themission®
marketing group plc

Interim Report 2010

For the six months ended 30 June 2010

The Mission Marketing Group plc is a national network of creative communications agencies with 11 offices around the UK.

thinkApril-Six *is an integrated communications agency specialising in the technology sector. They live for IT, drawing on decades of experience to create campaigns that deliver real impact and results. Some of the world's biggest technology brands such as Microsoft, Canon and VMware trust thinkApril-Six to deliver expert strategic thought and powerful creative across the globe, aimed at their channel, end-user, industry and internal audiences. Being based near Heathrow helps the agency meticulously service its clients, many of which are headquartered in the US.*

thinkBDW *provides specialist marketing, market research, advertising, media, brochures, signage, exhibitions, CGI, animation, internet and touch-screen services to the property sector. Its clients include some of the UK's leading house building, property development and estate agency groups. Under the thinkBDW and thinkMedia brands, the agency operates from Colchester and London and, through the Group's locations, offers presence throughout the UK.*

Big Communications *is a full service communications agency, based in Leicester. With a national reputation for creative excellence, Big Communications has more than 200 awards under its belt. The agency's client list is equally impressive and features famous brands including WKD, Holland and Barrett, Jewson and Domino's Pizza.*

Bray Leino *is a UK top 20 communications group with businesses in advertising, digital, 3D spaces, media, direct response, training and PR. Using its unique UnlimitedThinking™ methodology in combination with an unparalleled range of specialists, Bray Leino's model delivers communications that are both measurable and highly innovative. With over 300 people in London, Filleigh, Bristol, Chester and Edinburgh, the agency services a wide range of national and international businesses, such as The Royal Mint, Axa, Wrigley, BP, Legal & General, 2011 Census and Virgin Media along with household names like Bazuka, Covonia, Freederm, Shloer, Danepak, Superdry and Dentyl.*

Fuse Digital *has a belief that building a website is just part of delivering a brand experience online. As a digital communications specialist, delivering tools from search to social media, Fuse has a* *robust technical knowledge that is backed by award-winning creativity, insight and strategic thinking for leading companies including GSK and Miele.*

thinkRLA *is an award-winning, integrated, communications agency with offices in Bournemouth, Belfast and London. The UK's leading Automotive specialist, thinkRLA is also expert in Trade Programme and Sales Promotion delivery, Retail Network integration and the Retail, B2B, Travel and Financial Services sectors. Strategic, specialist, creative, innovative and highly regarded, thinkRLA's clients include Volkswagen Group, Scania, Manchester Airports Group, TNT Post, Kia, Lidl and Peugeot.*

Story *is an award-winning brand development and creative direct communications agency based in Edinburgh and London. Its client list includes The Glenmorangie Company, Scottish and Southern Energy, The Scottish Government and First Direct. Story is known as 'the best selling agency' because it produces work, off and online, that makes its clients millions of pounds worth of additional sales. Put simply, 'Story's work works'.*

Agencies in themission® are located primarily outside central London meaning that both our businesses and their people can enjoy lower costs and associated lifestyle benefits.

In an industry that is based on talent and the consistent delivery of effective work, we are proud that our agency teams have again been recognised nationally and internationally for their leadership – in creativity, in originality and in achieving business goals.

We continue to attract and develop top quality staff and we enable development of best practice and learning through our Group initiative, onemission™, which stimulates collaborative working through specialist expert networks. Equally, we are delighted that through share ownership and savings and incentive schemes, every member of themission® can have a stake in the future of the Group.

All of us in themission® are also mindful of the bigger picture; developing long term relationships based on adding value and mutual respect. We will continue to look for ways to enhance our already strong environmental credentials.

Contents ***Page***

Highlights
Interim results for the six months to 30 June 2010

The Mission Marketing Group plc ("TMMG" or "the**mission®**"), the UK marketing communications group, sets out its interim results for the six months ended 30 June 2010.

Trading

- Good new business wins in the period, including Danepak, Travelers Insurance, Café Direct, moneysupermarket.com, nPower, Vogels, Mankind, Fosters Wines, Sensodyne, Targus, Vmware, Lawson, Acxiom, RM, Redrow and Scania Trucks as well as Smoking and Alcohol and Greener Scotland campaigns for the Scottish Government
- Net annualised new business of £1.4m operating income won in the year so far
- Strong relationships maintained with incumbent clients although, in some cases, client budgets were reduced and margins squeezed due to economic pressures

Balance sheet

- As announced in May 2010, acquisition liabilities eliminated in the period through equity conversion and a placing of new shares
- New agreement reached with the Group's bankers, resulting in facilities committed to 2013 and first repayment not due until June 2011
- Net bank debt reduced by £4.2m in the period to £15.9m
- Total gearing (bank plus vendor debt) reduced from almost 50% at 31 December 2009 to 30%

Income Statement

- Results in line with the Board's expectations
- Operating income (Revenue): £17.4m (2009: £18.6m)
- Headline operating profit: £1.9m (2009: £3.0m)
- Loss before tax: £0.2m (2009: profit of £1.7m)
- Headline Diluted EPS: 1.27 pence (2009: 4.79 pence) as a result of equity issue for acquisition liabilities and placing

Cash

- Cash inflow from operating activities of £4.2m (2009: £2.8m)
- Substantial improvement in cash conversion due to strong working capital management

Chairman's Statement

The first six months of this year has seen a lot of change within themission®. We have restructured and refinanced the business in a way that has helped us to return to core values and to focus more on organic growth by providing increased support to our agencies and helping them flourish by increasing their talent and skill base.

As part of our restructure, management of the agencies converted existing vendor debt to equity and have, as individuals, invested further in the Group. With a Board that now includes a representative from each agency, we are already seeing greater commitment to the Group and an increase in motivation that has led to greater sharing of ideas, business projects and expertise.

Whilst the market remains challenging, we are seeing increased interest and opportunities especially within the private sector. It is no secret that the public sector is undergoing change but I am confident that our actions and renewed support in this area will help alleviate any downside.

Our businesses are winning new clients, developing existing clients and bringing new and innovative ideas that will help us grow over the years to come. I have every confidence in the group of people who are running our business.

Results and dividend

Trading for the first half of 2010 was in line with management's expectations. Turnover for the six month period was marginally higher than last year at £43.4m (2009: £42.7m). Operating income however fell 6% to £17.4m (2009: £18.6m), the lower gross margin reflecting a higher proportion of media in the business mix and a general squeeze on margins, experienced by the industry as a whole. Reflecting the reduction in operating income, headline operating profit was lower, at £1.9m (2009: £3.0m).

Net interest payable increased to £1.1m (2009: £0.8m), primarily as a result of interest on outstanding vendor debt following the renegotiation of repayment profiles in May 2009.

After exceptional costs of £0.8m (2009: £0.4m) relating to the bank refinancing, and redundancy and restructuring costs, the loss before taxation was £0.2m (2009: profit of £1.7m) and the loss after tax was £0.1m (2009: profit of £1.2m). The headline diluted EPS was 1.27 pence (2009: 4.79 pence).

In line with our continuing focus on cash retention the Board does not propose the payment of an interim dividend.

Balance sheet

During the period we have restructured our balance sheet such that the Group now has a much more comfortable level of financial leverage. This has been accomplished by converting the majority of the outstanding vendor debt into equity, and a private placing of £1.3m cash which was used to redeem outstanding acquisition debt and associated interest.

As a result of the above, the balance sheet acquisition liabilities have reduced by £3.9m during the period to £0.1m. The increased focus on cash and working capital management has further strengthened our position, increasing the cash balance by £4.2m from £0.3m to £4.5m in the period. These together have reduced the total net debt position (bank plus vendor debt) by £8.1m to £15.9m, and improved the total net debt to equity ratio from 49% to 30%.

The refinancing agreement results in committed facilities until 2013 and also included a deferral of bank debt repayments until 2011 which will provide further breathing room during this period of economic recovery.

Current trading and outlook

Although operating profits in the first half of the year were lower than last year's, the Board can see improvements in the second half of the year. Some of the Group's specialist agencies, notably in the IT and property sectors, are showing strong market growth and good new business wins, whilst the integrated agencies have received commitments for the remainder of the year which indicate a more pronounced second half profit.

The Group has had a steady start to the year and the Board looks forward to the second half with increased confidence.

David Morgan
Chairman

Consolidated Statement of Comprehensive Income
for the 6 months ended 30 June 2010

	Note	**6 months to 30 June 2010 Unaudited £'000**	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
TURNOVER	**2**	**43,423**	42,682	85,976
Cost of sales		**(26,003)**	(24,129)	(49,837)
OPERATING INCOME	**2**	**17,420**	18,553	36,139
Operating expenses before exceptional items		**(15,616)**	(15,803)	(30,573)
OPERATING PROFIT BEFORE EXCEPTIONAL ITEMS	**2**	**1,804**	2,750	5,566
Goodwill impairment		**-**	-	(3,995)
Other exceptional items	**4**	**(833)**	(373)	(705)
OPERATING PROFIT		**971**	2,377	866
Investment income	**5**	**-**	-	11
Finance costs	**5**	**(1,119)**	(773)	(1,799)
IFRS interest charges	**5**	**(5)**	68	57
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**(153)**	1,672	(865)
Taxation	**6**	**42**	(449)	(1,097)
(LOSS) / PROFIT FOR THE PERIOD		**(111)**	1,223	(1,962)
Other comprehensive income		**-**	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		**(111)**	1,223	(1,962)
Basic earnings per share (pence)	**7**	**(0.27)**	3.72	(5.54)
Diluted earnings per share (pence)	**7**	**(0.27)**	3.72	(5.54)
Headline basic earnings per share (pence)	**7**	**1.34**	4.79	7.96
Headline diluted earnings per share (pence)	**7**	**1.27**	4.79	7.84

Consolidated Balance Sheet
as at 30 June 2010

	Note	**As at 30 June 2010 Unaudited £'000**	As at 30 June 2009 Unaudited £'000	As at 31 December 2009 Audited £'000
FIXED ASSETS				
Intangible assets	**8**	**68,254**	72,163	68,214
Property, plant and equipment		**1,971**	1,971	2,031
		70,225	74,134	70,245
CURRENT ASSETS				
Work in progress		**494**	1,743	525
Trade and other receivables		**15,548**	13,936	16,958
Cash and short term deposits		**4,499**	6,094	281
		20,541	21,773	17,764
CURRENT LIABILITIES				
Trade and other payables		**(8,268)**	(9,472)	(8,930)
Accruals		**(8,037)**	(6,403)	(4,384)
Corporation tax payable		**(261)**	(920)	(810)
Bank loans	**10**	**(1,012)**	(1,886)	(2,443)
Acquisition loan notes and shares	**9**	**(3)**	(662)	(314)
Acquisition contingent payments	**9**	**(69)**	(2,323)	(2,621)
		(17,650)	(21,666)	(19,502)
NET CURRENT ASSETS / (LIABILITIES)		**2,891**	107	(1,738)
TOTAL ASSETS LESS CURRENT LIABILITIES		**73,116**	74,241	68,507
NON CURRENT LIABILITIES				
Bank loans	**10**	**(19,339)**	(18,719)	(17,914)
Obligations under finance leases		**(122)**	-	(153)
Acquisition loan notes and shares	**9**	**-**	(199)	-
Acquisition contingent payments	**9**	**-**	(2,800)	(1,000)
Deferred tax liabilities		**(24)**	(72)	(21)
NET ASSETS		**53,631**	52,451	49,419
CAPITAL AND RESERVES				
Called up share capital		**7,246**	3,959	3,959
Share premium account		**39,542**	38,578	38,578
Own shares		**(1,259)**	(1,398)	(1,398)
Staff remuneration reserve		**112**	960	60
Retained earnings		**7,990**	10,352	8,220
TOTAL EQUITY		**53,631**	52,451	49,419

Consolidated Cash Flow Statement
for the 6 months ended 30 June 2010

	Note	**6 months to 30 June 2010 Unaudited £'000**	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
OPERATING CASH FLOW	**11**	**5,837**	4,763	3,315
Net finance costs		**(1,125)**	(937)	(1,757)
Tax paid		**(504)**	(986)	(1,778)
Net cash inflow / (outflow) from operating activities		**4,208**	2,840	(220)
INVESTING ACTIVITIES				
Proceeds on disposal of property, plant and equipment		**4**	16	48
Purchase of property, plant and equipment		**(309)**	(262)	(720)
Acquisition of subsidiaries		**(40)**	(78)	(118)
Acquisition of intellectual property rights		**-**	-	(20)
Net cash outflow from investing activities		**(345)**	(324)	(810)
FINANCING ACTIVITIES				
Repayments of amounts borrowed		**(876)**	(298)	(2,347)
Movement in HP creditor and finance leases		**(26)**	(10)	215
Receipts from long term loans		**-**	2,004	-
Repayment of long term loans		**-**	(1,614)	(53)
Proceeds on issue of ordinary share capital		**1,279**	1,000	1,000
Financing and share issue costs		**(22)**	(30)	(30)
Net cash inflow / (outflow) from financing activities		**355**	1,052	(1,215)
Increase/(Decrease) in cash and cash equivalents		**4,218**	3,568	(2,245)
Cash and cash equivalents at beginning of period		**281**	2,526	2,526
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**4,499**	6,094	281

Consolidated Statement of Changes in Equity
for the 6 months ended 30 June 2010

	Share capital £'000	Share premium £'000	Own shares £'000	Retained earnings £'000	Staff remuneration reserve £'000	Total £'000
Changes in equity						
At 1 January 2009	**3,308**	**36,643**	**(1,398)**	**9,129**	**800**	**48,482**
New shares issued	651	1,935	-	-	-	2,586
Credit for share option scheme	-	-	-	-	160	160
Profit for the period	-	-	-	1,223	-	1,223
At 30 June 2009	**3,959**	**38,578**	**(1,398)**	**10,352**	**960**	**52,451**
Credit for share option scheme	-	-	-	-	153	153
Waiver of share options	-	-	-	1,053	(1,053)	-
Loss for the period	-	-	-	(3,185)	-	(3,185)
At 31 December 2009	**3,959**	**38,578**	**(1,398)**	**8,220**	**60**	**49,419**
New shares issued	3,287	964	-	-	-	4,251
Credit for share option scheme	-	-	-	-	52	52
Shares awarded to employees from own shares	-	-	139	(119)	-	20
Loss for the period	-	-	-	(111)	-	(111)
At 30 June 2010	**7,246**	**39,542**	**(1,259)**	**7,990**	**112**	**53,631**

Notes to the unaudited Interim Report
for the 6 months ended 30 June 2010

1. Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union. These statements do not constitute a set of statutory financial statements within the meaning of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis and in accordance with the accounting policies adopted in the last audited statutory financial statements for the year ended 31 December 2009.

Going concern

The Board has substantially strengthened the Group's balance sheet in the period. Bank debt has been rescheduled, with committed facilities available to 2013, acquisition liabilities have been virtually eliminated through equity conversion and a placing of new shares, and the focus on cash management across the agencies has resulted in stronger operating cash flows.

The available banking facilities provide comfortable levels of headroom against the Group's projected cash flows and the Directors accordingly consider that it is appropriate to continue to adopt the going concern basis in preparing these interim financial statements.

Accounting estimates and judgements

The Group makes estimates and judgements concerning the future and the resulting estimates may, by definition, vary from the actual results. The Directors considered the critical accounting estimates and judgements used in the financial statements and concluded that the main areas of judgement are:

- Revenue recognition policies in respect of contracts which straddle the period end;
- Contingent deferred payments in respect of acquisitions;
- Recognition and quantification of share based payments; and
- Valuation of intangible assets.

These estimates are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances and are discussed, to the extent necessary, in more detail in their respective notes.

2. Segmental Information

Business segmentation

For management purposes the Group had seven operating subsidiaries during the period: Bray Leino Limited, Big Communications Limited, Fuse Digital Limited, thinkBDW Limited, April-Six Limited, Story UK Limited and RLA Group Limited. These have been divided into five segments which form the basis of the Group's primary segmentation, namely: Branding and Advertising, Digital and On-line, Events and Learning, Media and Public Relations.

	6 months to 30 June 2010 Unaudited £'000	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
		Turnover	
Business segment			
Branding and Advertising	**16,837**	16,155	32,925
Digital and On-line	**3,926**	4,652	9,758
Events and Learning	**4,854**	5,636	10,747
Media	**16,388**	14,946	29,407
Public Relations	**1,418**	1,293	3,139
	43,423	42,682	85,976
		Operating income	
Business segment			
Branding and Advertising	**10,398**	10,614	20,740
Digital and On-line	**2,621**	3,312	6,241
Events and Learning	**1,900**	2,169	3,995
Media	**1,468**	1,470	2,994
Public Relations	**1,033**	988	2,169
	17,420	18,553	36,139
		Operating profit before exceptional items	
Business segment			
Branding and Advertising	**1,785**	1,864	3,639
Digital and On-line	**440**	827	1,383
Events and Learning	**20**	161	262
Media	**375**	544	1,286
Public Relations	**6**	66	284
	2,626	3,462	6,854
Central costs	**(822)**	(712)	(1,288)
	1,804	2,750	5,566

Geographical segmentation

The Group's operations are all based in the UK and substantially all the Group's business is executed in the UK.

3. Reconciliation of Headline Profit to Reported Profit

	6 months to 30 June 2010 Unaudited £'000	6 months to 30 June 2009 Unaudited £'000	Year to 31 December 2009 Audited £'000
Headline profit before finance costs, income from investments and taxation	**1,878**	2,962	6,030
Net finance costs	**(1,119)**	(773)	(1,788)
Headline profit before taxation	**759**	2,189	4,242
Adjustments			
Redundancy and restructuring costs	**(74)**	(212)	(464)
Goodwill impairment	**-**	-	(3,995)
Other exceptional items	**(833)**	(373)	(705)
IFRS interest charges	**(5)**	68	57
Reported (loss) / profit before taxation	**(153)**	1,672	(865)
Headline profit before tax	**759**	2,189	4,242
Headline taxation	**(213)**	(613)	(1,424)
Headline profit after taxation	**546**	1,576	2,818
Adjustments			
Redundancy and restructuring costs	**(74)**	(212)	(464)
Goodwill impairment	**-**	-	(3,995)
Other exceptional items	**(833)**	(373)	(705)
IFRS interest charges	**(5)**	68	57
Taxation impact	**255**	164	327
Reported profit after taxation	**(111)**	1,223	(1,962)

4. Other exceptional items

Other exceptional items consist of professional fees relating to the re-structuring and re-scheduling of bank facilities and outstanding acquisition obligations, including the equity conversion and placing of new shares, and amounts payable as a result of the restructuring of the Board.

5. Investment income and Finance costs

	6 months to 30 June 2010 Unaudited £'000	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
Investment income:			
Interest receivable	**-**	-	11
Finance costs:			
On bank loans and overdrafts	**(730)**	(614)	(1,307)
On loan notes	**(299)**	(73)	(210)
Amortisation of bank debt renegotiation fee	**(90)**	(86)	(282)
	(1,119)	(773)	(1,799)
IFRS interest charges:			
Finance cost of deferred consideration	**(5)**	68	57
Total net finance cost	**(1,124)**	(705)	(1,731)

The amortisation of bank renegotiation fee consists of fees payable to the bank relating to the bank debt re-negotiation which are being amortised over the life of the credit agreement.

6. Taxation

The taxation charge for the period ended 30 June 2010 has been based on an estimated effective tax rate on profit on ordinary activities prior to IFRS interest charges of 28% (30 June 2009: 28%).

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data, determined in accordance with the provisions of IAS33: "Earnings per Share".

	6 months to 30 June 2010 Unaudited £'000	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
Earnings			
Earnings for the purpose of reported earnings per share being net profit attributable to equity holders of the parent	**(111)**	1,223	(1,962)
Earnings for the purposes of headline earnings per share (see note 3)	**546**	1,576	2,818
Number of shares			
Weighted average number of ordinary shares for the purpose of basic earnings per share and reported diluted earnings per share	**40,866,663**	32,882,015	35,409,542
Dilutive effect of securities:			
Share options	**2,226,790**	-	547,946
Weighted average number of ordinary shares for the purpose of headline diluted earnings per share	**43,093,453**	32,882,015	35,957,488
Reported basis:			
Basic earnings per share (pence)	**(0.27)**	3.72	(5.54)
Diluted earnings per share (pence)	**(0.27)**	3.72	(5.54)
Headline basis:			
Basic earnings per share (pence)	**1.34**	4.79	7.96
Diluted earnings per share (pence)	**1.27**	4.79	7.84

Basic earnings per share includes shares to be issued subject only to time as if they had been issued at the beginning of the period.

Options issued are included in diluted earnings per share to the extent that the market price is above the exercise price in accordance with IAS33.

8. Goodwill

	£'000
At 1 January 2009	**74,495**
Recognised on acquisition of subsidiaries	(26)
Adjustment to consideration and net assets	(2,362)
At 30 June 2009	**72,107**
Recognised on acquisition of subsidiaries	26
Adjustment to consideration and net assets	2
Goodwill impairment	(3,995)
At 31 December 2009	**68,140**
Adjustment to consideration and net assets	42
At 30 June 2010	**68,182**

The adjustments to consideration relate to changes in the estimated deferred consideration in the earn-out period under the terms of the relevant sale and purchase agreement.

In accordance with the Group's accounting policies, an annual impairment test is applied to the carrying value of goodwill. Goodwill is not amortised.

Goodwill is comprised of the following substantial components:

	30 June 2010 Unaudited £'000	30 June 2009 Unaudited £'000	31 December 2009 Audited £'000
Big Communications Ltd/Fuse Digital Ltd	**8,125**	8,125	8,125
Bray Leino Ltd	**28,413**	28,383	28,413
April–Six Ltd	**9,411**	9,411	9,411
thinkBDW Ltd	**6,283**	6,283	6,283
The Driver Is Ltd	**349**	366	349
Story UK Ltd	**6,969**	6,969	6,969
PCM Ltd	**707**	700	705
RLA Group Ltd	**6,575**	10,570	6,575
Rhythmm Communications Group Ltd	**520**	470	480
BroadSkill Ltd	**830**	830	830
	68,182	72,107	68,140

Other Intangible Assets

	30 June 2010 Unaudited £'000	30 June 2009 Unaudited £'000	31 December 2009 Audited £'000
Intellectual property rights	**72**	56	74

Other intangible assets consist of intellectual property rights which are amortised over 20 years. The amortisation charge for the period ended 30 June 2010 was £2,000 (2009: £1,500).

9. Acquisition loan notes and acquisition contingent payments

The terms of an acquisition may provide that the value of the purchase consideration, which may be payable in cash or shares or other securities at a future date, depends on uncertain future events such as the future performance of the acquired company. The directors estimate that the liability for payments that may be due are as follows:

	Initial Consideration Loan Notes	**Additional Consideration Loan Notes**	**Additional Consideration Shares to be issued**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
2009				
Less than one year	662	2,158	165	2,985
Between one and two years	199	2,800	-	2,999
At 30 June 2009	**861**	**4,958**	**165**	**5,984**
2010				
Less than one year	3	69	-	72
More than one year	-	-	-	-
At 30 June 2010	**3**	**69**	**-**	**72**

10. Bank Loans

	30 June 2010 £'000	30 June 2009 £'000
Bank loan outstanding	**20,326**	20,769
Accumulated interest	**223**	-
Adjustment to amortised cost	**(198)**	(164)
Carrying value of loan outstanding	**20,351**	20,605
The borrowings are repayable as follows:		
Less than one year	**1,012**	1,886
In one to two years	**4,000**	2,500
In more than two years but less than three years	**12,314**	16,383
In more than three years but less than four years	**3,000**	-
	20,326	20,769
Accumulated interest	**223**	-
Adjustment to amortised cost	**(198)**	(164)
	20,351	20,605
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(1,012)**	(1,886)
Amount due for settlement after 12 months	**19,339**	18,719

The revolving credit facility is subject to repayment on a quarterly basis, starting 30 June 2011, with maturity as shown above.

11. Notes to the consolidated cash flow statement

Reconciliation of operating income to operating cash flow

	6 months to 30 June 2010 Unaudited £'000	6 months to 30 June 2009 Unaudited £'000	Year ended 31 December 2009 Audited £'000
Operating profit	**971**	2,377	866
Depreciation charges	**371**	365	730
Gain on disposal of property, plant and equipment	**(4)**	(13)	(10)
Non cash charge for share options and shares awarded	**72**	160	313
Non cash goodwill impairment		-	3,995
Decrease in receivables	**1,410**	3,914	891
Decrease / (Increase) in work in progress	**31**	(1,158)	60
Increase / (Decrease) in payables	**2,986**	(882)	(3,530)
Operating cash flow	**5,837**	4,763	3,315

12. Post balance sheet events

There were no material post balance sheet events.

13. Availability of the Interim Report

Copies of the Interim Report will be available from the Company's registered office at 14-18 Noel Street, London, W1F 8GN and on the Group's website, www.themission.co.uk

INDEPENDENT REVIEW REPORT TO THE MISSION MARKETING GROUP PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2010 which comprises the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Cash flow Statement, Consolidated Statement of Changes in Equity and the related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Rules of the Alternative Investment Market.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRS as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 30 June 2010 is not prepared in accordance with International Accounting Standard 34 as adopted by the European Union and the Rules of the Alternative Investment Market.

Kingston Smith LLP

141 Wardour Street
London
W1F 0UT

Head Office:
14-18 Noel Street
London
W1F 8GN

Secretary:
Capita Registrars

Registered Office:
14-18 Noel Street
London
W1F 8GN

Nominated Adviser and Broker:
Seymour Pierce Limited
20 Old Bailey
London
EC4M 7EN

Auditors:
Kingston Smith LLP
141 Wardour Street
London
W1F 0UT

Registrars:
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Company Registration Number: 05733632

Company Website: www.themission.co.uk

The Mission Marketing Group plc
14-18 Noel Street
London W1F 8GN

T +44 (0)20 7758 3525
F +44 (0)20 7494 4996
W **www.themission.co.uk**