24 June 2009

Totally plc
("Totally" or the "Company")

Final results for the year ended 31 December 2008

CHAIRMAN'S STATEMENT

Group Overview

The Group comprises two UK based business divisions; a digital marketing agency, Totally Communications and a publishing division, Jewish News & Media Group.

Totally Communications has three main service sectors:

1. Website and software design & development
2. Consultancy & systems integration
3. Online marketing

Jewish News & Media Group publishes on and offline media for the UKs Jewish community including:

1. A weekly newspaper 'Jewish News'
2. A quarterly lifestyle magazine, 'Pulse'
3. An annual Celebrations magazine, 'TotallyJewishSimchas'
4. A community portal, 'www.TotallyJewish.com'

Disposal of Trading Subsidiary

As a result of a strategic review the company chose to focus primarily on its core UK businesses and in September 2008 disposed of its US based publishing business, Jewish Advocate Publishing Corporation, to the Grand Rebbe Korff. The board believed that its financial position had worsened from prior years. During the period under review it incurred an operating loss of £43,000 for the period to 31 August 2008.. The Independent Directors believed that a long term decline in the business of Jewish Advocate would have a serious effect on the financial prospects of the Company and would be a major distraction to the management.

In consideration for the sale, 20,500,000 million ordinary shares, which were held by the Grand Rebbe Korff, were redesignated as deferred shares and warrants to subscribe for 4,394,350 ordinary shares, which were also held by the Grand Rebbe Korff, were cancelled. The deferred shares are for all practical purposes worthless and have no voting rights, they carry no entitlement to attend general meetings of the Company nor do they have the right to receive dividends.

The disposal was carried out in a tax efficient manner but created a loss of £968,000 in the group income statement as the group was obliged to cancel the ordinary shares from the Grand Rebbe and recognise the deferred shares at nominal value therefore no consideration has been recognised in respect of the disposal.

Financial Summary

- During the period under review the Group's turnover from continuing operations was £1.68 million (2007: £1.84 million).

- Operating loss from continuing operations improved by £0.39 million to £0.064million (2007: £0.45 million)

- Administrative expenses for continuing operations before non-cash charges for amortisation and depreciation reduced by £0.28 million to £1.29million (2007: £1.55 million).

- Wages and staff costs reduced by £0.21 million to £1.12 million (2207: £1.34 million)

- Head office charges reduced by £0.21 million from £0.53 million to £0.32 million.

- Operating profit for the group's publishing division improved by £0.15 million to £0.073 million (2007: loss £0.078 million)

- Operating profit for the group's digital marketing division improved by £0.02 million to £0.18 million (2007: £0.16 million)

- Combined operating profit for the group's continuing operations minus head office charges improved by £0.17 million to £0.26 million (2007: £0.09 million).

- Group EBITDA from continuing operations for the period before head office charges was £0.29 million (2007: £0.35 million).

- Cash generated from continuing operations improved by £0.096 million to £0.023million (2007: loss £0.019 million).

- Basic loss per share on continuing operations improved by 0.3p per share to £0.1p (2007: £0.4p)

The group's balance sheet does not attribute any goodwill to the titles of the Publishing division. The board believes that this does not show an accurate representation of their true position.

Board, Staff and Clients
I would like to thank Totally's board and staff for their efforts over the period under review as well as our clients.

Prospects
Trading since the beginning of the current financial year has, despite the general economic climate, been stable and the Board anticipates a positive outcome for the full year.

Dr Michael Sinclair
Non-Executive Chairman
24 June 2009

FURTHER ENQUIRIES

Totally Plc www.totallyplc.com
Daniel Assor CEO 020 7692 6929

John East & Partners Limited
Simon Clements 020 7628 2200
Virginia Bull

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 £000	2007 £000
Continuing operations			
Revenue		1,684	1,836
Cost of Sales		(430)	(462)
Gross profit		1,254	1,374
Administrative expenses		(1,287)	(1,555)
Loss before interest, tax, depreciation and amortisation		(33)	(181)
Depreciation		(9)	(6)
Amortisation		(22)	(89)
Impairment		-	(176)
Operating loss		(64)	(452)
Finance costs		(40)	(39)
Loss before taxation		(104)	(491)
Income tax	2	18	24
Loss for the year from continuing operations		(86)	(467)
Discontinued operations			
(Loss)/Profit for the year from discontinued operations		(1,000)	124
Loss for the year attributable to Equity shareholders		(1,086)	(343)
Loss per share			
Basic			
Continuing operations	4	0.1p	0.4p
Discontinued operations	4	0.9p	(0.1p)
		1.0p	0.3p
Diluted			
Continuing operations	4	0.1p	0.4p
Discontinued operations	4	0.9p	(0.1p)
		1.0p	0.3p

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2008

			2008		2007
		£000	**£000**	**£000**	**£000**
Non current assets					
Goodwill and intangible fixed assets		51		1,014	
Property, plant and equipment		7		27	
			58		1,041
Current assets					
Inventories		-		8	
Trade and other receivables		290		433	
Cash and cash equivalents		14		94	
			304		535
Total assets			362		1,576
Current liabilities					
Trade and other payables			(338)		(475)
Borrowings – financial liabilities			(561)		(542)
			(899)		(1,017)
Non current liabilities					
Investment in joint venture			-		(28)
Total Liabilities			(899)		(1,045)
Net (liabilities)/assets			(537)		531
Shareholders' Equity					
Called up share capital	4		1,124		1,124
Share premium account	4		3,353		3,353
Translation reserve	4		-		1
Retained earnings	4		(5,014)		(3,947)
Equity shareholders (deficit)/funds			(537)		531

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008	2007
		£000	£000
Cash flows from operating activities			
Operating loss from continuing operations		(64)	(349)
Option charge		18	21
Share of joint venture loss		-	(4)
Amortisation and depreciation		31	270
Increase in inventories		1	1
Decrease/(Increase) in trade and other receivables		69	(21)
Decrease in trade and other payables		(32)	(37)
Cash generated/(utilised) from continuing operations		**23**	**(119)**
Loss/Profit before taxation from discontinued operations		(43)	31
Depreciation		3	4
Movement in working capital from discontinued operations		32	(9)
Cash (utilised)/generated from discontinued operations	3	**(8)**	**26**
R&D tax credit		18	24
Foreign tax on subsidiary profit		(5)	(7)
Net cash generated/(utilised) by operating activities		**28**	**(76)**
Cash flows from investing activities			
Purchase of non current asset		(8)	(80)
Cash disposed with subsidiary	3	(35)	-
Costs on disposal of subsidiary		(44)	-
Net cash utilised by investing activities		**(87)**	**(80)**
Cash outflow before financing		(59)	(156)
Cash flows from financing activities			
Interest paid		(40)	(38)
Issue of ordinary share capital		-	467
Receipt for exercise of share options		-	2
Net cash (utilised)/generated from financing activities		(40)	431
Net (decrease)/increase in cash and cash equivalents		**(99)**	**275**
Cash and cash equivalents at beginning of year		(448)	(723)
Cash and cash equivalents at 31 December	3	**(547)**	**(448)**

Cash and cash equivalents comprise:-

Cash and short term deposits	14	94
Bank overdrafts	(561)	(542)
	(547)	**(448)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008

	Share capital £000	Share premium account £000	Translation Reserve £000	Profit and loss account £000	Equity share-holders' funds £000
At 31 December 2006	901	3,107	2	(3,625)	385
Loss for the year	-	-	-	(343)	(343)
Share capital issued	223	246	-	-	469
Currency translation differences on foreign currency net investments	-	-	(1)	-	(1)
Credit on issue of share options	-	-	-	15	15
Credit on issue of warrants	-	-	-	6	6
At 31 December 2007	1,124	3,353	1	(3,947)	531
Loss for the year	-	-	-	(1,086)	(1,086)
Currency translation differences on foreign currency net investments	-	-	(1)	1	-
Credit on issue of share options	-	-	-	12	12
Credit on issue of warrants	-	-	-	6	6
At 31 December 2008	1,124	3,353	-	(5,014)	(537)

NOTES TO THE PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMEBR 2008

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by European Union ("adopted IFRSs"), and are in accordance with IFRS as issued by the IASB.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2007 and 2008, but is derived from those accounts. Statutory accounts for 2007 have been delivered to the Registrar of Companies and those for 2008 will be delivered following the Company's Annual General Meeting. The Auditors have reported on those accounts; their reports were unqualified and did not contain statements under the Companies Act 1985, sections 237(2) or (3).

The Group has confirmed the availability of a facility of £700,000 with Bank Hapoalim which was renewed on 22 September 2008 until 30 June 2009. As security for the facility, the bank has obtained the unlimited Joint and Several Guarantees of Dr Michael J. Sinclair (non-executive Chairman), and Mr Leo Noe.

In addition, a working capital facility of £50,000 has been agreed with Natwest which is secured on the Group's debtor book. This facility is due for renewal on 30 September 2009.

The Directors have prepared projected cash flow information for the period ending 12 months from the date of their approval of these financial statements.

On the basis of cash flow forecasts and discussions with the Group's bankers, the Directors consider that the Group will be able to operate within the facilities currently agreed.

Inherently, there can be no certainty in relation to these matters, but the Directors believe that the going concern basis of preparation continues to be appropriate.

2. TAXATION

a) Taxation charge

	2008 £000	2007 £000
Overseas income tax on subsidiary undertakings	**-**	7
Research and development tax credit	**(18)**	(24)
Total current income tax credit charged in the income statement	**(18)**	(17)

b) Taxation reconciliation

The current income tax credit for the period is explained below:

	2008 £000	2007 £000
Loss before tax	(1,086)	(360)
Taxation at the standard UK income tax rate of 28 per cent. (2007: 30 per cent.)	(304)	(108)
Research and Development tax credit	(18)	(24)
Deferred Tax movement not provided for	304	108
Foreign tax adjustment	-	7

Total income tax credit charged in the income statement	(18)	(17)

b) Deferred tax

Tax losses of £3,861,000 (2007: £3,776,000) are available to relieve future profits of the Group. A deferred tax asset has not been recognised in respect of these losses on the grounds of uncertainty in respect of when and the rate the losses will be recovered at.

3. NOTES TO THE CASH FLOW STATEMENT

(i) Cash flows relating to discontinued operations

	2008 £000	**2007 £000**
Cash flows from operating activities		
Profit before taxation from discontinued operations	(43)	31
Depreciation	3	4
Increase in inventories	6	(4)
Increase in trade and other receivables	28	10
Decrease in trade and other payables	(2)	(15)
	(8)	26
Foreign tax on subsidiary profit	(5)	(1)
Net cash (utilised)/generated by operating activities	(13)	25
Cash flows from investing activities		
Purchase of non current assets	-	(10)
Cash disposed with subsidiary	(35)	-
Net cash (utilised)/generated by investing activities	(35)	(10)
Cash outflow before financing	(48)	15
Cash flows from financing activities		
Interest received	-	1
Net cash from financing activities	-	1
Net increase/(decrease) in cash and cash equivalents	(48)	16
Cash and cash equivalents at beginning of year	48	32
Cash and cash equivalents at 31 December	-	48

4. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss of £1,086,000 (2007: £343,000) and on 107,322,909 (2007: 107,135,514) ordinary shares being the weighted average number of shares in issue during the period. The diluted loss per share is the same as the basic loss per share, in accordance with IAS33 which prescribes that potential ordinary shares should only be used as dilutive when, and only when, their conversion to ordinary shares would decrease net profit or increase net loss per share from continuing operations.

5. DIVIDEND

The Directors do not propose the payment of a dividend.

6. RELATED PARTY TRANSACTIONS

The Group has taken advantage of the exemption available under IAS 24, "Related Party Disclosures", not to disclose details of transactions with its subsidiary undertakings.

The following related party transactions have been carried out at arms length and are required to be disclosed in accordance with IAS24.

As set out in note 1, Dr Michael Sinclair, and Mr Leo Noe have provided guarantees in respect of the Group's current overdraft facility.

In 2008, purchases of £nil (2007: £3,714), on an arm's length basis were made from N Assor, wife of D Assor who is a board member of this Company. A balance of £nil (2007: £nil) is included in trade creditors at year end.

In 2008, purchases of £4,270 (2007: £3,030), on an arm's length basis were made from J Margolis, mother of A Margolis who is a director of Totallyjewish.com Limited. A balance of £1,000 (2007: £80) is included in trade creditors at year end.

Included in trade debtors is an amount of £30,194 (2007: £65,952) due from Totally Jewish Travel Inc., a company in which the Group had a joint venture interest, that was sold during the year. Sales of £53,515 (2007: £59,553) relating to the recharge of services to Totally Jewish Travel Inc have been made in the year. Balances of £17,584 due from Totally Jewish Travel Inc. (2007: £nil) have been written off during the year.

Included in trade debtors is an amount due of £nil (2007: £1,439) from Friends of Laniado UK, a registered charity of which Dr Michael Sinclair is also the chairman. Sales during the year amounted to £nil (2007: £734). At the year end a bad debt provision of £nil (2007: £1,439) was made in the accounts against outstanding trade debtor balances.

In 2008 fees of £25,000 (2007: £nil) have been charged by BDS Limited, a company where Dr Michael Sinclair is a director.

7. COPIES OF THE REPORT & ACCOUNTS

Copies of the Report and Accounts will be posted to shareholders shortly, will be available from the Company's registered office Unit 611 Highgate Studios, 53-79 Highgate Road, London NW5 1TL and are available from the Company's website www.totallyplc.com.