

1 September 2005

Tarsus Group plc

Interim results for the six months to 30 June 2005

STRONG FIRST HALF PERFORMANCE

Tarsus Group plc, the international business-to-business media group with interests in exhibitions, conferences and related publishing is pleased to announce record interim results for the six months to 30 June 2005.

The figures are being presented in accordance with IFRS for the first time and comparatives for 2004 have been restated where applicable. Further comments relating to the impact of IFRS are included in the notes to the financial statements.

Financial Highlights

- Organic growth* in revenue of 32%
- Profit before tax of £0.5 million (2004: loss £0.3 million)
- Adjusted profits before tax* up £1.0 million to £0.8 million (2004: loss £0.2 million)
- Basic EPS of 1.1p (2004: loss of 0.4p)
- Adjusted EPS 1.3p* (2004: loss of 0.3p)
- Continuing strong operating cash flow of £2.6 million (2004: £0.2 million)
- Maiden interim dividend of 1.0 pence

Glossary *

Organic growth	=	excluding the impact of acquisitions made in the second half of 2004 and first half of 2005.
Adjusted profit before tax	=	adjusted to add back share option charges, amortisation and minority interests' share of losses.
Adjusted EPS	=	calculated using profit after tax adjusted to add back share option charges, amortisation and minority interests' share of losses.

Operational Highlights

- Major US shows performed strongly and rebooking levels are high.
- Continued improvement in French performance, aided by acquisitions.
- Exhibition bookings for the year to date at 95% of our forecast.

Neville Buch, Chairman of Tarsus said:

“Our performance in the first half has been excellent and I am delighted that we have moved the company into profit at the interim stage for the first time. Our established products continue to grow well and their brand strength is enabling us to extend our reach into both closely related trade areas as well as new geographic markets. This will provide a strong platform for growth in coming years.

The Group's main events take place in the second half of the year and with exhibition bookings for the year to date now standing at 95% of our forecast, revenue visibility is high. In Europe, I am especially pleased both by the continued progress in France and the very promising outlook for our major show of the year- Labelexpo Europe – in September. I remain confident that 2005 will be a highly satisfactory year for Tarsus.”

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CHAIRMAN AND MANAGING DIRECTOR'S STATEMENT

INTRODUCTION

The first half of 2005 has witnessed another strong performance from Tarsus. Overall, our shows have performed well and we have continued to lay the foundations for further profitable growth in the years ahead. Most pleasingly, for the first time in Tarsus' history, we have posted profits at the interim stage through a combination of underlying organic growth, new launches and a first time contribution from the acquisitions we made in France in July 2004.

RESULTS

Group revenue, excluding our share of joint ventures, was £7.9 million (2004: £4.5 million) an increase of 76% with underlying organic growth of 32%.

Profit before tax was £0.5 million (2004: loss of £0.3 million). Adjusted profit before tax was £0.8 million (2004: loss of £0.2 million) of which £0.4 million came from acquisitions.

Basic earnings per share were 1.1p (2004: loss of 0.4p). Adjusted earnings per share were 1.3p (2004: loss of 0.3p).

Operating cash flow continued to be strong with £2.6 million generated in the period (2004: £0.2 million).

Given the strong first half performance and our confidence in the medium-term outlook for the Group, your directors are proposing an interim dividend for the first time in the Group's history, amounting to 1.0p per share. The interim dividend will be paid on 28 October 2005 to Shareholders on the Register of Members of the Company on 9 September 2005. As indicated at the time of our 2004 full-year

results, we expect the split between the interim and final dividends to be approximately one third and two thirds respectively and we will continue to offer a scrip alternative.

OPERATING REVIEW

USA

The US operations have again performed well with revenues up 20% at £2.4 million and adjusted profit 44% ahead at £0.8 million. The February Off-Price show produced revenues 10% higher than 2004 and since the period-end, the August show has turned in another record performance with revenues 4% ahead of last year.

A significant development for the Group saw the staging of two new exhibitions in the packaging market – one we know well as it is closely allied to labelling. Our Packaging Services Expo in May in Chicago was a great success. Unusually for a brand new exhibition in a new sector, it was profitable at the operating level. On the back of this success, we have launched a Packaging Containers and Materials Expo which will run alongside the second Packaging Services Expo in the US in May 2006 and be supported by no less than nine major trade associations. Consistent with our replication strategy, we will be holding a European Packaging Services event in Amsterdam in June 2006. The second launch in this period, a smart labels event covering Radio Frequency Identification took place in Baltimore in late June and was also profitable on its first edition.

Europe

Overall revenue rose by 70% to £5.6 million (2004: £3.3 million) and adjusted profit (including joint ventures) was £0.2 million compared to a loss of £0.6 million in 2004.

Our French business continued the good progress seen in the second half of last year. We have made two sets of acquisitions in France since July 2004 and we are confident that the increased scale of the business will be of great benefit in the future.

In July 2004 we acquired Solutions Linux and the 65% interest we did not already own in SeCA. The French division's revenues increased from £2.2 million to £3.9 million. Adjusted profit increased from £0.1 million to £0.8 million, of which £0.6 million was attributable to the Linux and SeCA acquisitions.

The acquisitions of Heavent and Mobile Office were completed in June 2005. Mobile Office takes place in December and the second of Heavent's annual events is in November – both are in Paris. Bookings for both exhibitions are in line with our expectations and as we commented at the time of acquisition, we anticipate that both will be earnings enhancing in 2005.

Revenue from our United Kingdom based operations significantly improved from £1.0 million to £1.6 million with adjusted losses reduced by 23% to £0.4 million. Healthy growth was seen in both our Labels and Labeling magazine and new media products.

Emerging markets

Revenue grew from £0.2 million to £0.5 million with an adjusted loss of £0.2 million (2004: adjusted profit of £0.1 million) reflecting the investment in the launch of the Beijing International Travel and

Tourism Market (BITTM). Two events took place in the first half. The first was BITTM, the first exclusively business-to-business outbound travel show in China which was held in Beijing in April. A significantly larger exhibition is expected in 2006 and we anticipate the event will become profitable in 2007. The second, a Latin America Label Summit, took place in Sao Paulo, Brazil and was profitable at its first edition.

We are encouraged by the medium-term prospects in China and to underline Tarsus' commitment, we have recently opened an office there in Shanghai to help us extend our marketing to potential Chinese customers.

In the second half, our largest show in these markets takes place, Labelexpo Asia in Shanghai, and it is on track to more than double the size of its previous edition.

OUTLOOK

A summary table of our major events is shown below :

Major Events	Date of next event	Next event m2 sold as at 1 Sept 05	Prior event m2 sold at date of event
Labelexpo Europe	Sept 05	26,643	23,664
Labelexpo Americas	Sept 06	16,350	16,410
Labelexpo Asia (China)	Dec 05	5,426	2,892
Off-Price Clothing	Feb 06*	Nil	9,365
Off-Price Clothing	Aug 05	10,022	9,734
Educattec	Nov 05	3,482	4,206
Heavent	Nov 05	5,764	5,612

* sales start in mid-September

Our portfolio of major events is growing in both a logical and controlled fashion. We are expanding our unrivalled Labelexpo franchise into new and growing geographic areas. We are exporting our labels expertise into the closely related packaging market where industrial innovation is driving demand for new products and information exchange. The Off-Price discount division continues to grow its core exhibition revenues while offering new opportunities in small, fast-growing related markets. Finally, we are providing critical mass to our French business through attractively priced acquisitions in its core areas of expertise, which will provide a stronger platform for growth.

Our businesses are performing well and remain extremely cash-generative. Our confidence for the future is underlined by the payment of a maiden interim dividend and we continue to expect 2005 to show substantial growth over 2004.

Neville Buch
Executive Chairman

Douglas Emslie
Group Managing Director