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Highlights

• Turnover	£9.2 million	(2003: £10.9 million)
• Return to pre-tax profit	£0.02 million	(2003: losses £(0.8) million)
• Net debt reduced	£0.5 million	(2003: £1.8 million)
• Operating costs reduced	£4.0 million	(2003: £5.4 million)
• Earnings per share	0.02p	(2003: loss (0.82)p)

• Positive progress • Financial performance ahead of plan
• Costs firmly under control • Increasingly cash generative

Chairman's Statement

Strategy:
In June 2004, I announced the group strategy to invest in building quality media products that provide customers with cost effective marketing solutions to deliver tangible and quantifiable results.

The group has made positive progress towards implementing this strategy with substantial restructuring of the UK operations including significant rationalisation of the traditional print publishing business. A number of historical products have been, and will continue to be, discontinued as we drive the Group towards high growth, high margin, cash generative media products and services.

The cost base of the company is firmly under control with investments specifically targeted at delivering the medium term vision of the company.

Investments in building a strong international presence, initially in Asia, progress to plan with increased office space in Hyderbad, India, where we are building a Group wide data centre with plans to relocate various related operational functions.

Product development is progressing to plan with announcements and pilot product launches scheduled over the coming months.

Trading Results:
The Group has returned to a first half profit through maintaining margins and significantly reducing operating costs.

Revenues were marginally behind plan at £9.2 million with growth in both the Internet and Events businesses in line with market expectation; the Internet business contributed £3.0 million (2003: £2.6 million) and the Events business £1.9 million (2003: £1.3 million).

The rationalised portfolio of print products contributed £4.2 million (2003: £7.1 million) with performance marginally behind plan. The print business is stabilising and we remain confident that through continuing the migration towards requested and subscription based publications, the business will return to growth in future years.

Earnings per share are 0.02p (2003:loss (0.92)p). The board is not proposing an interim dividend.

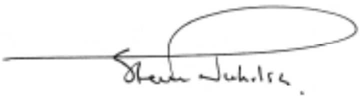
Net debt and cash flow:
The group is increasingly cash generative due to the positive impact of our expanding Forums and Conferences business with reduced debtors and lower capital expenditure leading to a further reduction in net debt to £0.5 million (2003: £1.8 million).

Future Prospects:
Progress has been significant with the Group on track to deliver its strategy and investment plans.

Financial performance is ahead of plan with a further modest improvement anticipated in the second half.

The board remains confident that the strategy being implemented will lead to sustained and profitable growth delivering long term value for our shareholders.

Steve Nicholson
Chairman
16 November 2004



Consolidated Profit and Loss Account

Year ended 31 March 2004 Restated (audited) £'000		Six months ended 30 September 2004 (unaudited) £'000	Six months ended 30 September 2003 Restated (unaudited) £'000
23,951	**Turnover** (note 2)	9,151	10,947
(12,992)	Cost of sales	(4,876)	(5,777)*
10,959	**Gross profit**	4,275	5,170
(926)	Distribution costs	(203)	(459)
(11,478)	Administration expenses	(4,013)	(5,425)*
72	**Operating profit / (loss) before exceptional items**	143	(263)
(1,517)	**Exceptional items** (note 3)	(84)	(451)
(1,445)	**Operating profit / (loss)**	59	(714)
8	Interest receivable and similar income	2	-
(104)	Interest payable and similar charges	(40)	(57)
(1,541)	**Profit / (loss) on ordinary activities before tax**	21	(771)
-	Taxation (note 5)	-	-
(1,541)	**Profit / (loss) on ordinary activities after tax**	21	(771)
(1,541)	**Profit / (loss) attributable to equity shareholders**	21	(771)
-	Dividends – equity	-	-
(1,541)	**Retained Profit / (loss) for the period**	21	(771)
(1.83)p	Basic earnings / (loss) per share (note 6) - Net basis	0.02	(0.92)p
(1.83)p	Diluted earnings / (loss) per share (note 6) - Net basis	0.02	(0.92)p

There were no recognised gains or losses other than those included in the profit and loss account. The results for each period are from continuing operations.

Restatement

*Certain disclosures have been reclassified to be consistent with the treatment adopted in the 31 March 2004 accounts. There is no impact on the reported loss for the period.

During the year the Group has adopted UITF 38 which has necessitated the restatement of comparative periods. See note 1 for details.

Consolidated Balance Sheet

As at 31 March 2004 Restated (audited) £'000		As at 30 September 2004 (unaudited) £'000	As at 30 September 2003 Restated (unaudited) £'000
	Fixed assets		
5,116	Intangible assets	5,061	6,202
3,038	Tangible assets	2,786	3,346
8,154		7,847	9,548
	Current assets		
4,496	Stocks and work in progress	5,426	4,836
5,940	Debtors	3,957	5,907
103	Cash at bank and in hand	87	166
10,539		9,470	10,909
	Creditors - amounts falling due within one year		
(8,167)	Trade and other creditors	(6,797)	(7,181)
(444)	Bank loans and overdrafts	(583)	(1,856)
(8,611)		(7,380)	(9,037)
1,928	**Net current assets**	2,090	1,872
10,082	**Total assets less current liabilities**	9,937	11,420
-	**Creditors - amounts falling due after more than one year**	-	(307)
(1,179)	**Provisions for liabilities and charges** (note 9)	(1,013)	(1,134)
8,903	**Net assets**	8,924	9,979
	Capital and reserves		
4,293	Called up share capital	4,293	4,258
-	Shares to be issued	-	357
(86)	Own shares (note 4)	(86)	(86)
7,262	Share premium account (note 10)	7,262	7,246
7,874	Capital redemption reserve (note 10)	7,874	7,874
733	Other reserves (note 10)	733	733
(11,173)	Profit and loss account (note 10)	(11,152)	(10,403)
8,903	**Shareholders' funds**	8,924	9,979

Consolidated Cash Flow Statement

Year ended 31 March 2004 (audited) £'000		Six months ended 30 September 2004 (unaudited) £'000	Six months ended 30 September 2003 (unaudited) £'000
2,199	**Net cash inflow from operating activities** (note 7)	99	471
	Returns on investments and servicing of finance		
8	Interest received and similar items	2	-
(44)	Interest paid	(11)	(22)
(9)	Interest element of finance lease payments	-	(8)
	Capital expenditure and financial investment		
(549)	Payments to acquire tangible fixed assets	(245)	(347)
	Acquisitions and disposals		
(87)	Payment to acquire subsidiary undertaking	-	-
1,518	Net cash flow before financing	(155)	94
	Financing		
(152)	Capital element of finance lease payments	-	(77)
1,366	**(Increase)/decrease in net debt in the period**	(155)	17
	Reconciliation of net cash flow to movement in net debt		
1,366	Increase / (decrease) in cash in the period	(155)	17
152	Cash outflow from lease financing	-	77
1,518	Change in net debt resulting from cash flows	(155)	94
(1,859)	Opening net debt	(341)	(1,859)
(341)	**Closing net debt**	(496)	(1,765)

Notes to the Accounts

1. Preparation of interim financial statements

The abridged profit and loss account and balance sheet for the previous financial year do not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985 and are extracted from the latest published statutory accounts for the year ended 31 March 2004 which have been delivered to the Registrar of Companies. The auditors' report on these accounts was unqualified and did not contain any statement under Section 237 of the Companies Act 1985.

The interim financial information has been prepared on the basis of the accounting policies set out in the statutory accounts for the year ended 31 March 2004, except for the effects of adopting Urgent Issues Task Force Abstract 38 "Accounting for ESOP trusts" ("UITF 38"), which has come into force since the previous year end. UITF 38 requires that the Company's shares held by the Group's Employee Benefit Trust ("EBT"), which were previously held within fixed asset investments, be presented as a deduction from shareholders' funds. The adoption of UITF 38 has been treated as a prior year adjustment with comparative figures being restated accordingly. The adoption has resulted in the restatement of the following primary statements and notes: the Consolidated Profit and Loss Account; the Consolidated Balance Sheet; Profit on ordinary activities before taxation; Earnings per share; Fixed asset investments; and the Reconciliation of movement in shareholders' funds.

The impact of the prior year adjustment on brought forward net assets and the profit for the 6 month period ended 30 September 2003 has been disclosed in note 4.

These statements were approved by a committee of the Board of Directors on 16 November 2004 and are neither audited nor reviewed.

2. Segmental reporting analysis

All of the turnover and operating profit is derived from international business-to-business communication and originates in the UK. The geographical analysis of turnover by destination is as follows:

2003/04 Full year £'000		**2004/05 Half year £'000**	**2003/04 Half year £'000**
5,329	United Kingdom	1,854	2,499
10,625	Europe (other than UK)	4,744	4,854
5,773	United States of America	1,928	2,724
2,224	Other	625	870
23,951		9,151	10,947

3. Exceptional items

The following exceptional items are included in administrative expenses:

2003/04 Full year £'000		2004/05 Half year £'000	2003/04 Half year £'000
677	Redundancy costs	84	282
340	Property provision	-	169
500	Impairment of intangible fixed asset	-	-
1,517		84	451

4. Own shares

At 30 September 2004, the Group's EBT held 1,214,395 Ordinary Shares in the Company at an average value of 144p per share. As a result of the adoption of UITF 38, the Group's EBT shares, which were previously held within investments, are now presented as a deduction from shareholders' funds. The Ordinary Shares were transferred at their value on 1 April 2003. The historical cost of the Ordinary Shares is £1,755,000. The previous write-offs of this value have not been reversed and remain in the profit and loss account as in the opinion of the Directors these represent a realised loss for the Group.

The impact of adopting UITF 38 was accordingly to reduce net assets at 1 April 2003 by £86,000, and to increase the loss for the six months to 30 September 2003 by £88,000. Accordingly, net assets at 30 September 2003 are £174,000 lower than previously reported.

5. Tax charge

The annual effective tax rate is 30% (six months to 30 September 2003: 30%, year ended 31 March 2004: 30%). There is no tax charge as there are trading losses brought forward.

6. Earnings per share

The earnings per share of 0.02p (six months to 30 September 2003: loss per share (0.92)p) and the diluted earnings per share of 0.02p (six months to 30 September 2003: loss per share (0.92)p) have been calculated based on the attributable profit to shareholders of £21,000 (six months to 30 September 2003: loss £(771,000).

The weighted average number of shares in issue during the period (excluding those held by the Group's EBT) were:

2003/04 Full year £'000		2004/05 Half year £'000	2003/04 Half year £'000
84,096	Basic	84,643	83,667
21	Share option adjustment	-	-
84,117	Diluted	84,643	83,667

7. Reconciliation of operating loss to net cash inflow from operating activities

2003/04 Full year £'000		**2004/05 Half year £'000**	**2003/04 Half year £'000**
(1,445)	Operating Profit / (loss)	59	(714)
133	Amortisation of goodwill	55	72
500	Impairment of intangible fixed assets	-	-
1,064	Depreciation of tangible fixed assets	497	554
(347)	Stocks and work-in-progress	(930)	(687)
1,062	Debtors	1,983	1,095
1,192	Creditors	(1,370)	132
40	Provisions for liabilities and charges	(195)	19
2,199	Net cash inflow from operating activities	99	471

8. Analysis of net debt

31 March 2004 £'000		**30 September 2004 £'000**	**30 September 2003 £'000**
103	Cash	87	166
(444)	Borrowings	(583)	(1,856)
-	Finance lease obligations	-	(75)
(341)	Net debt	(496)	(1,765)

9. Provisions

The movement in provisions for the six months was as follows:

	£'000
As at 31 March 2004	1,179
Utilised	(195)
Adjustment arising from discounting	29
As at 30 September 2004	1,013

10. Reserves

The movement on reserves for the six months was as follows:

	Own Shares	**Share premium**	**Capital redemption reserve**	**Other reserves**	**Profit and loss account**	**Total**
		£'000	**£'000**	**£'000**	**£'000**	**£'000**
As at 31 March 2004 (as restated)	(86)	7,262	7,874	733	(11,173)	4,610
Retained profit for the period	-	-	-	-	21	21
As at 30 September 2004	(86)	7,262	7,874	733	(11,152)	4,631

This statement is being sent to all shareholders. It is available to the public at SPG Media Group PLC's registered office at 55 North Wharf Road, London W2 1LA, and at the offices of Capita IRG Plc, the Company's registrars, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.