

Company Overview

The MKM Group is a specialist marketing services group, focused on providing solutions that enable our clients to build more effective relationships with their customers and thus improve their own financial performance. The Group is a quoted company on the London based AIM market.

The Group's primary trading subsidiaries are The Leapfrog Group and Promodus. The Leapfrog Group is a leader in the field of loyalty and sales promotion. Leapfrog's European operations are driven from Manchester, UK whilst the Asia Pacific operations are led from Sydney, Australia.

www.theleapfroggroup.com

Promodus is a London-based integrated marketing communications agency specialising in Financial Services, B2B and technology. Their in-house expertise spans planning, consultancy, creative, design & branding, advertising, direct marketing, internal marketing, digital, website design and PR.

www.promodus.co.uk

Recent News

Sep 09 **Full Year Results**
Continuing operations show revenues of £3.8m (2008: £3.8m) and a loss after tax of £898,000 (2008: £32,000). This result includes an exceptional expense relating to the impairment of the goodwill associated with the Promodus business. The Group ceased trading in its historical Australian subsidiaries within the year, due to the adverse Global macro-economic conditions. This generated a loss due to discontinued operations of £7.4m. Successful launch of Airport Angel product which has added significant value to the Group in relation to revenues achieved and product offerings.
Post year end, the Group sold its majority stake in Promodus Limited to Stripe Marketing, allowing increased managerial focus upon the remaining core UK activities. The Board view the prospects for the forthcoming 12 months positively as the interventions made within the reported year have established a solid base for growth of revenues achievable and international presence.

Apr 09 **Trading update and website change**
The company changed its website address with immediate effect to www.mkm-plc.com
A fundamental review of the Australian business has been completed and a significant restructuring has been agreed by the board. The Australian operations will now trade through Salad Marketing Pty Ltd as a wholly owned Group subsidiary and the remaining Australian businesses have ceased trading. This restructure is seeking to protect the majority of the Group's Australian obligations and its employees. Although the restructure will reduce the level of Australian turnover within the Group, it will also reduce any further Australian need for support from the Group.

The UK operations of the Group are expected to show an increase in revenue of 15% for the final 6 months of the financial year compared to the same period a year ago based upon positive reactions from current and potential clients to the Airport Angel product. This demonstrates our stated focus of continuing to secure long-term annuity accounts which are typically contracted for 3 to 4 years while continuing to develop our heritage product of short-term tactical promotions.
We remain committed to the Group's growth strategy and are cautiously optimistic about the longer-term prospects for the Group.

Jan 09 **Board Changes**
Non-Executive Chairman, Andrew Johnson and Non-Executive Director, Michael Squires resigned with immediate effect. The Board is continuing its programme of looking to recruit a Non-Executive director and Chairman in the near future and the Board is in negotiations with a number of candidates who would significantly strengthen the Board from a strategic and sector experience standpoint. The Board of MKM would like to acknowledge Mr. Johnson's and Mr. Squires' contributions to MKM.

Dec 08 **Total Voting Rights and Interim Results**
For the purposes of the provisions of the Financial Services Authority's Disclosure and Transparency Rules, the total number of ordinary shares of 0.5p each in the capital of the Company in issue as at the date of this notice is 93,287,760 with each share carrying the right to one vote.
During the first half, the Group continued to implement their strategy of building a robust loyalty and sales promotion business with the emphasis on securing multi-year loyalty and CRM contracts which provide greater visibility of future earnings. The first half results for the Group are a loss before tax of £99,000 (2007: profit of £318,000; 2007 pro-forma profit of £839,000). The reduction in profit mainly reflected the slow-down in tactical sales promotions across the business in addition to the current economic downturn.

Nov 08 **Issue of Equity and Board Changes**
The acquisition of the Leapfrog businesses in Australia, announced in August 2007, has been completed by the issue of 20.2m shares and £65K of cash to Brian Smillie and Richard Tenser who remain on the Board of Directors.
With immediate effect, Executive Chairman, Andrew Johnson, will become Non-executive Chairman and Brian Smillie, International Managing Director, will become Chief Executive. Additionally, Richard Tenser has advised the Board of his intention to resign early in 2009.

Financials

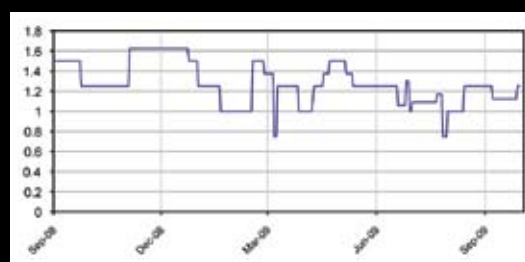
Financials on continued operations Y/E March	Actual 2008	Actual 2009
Sales (£m)	3.80	3.80
LBT (£m)	(0.30)	(0.91)
LPS (p)		(1.00)

TICKER: MKM

Share Price (pence)	1.3
Shares in Issue (million)*	93.2
Market Cap. (£m) *	1.2
PER (x)	1.7

Source: MKM Group website

SHARE PRICE



SHAREHOLDERS

	Number of shares held	% of overall shares in issue
Shareholders of more than 3%*		
Brian Smillie	22,618,919	24.24%
Richard Tenser	18,097,297	19.40%
Victor Koch	7,263,637	7.79%
Mark Koch	7,263,636	7.79%
Andrew Johnson	3,600,000	3.86%
WH Ireland Group plc	3,000,000	3.22%
Other shareholdings of less than 3%	31,444,271	33.70%
Total number of shares in issue	93,287,760	

KEY GROUP CONTACTS

Chief Executive Officer	Brian Smillie
Group Finance Director	Matthew Toynton
Nominated Advisor (WH Ireland)	John Wakefield
Broker:	WH Ireland

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