loss per share

The calculation of the basic loss per share is based on the loss attributable to ordinary shareholders divided by the average number of shares in issue during the period.

	6 months to 30 June 2016 £'000	6 months to 30 June 2015 £'000
(Loss)/profit attributable to ordinary shareholders:		
Basic	**(444)**	**(228)**
Adjusted basic profit/(loss)	**71**	**(7)**
	No.	**No.**
Weighted average number of shares in issue:		
Basic	**2,541,419**	**414,281**
(Loss)/profit per share (pence):		
Basic	**(17)**	**(56)**
Adjusted basic	**3**	**(2)**

The consequences of conversion of convertible loan notes and exercise of share options held at period end have not been considered for either 2016 or 2015 as the effect would be anti-dilutive.

4. Dividends

The Directors do not propose to recommend the payment of a dividend.

5. Events after the reporting date

On 18 August 2016, David Green resigned as non-executive director of the Company.

6. Publication of non-statutory accounts

Copies of the Interim Financial Statements are available from the registered office of DCD Media Plc or from the website – www.dcdmedia.co.uk. The address of the registered office is: 9th Floor, Winchester House, 259-269 Old Marylebone Road, London, NW1 5RA.