

Interactive Prospect Targeting Holdings Plc

(“IPTH”, “the Company” or “the Group”)
(AIM: “IPH”)

- **Sale of Directinet and Netcollections**
- **Repayment of Group Debt**
- **Disposal of Vincent Square Property**
- **Change of Company Name**
- **Annual Accounts 2008 and Interim Results 2009**
- **Trading in Company's Shares and De-listing Proposal**

Further to the announcement made on 9 July 2009 that the Group had received indicative proposals that may or may not result in an offer being made to acquire the Group's French subsidiaries, the Board of IPH announces that it has today reached agreement for the sale of Directinet SA (Directinet) and Netcollections SAS (Netcollections) and has also reached agreement for the disposal of the Group's interest in the property at Vincent Square.

Sale of Directinet and Netcollections

Following discussions over an extensive period with a number of parties, the Board announces that it has today reached agreement with Bisnode AB for the sale of Directinet and Netcollections. The disposal is subject to a number of conditions which include the following:

- the approval of Shareholders, which will be sought at the Company's Extraordinary General Meeting on 4 January 2010;
- the release of all relevant encumbrances in particular part of Barclays Bank PLC's security which is expected to be obtained at completion; and
- the buyer not exercising its right to terminate the Sale and Purchase Agreement if a relevant breach of warranty occurs prior to completion.

The amount receivable by the Group in respect of this sale comprises:

- An “Initial Consideration” of €7,000,000; and
- A “Balance Consideration” of €350,000,

subject to adjustments to take in account the “Actual Net Cash Amount” and the “Adjusted Working Capital Amount” of Directinet and Netcollections on 31 December 2009 as defined in the Sale and Purchase Agreement (“Adjustments”).

The Initial Consideration is payable on completion of the sale which is expected on or about 6 January 2010. The Balance Consideration (subject to the Adjustments) is payable following (i) the production of the accounts of Directinet and Netcollections for the year ended 31 December 2009 (by no later than 31 March 2010); and (ii) agreement on the extent of the Adjustments derived from those accounts. The Adjustments will vary on a day to day basis depending upon the cash flow and trading performance of Directinet and Netcollections.

The Sale and Purchase Agreement also provides for the possibility of an “Additional Consideration” of up to €1,000,000 linked to the operating performance of Directinet and Netcollections in 2009, but, based on the latest forecast of the current profitability of these companies, this is not expected to realise any further cash amounts.

In addition to the sale proceeds, the Group expects to receive settlement of amounts due by Directinet and Netcollections, amounting at the end of November 2009, to approximately €480,000. It is currently expected that the majority of this will be paid before completion with any balance paid by 31 March 2010.

The Group has given a number of warranties, but the Group's liability under them is capped at €100,000.

The total sale proceeds are below the aggregate of the price paid for Directinet when it was purchased in 2006 plus the amount that has been invested in Netcollections since it was formed in 2007. However, the Board believes that the price that has been obtained is the best price available at the present time and in the current economic climate, and that it is very much in the interests of the Group as a whole, and of Shareholders in particular, that Directinet and Netcollections should be sold on the basis negotiated.

The net earnings before interest and tax attributable to Directinet and Netcollections were €3,203,000 in the year ended 31 December 2008 and €139,000 in the six month period ended 30 June 2009. Directinet and Netcollections had net tangible assets of €2,134,000 as at 31 December 2008 and €2,214,000 as at 30 June 2009. In September 2009 Directinet declared a dividend of €2,000,000 part of which was applied to reduce intergroup indebtedness and the balance remitted to the UK and used for UK working capital purposes.

Repayment of Barclays Bank PLC Loan

The current outstanding Barclays Bank PLC loan of €3,900,000 plus accrued interest and certain bank fees will be repaid in full on completion of the sale of Directinet and Netcollections. The Bank retains its warrants to subscribe in cash for up to 3,000,000 ordinary shares in the Company at £0.004 per share.

The Board is grateful for the support it has received from the Bank over the last eighteen months or so since the original defaults first came to light.

Vincent Square

Since March 2009, the Board has been in discussion with the landlord of the Group's head offices at Vincent Square with a view to agreeing terms for the surrender of the Company's leasehold interests.

The Board announces that an agreement was signed today with the Vincent Square landlord under which the Group has acquired an option to assign the Vincent Square leases to the landlord's ultimate parent company shortly after the completion of the proposed sale of Directinet and Netcollections, thereby extinguishing all the Group's obligations under those leases.

The net cost of these assignments will be approximately £1,000,000 which will be satisfied out of the sale proceeds of Directinet and Netcollections. The Board has been advised that this is a good outcome for the Group and that the potential liability could have been significantly higher.

Maximising Shareholder Value

Once the sale of Directinet and Netcollections has been completed and the Bank and the Vincent Square landlord have been repaid, the Board intends to continue to manage the Group's interests with a view to maximising Shareholder value. Having previously disposed of its wholly-owned online direct marketing businesses in the UK and having sold NP6, with the sale of Directinet and Netcollections the Group will have disposed of its remaining subsidiaries and the former principal activity of the Group of providing online direct marketing will cease. Following the sale, the Group will comprise the Company and its principal wholly-owned subsidiary, Direct Excellence, and these companies will continue to trade as going concern investment holding companies whilst the Board seeks to maximise Shareholder value. This will involve the following:

- Dealing with post-completion issues in relation to the sale of Directinet and Netcollections, including the collection of any further amounts of consideration and the resolution of any warranty claims.
- Optimising the value of the Group's 12.2% interest in the ordinary share capital of Web-Clubs Limited ("WCL"), an online marketing business which is a closely held private company and in which the Group has had an investment for some years.
- Realising any remaining tax recoveries in France.
- Settling any remaining liabilities.

- Maximising the return from surplus funds held by the Group.
- Keeping the Group overhead as low as possible.
- Considering how best to return funds to Shareholders.

To mark this new phase in the Group's life, the Board proposes that the name of the Company be changed to Directex Realisations Plc and a resolution to this effect will be put to Shareholders at the forthcoming Annual General Meeting.

Annual Accounts and Interim Results

The Group's Accounts for the year ending 31 December 2008 and the Interim Results for the half year to 30 June 2009 are expected to be published by no later than 23 December 2009.

AIM Listing

Once the 2008 Accounts are sent to Shareholders, and the Interim Results for the half year to 30 June 2009 published, application will be made to the Stock Exchange for resumption of trading in the shares on AIM, and it is hoped that this will happen shortly thereafter.

The Board has concluded that the remaining activities are too small to warrant the continuation of the AIM listing and will be recommending to Shareholders at the 2009 Annual General Meeting which is currently expected to be held on 14 January 2010 that the Company be de-listed from AIM. If the resolution is approved, de-listing will take place on or about 22 January 2010.

General Meetings

Further particulars of the sale of Directinet and Netcollections will be set out in the Circular to Shareholders which will be issued by 16 December 2009 together with the Notice convening an Extraordinary General Meeting for 4 January 2010 at which the ordinary resolution for the approval of the disposal will be put to Shareholders.

Together with the issue of the 2008 Accounts, the Group will issue a circular convening the 2009 Annual General Meeting which will contain further particulars of the de-listing proposal and other business.

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ENQUIRIES:

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