

For Immediate Release

12 August 2009

TSE Group plc
(“TSE” or “the Company” or “the Group”)

Interim Results

CHAIRMAN’S STATEMENT

I am delighted to report a strong trading period for the six months ended 30 June 2009. Revenue has grown by over 33% to £818,212 (6 months ended 30 June 2008: £611,875) and profit before tax has almost doubled to £101,361 (6 months ended 30 June 2008: £54,976).

During this period we continued to develop the recognised TSE brand with the announcement of our new Sports Performance division headed up by Steve Roush, the former highly successful Director of Sports Performance at the United States Olympic Committee; this division has already secured its first assignments in Saudi Arabia and Turkey. A further new business line on Event Appraisal was launched in May, enabling us to offer our public sector clients a full scale cost/benefit analysis of sports events. This new business line is headed up by Jorgen Hansen, from TSE Scandinavia in Copenhagen.

Our international expansion continues with the opening of our Middle East office in Dubai, which was announced at our Annual General Meeting last month. This new office is already in discussion with a number of potential clients in the region.

Our current activity levels are at the highest the Company has achieved and it is reassuring to know that there are also a number of significant proposals and responses to tenders in the pipeline which, if successful, would be commissioned in late 2009 and 2010.

Our strategy has historically been to grow TSE organically, and although the rate of growth has been slower than first anticipated, due largely to the global recession, the strategy of organic growth through geographical expansion has provided the Company with a solid and respectable position in its marketplace with significant potential for future development.

We have currently contracted 75% of our 2009 budget and, subject to any unforeseen circumstances, we believe that 2009 will be another year of significant development and progress for TSE.

Adam Reynolds
Chairman

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BUSINESS REVIEW FOR THE 6 MONTHS ENDED 30 JUNE 2009

The principle activity of the Group remains that of an International sports consultancy, whose main business activities are based in Lausanne, Switzerland. For transparency, the TSE Consultancy SA results have also been disclosed separately in note 4 of the financial statements.

Group revenue increased by 33% to £818,212 in the period (6 months ended 30 Jun 2008: £611,875), reflecting both strong growth from the underlying business as well as the benefit of a favourable exchange rate movement. Whilst sales originating from the Swiss head office were up by over 20% on the same period last year (from £387,900 to £471,419), the international offices jointly experienced growth of over 50% over the same period (from £223,975 to £346,793). The main international growth came from the US and South Africa territories, which have both benefitted from new contracts gained at the beginning of the year. This is testament to a successful business model of geographical organic growth through the continuous opening of new TSE offices around the world, a strategy which the Board intends to continue in the future.

The Group generated a profit before tax of £101,361 (6 months ended 30 Jun 2008: £54,976) in the period, the growth being generated mainly through the increased sales from the international offices. The Board continues to closely control its operational and corporate cost base, with direct and indirect costs only increasing by around 5%, excluding the impact of exchange rates, during the period.

The Group's cash reserves were £69,461 at the period end (30 Jun 2008: £62,887), reflecting a decrease from the balance of £155,523 as shown in the financial statements as at 31 December 2008. Whilst the underlying business is cash generative, the strong sales growth experienced during the period has resulted in an increase in trade receivables at the period end. These receivables are fully recoverable and reflect the impact of both increased sales growth and the fact that a higher than usual level of work was billed, and not yet collected at the period end, during the months of May and June. The Board expects the cash reserves to increase during the remainder of the year and will ensure efforts are made to reduce the general level of debtor days.

The Board continues to manage its cash and payables with the same diligence as its receivables. In November 2008, the Group took the decision to utilise some of its then surplus cash reserves to reduce some of its contracted liabilities. As such, it paid Mr Lars Hae-Pedersen and Mr Robin Courage £50,000 each, being their outstanding contractual 2nd stage deferred cash consideration payments relating to the acquisition of Wilton International Consulting Limited approved by shareholders in August 2007. At the same time, the Group decided to repay £55,000 out of a total £100,000 owed to Wilton International Management Group Limited in relation to a debt owed to it by Wilton International Consulting Limited. The remaining £45,000, which is included under current liabilities at the period end, will be repaid during August 2009 from existing resources.

It should be noted that the Group takes the decision to expense most of the initial costs of the opening of its international offices to the Income Statement. The Board feels that this is a prudent approach to take, given that the new offices can sometimes take a year or more to become profitable.

The Board is delighted with these results, particularly given the current global economic crisis, and looks forward to the remainder of the year with confidence.

Paul Foulger
Finance Director

TSE GROUP PLC

**CONSOLIDATED INCOME STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2009**

	Notes	Unaudited 6 months ended 30 June 2009 £	Unaudited 6 months ended 30 June 2008 £	Audited Year ended 31 December 2008 £
Group revenue	2	818,212	611,875	1,103,053
Operating costs		(707,805)	(551,716)	(1,065,196)
Operating Profit		110,407	60,159	37,857
Finance revenue		7,459	1,602	19,713
Finance costs		(16,505)	(6,785)	(25,666)
Profit before tax		101,361	54,976	31,904
Taxation		(27,522)	(12,095)	(9,242)
Profit for the period		73,839	42,881	22,662
Earnings per share (basic)	3	0.01p	0.01p	0.004p
Earnings per share (diluted)	3	0.01p	0.01p	0.003p

TSE GROUP PLC

**CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009**

	Unaudited as at 30 June 2009 £	Unaudited as at 30 June 2008 £	Audited as at 31 December 2008 £
Non-current assets			
Intangible assets	2,177,988	1,737,158	2,482,721
Property, plant and equipment	45,668	25,443	38,219
Current assets			
Trade and other receivables	690,444	453,975	552,460
Cash and cash equivalents	69,461	62,887	155,523
	<u>759,905</u>	<u>516,862</u>	<u>707,983</u>
Current liabilities			
Trade and other payables	(413,440)	(406,144)	(394,727)
Net current assets	<u>346,465</u>	<u>110,718</u>	<u>313,256</u>
Total assets less current liabilities	<u>2,570,121</u>	<u>1,873,319</u>	<u>2,834,196</u>
Non-current liabilities			
Long term payables	-	(200,000)	-
Provision for liabilities and charges	-	-	-
Net assets	<u>2,570,121</u>	<u>1,673,319</u>	<u>2,834,196</u>
Equity			
Issued share capital	1,457,600	1,231,900	1,457,600
Shares to be issued reserve	136,000	204,000	136,000
Share premium account	2,791,920	2,608,385	2,791,920
Retained losses	(2,289,114)	(2,370,966)	(2,371,679)
Translation reserve	473,715	-	820,355
Shareholders' funds	<u>2,570,121</u>	<u>1,673,319</u>	<u>2,834,196</u>

The financial statements were approved by the Board of Directors on 12 August 2009.

Paul Foulger
Director

TSE GROUP PLC

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE 6 MONTHS ENDED 30 JUNE 2009**

	Unaudited 6 months ended 30 June 2009 £	Unaudited 6 months ended 30 June 2008 £	Audited Year to 31 December 2008 £
Cash flow from operating activities			
Operating profit	110,407	60,159	37,857
Adjusted for:			
Depreciation	7,900	-	13,012
(Increase)/decrease in trade and other receivables	(137,984)	(84,302)	(97,171)
Increase/(decrease) in trade payables	(50,716)	757	5,213
Share based payments P&L charge	8,726	-	19,506
Decrease in provisions	-	-	(35,114)
Foreign exchange loss	-	-	7,912
Tax refunded / (paid)	-	-	(50,983)
Net cash from operating activities	<u>(61,667)</u>	<u>(23,386)</u>	<u>(99,768)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	(15,349)	(6,489)	(28,171)
Acquisition of subsidiary, net of cash acquired	-	-	(17,432)
Interest received	7,459	1,602	19,713
Interest paid	(16,505)	(6,785)	(25,666)
Net cash outflow from investing activities	<u>(24,395)</u>	<u>(11,672)</u>	<u>(51,556)</u>
Cash flows from financing activities			
Proceeds from the issue of shares (net of issue costs)	-	-	341,235
Payment of deferred cash consideration relating to the acquisition of Wilton International Consulting Limited	-	-	(100,000)
Repayment of debt assumed on the acquisition of Wilton International Consulting Limited	-	-	(55,000)
Net cash used in financing activities	<u>-</u>	<u>-</u>	<u>186,235</u>
Net increase in cash & cash equivalents	(86,062)	(35,058)	34,911
Opening cash & cash equivalents	155,523	97,945	97,945
Effect of exchange rate changes	-	-	22,667
Closing cash & cash equivalents	<u>69,461</u>	<u>62,887</u>	<u>155,523</u>

TSE GROUP PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS ENDED 30 JUNE 2009**

	Share Capital £	Shares to be Issued Reserve £	Share Premium £	Profit and Loss account £	Translation reserve	Total equity £
Balance at 1 January 2008	1,231,900	204,000	2,608,385	(2,413,847)	-	1,630,438
Profit for the period	-	-	-	42,881	-	42,881
Balance at 30 June 2008	1,231,900	204,000	2,608,385	(2,370,966)	-	1,673,319
Loss for the period	-	-	-	(20,219)	-	(20,219)
Shares issued	-	(68,000)	-	-	-	(68,000)
Issue of share capital	225,700	-	212,390	-	-	438,090
Expenses of share issue	-	-	(28,855)	-	-	(28,855)
IFRS2 charge – Credited to reserves	-	-	-	19,506	-	19,506
Exchange difference	-	-	-	-	820,355	820,355
Balance at 31 December 2008	1,457,600	136,000	2,791,920	(2,371,679)	820,355	2,834,196
Profit for the period	-	-	-	73,839	-	73,839
IFRS2 charge – Credited to reserves	-	-	-	8,726	-	8,726
Exchange difference	-	-	-	-	(346,640)	(346,640)
Balance at 30 June 2009	1,457,600	136,000	2,791,920	(2,289,114)	473,715	2,570,121

TSE GROUP PLC

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

1. General Information

TSE Group plc is a public limited company incorporated in the United Kingdom (Registration Number 05353387). The address of the registered office is 14 Kinnerton Place South, London SW1X 8EH. The principal activity of the Company is that of an International Sports Consultancy firm.

The comparative figures included in this report for the six months ended 30 June 2008 are unaudited. The twelve months to 31 December 2008 are audited.

The financial information in this statement does not constitute statutory accounts under Section 434 of the Companies Act and was not subject to a formal review by the auditors. The financial information in respect of the year ended 31 December 2008 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The auditors' report on those 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 a basis consistent with the accounting policies set out in the Group's statutory accounts for the year ended 31 December 2008. Fixed annual charges are apportioned to the interim period on the basis of time elapsed. Other expenses are accrued in accordance with the same principles used in the preparation of the annual accounts.

2. Segmental reporting

The board considers that the Group has a single business segment which delivers international sports consultancy services. The revenue, expenditure and result reported in the income statement and the assets and liabilities reported in the balance sheet all relate to this single segment. An analysis of turnover by geographical destination is given below.

	Unaudited 6 months ended 30 June 2009 £	Unaudited 6 months ended 30 June 2008 £	Audited Year ended 31 December 2008 £
Europe (including Cayman Island and Switzerland)	471,419	387,900	624,011
Africa	187,103	17,524	17,826
America	111,232	102,766	209,145
Asia	48,458	103,685	252,071
Australia/Oceania	-	-	-
	<u>818,212</u>	<u>611,875</u>	<u>1,103,053</u>

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NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

3. Earnings per share

Earnings per share has been calculated using the weighted average number of shares in issue during the relevant financial period. The weighted number of equity shares in issue and the earnings, being the profit after tax, are as follows:

	Unaudited 6 months ended 30 June 2009	Unaudited 6 months ended 30 June 2008	Audited year ended 31 December 2008
	Number	Number	Number
Weighted average number of shares (ordinary)	809,600,000	583,900,000	645,685,714
Weighted average number of shares (dilutive)	851,373,973	583,900,000	682,985,714
	£	£	£
Profit for the period/year	73,839	42,881	22,662
Basic earnings per share	0.01p	0.01p	0.004p
Diluted earnings per share	0.01p	0.01p	0.003p

TSE GROUP PLC

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

4. TSE Consulting SA

The results of TSE Consulting SA are consolidated in the Interim financial statements and are shown below:

TSE Consulting SA - Income Statement

	Note	Unaudited 6 months ended 30 June 2009 £	Unaudited 6 months ended 30 June 2008 £	Audited Year ended 31 December 2008 £
Revenue	1	818,212	611,875	1,061,509
Operating costs		(595,472)	(467,882)	(1,014,627)
Operating Profit	1	<u>222,740</u>	<u>143,993</u>	<u>46,882</u>
Finance revenue		6,857	209	17,389
Finance costs		(16,505)	(6,785)	(26,975)
Profit before tax	1	<u>213,092</u>	<u>137,417</u>	<u>37,296</u>
Taxation		(53,273)	(12,095)	(9,242)
Profit for the period	1	<u><u>159,819</u></u>	<u><u>125,322</u></u>	<u><u>28,054</u></u>

Notes

1. Revenue

During the year ended 31 December 2008, an additional £42,000 of international sales, attributable to TSE Consulting SA and an additional £42,000 of profit, was recognised separately by TSE Group plc and accordingly have not been included in the income statement set out above. Accordingly, the revenue and operating profit for TSE Consulting SA together with these additional international sales and associated profit amounted to £1,103,509 and £88,882 respectively.

TSE GROUP PLC

NOTES TO THE INTERIM UNAUDITED FINANCIAL STATEMENTS

TSE Consulting SA - Balance Sheet

	Unaudited as at 30 June 2009 £	Unaudited as at 30 June 2008 £	Audited as at 31 December 2008 £
Non-current assets			
Property, plant and equipment	45,668	25,443	43,883
	45,668	25,443	43,883
Current assets			
Trade and other receivables	643,680	435,413	493,478
Cash and cash equivalents	6,967	17,333	18,395
	650,647	452,746	511,873
Current liabilities			
Trade and other payables	(202,166)	(149,601)	(233,132)
Net current assets	448,481	303,145	278,741
Total assets less current liabilities	494,149	328,588	322,624
Equity			
Issued share capital	45,455	45,455	45,455
Retained earnings	448,694	283,133	277,169
Shareholders' funds	494,149	328,588	322,624

5. A copy of this announcement is available from the Company's web site, being www.tsegroupplc.com.

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