

# Futuremedia Year in Review

The following Year in Review is presented by the company's CEO, George O'Leary.

Historically, the company conference calls have been poorly attended. With so much to talk about regarding the positive transformation of Futuremedia, I wanted to take this opportunity to invite as many shareholders, potential investors, and others interested in the company to listen in and participate on our next conference call scheduled for Wednesday, August 20<sup>th</sup>. It is our aim during these calls not only to outline the company's future plans but to develop an interactive dialogue with the company's shareholders and give them an opportunity to add real input regarding the company's strategic direction. This objective is just part of a conscious effort over the last twelve months to make the company's intentions as transparent as possible to our shareholders; over and above what is required by SEC regulations. In fact, over the next twelve months, one of our core objectives will be to enhance communication with both our shareholder base and potential investors.

Futuremedia is in the process of a significant transformation. We are changing from a small E-learning company that bought an exhibition and events agency into a global player in the exhibition and events space that also provides E-learning. The Button Group currently has offices in London, Cannes and Los Angeles and in the next twelve months is looking to expand into new business segments and at least two new geographic locations. The expansion will be executed by the Button management team which collectively has over 100 years experience in the exhibitions and events space. Fresh off two recent successes at major events at the Cannes Film Festival and the Lions Advertising Festival, the excitement for our business has never been greater. We can proudly include among our clients major brands such as NBC Universal, CBS Paramount, Sony Ericsson, Union Properties, MSN, PriceWaterHouseCoopers, Estee Lauder, Convergys, OpenWave, Symbian, I-Mate, and Anheuser Busch. With the recent additions to our client base of the NFL and the City of St. Petersburg Russia, we now cover an even broader range of industry segments including TV and Entertainment, Property Management, Telecommunications, Food and Drink, and Fashion and Beauty.

Our E-learning business has benefited from the same positive evolution. We have focused our efforts on our top "Hero Clients" and have grown that area of our business by over 75%. By introducing a branded quality process called "Touch", we have shown that the care for our clients and their employees is an essential part of our service offering. Our pipeline has been significantly increased and through strong marketing efforts, we have strengthened our brand in the marketplace. The E-learning industry is a growing industry and, both in Europe and in North America, the industry shows an evolution towards local and regional consolidation. This

trend allows the E-learning providers to offer a wider range of products and services to their clients and to set generally accepted standards of quality. Futuremedia Learning is in a great place in its business cycle; should we choose to participate in the consolidation process, we allow the company to be properly equipped for the exponential growth the E-learning sector should experience over the next couple of years. We believe that in time being part of this consolidation will be in the company's best interests. Major Global Clients will continue to look to those companies that embrace consolidation and offer exceptional services and added "touch" around the world where their employees do business. Making the difference in the world of E-learning and participating in the further globalization of E-learning in a major way are part of the strategic direction for the company moving forward.

Futuremedia has made significant changes to the business over the last twelve months. The Button Group which had a 10 year history of accumulated net profitability prior to joining Futuremedia returned to profitability after enduring a \$3 million loss in its first year as part of Futuremedia. Corporate overhead was reduced by \$2 million. Total financial improvement in EBITDA from the previous year was over \$8 million. The previous board was changed out and replaced with three new outstanding board members. The company made key management changes and now has continuity in the management team that bodes extremely well for the continued high performance of the company.

Market opportunities abound for the Button Group. We plan to leverage our presence in Cannes with existing clients by securing our position on their global marketing calendars to service more and more trade shows. Also, we plan to participate in the consolidation of the middle tier agencies to gain market share in new sectors and key geographic locations. We will continue to expand with the organizers as they move into new markets and as they decide to deploy their existing capital in new ways to maximize ROI. We plan to reduce debt by attracting new equity capital to the company as part of the consolidation plan as opportunities develop and potential merger candidates are identified.

Short term strategic objectives include focusing on our core business strengths and securing a position in the consolidation of the E-learning sector. We will look to secure equity capital for internal growth initiatives over the next twelve months. We will focus on leveraging our strong position in Cannes by increasing the number of events per client by targeting our blue chip companies and through our creativity and outstanding service secure a position on their global marketing calendars. Our company name will be rebranded to mark a clear separation from the past and move into the future focusing on our core values: Strength, Passion, Innovation, Creativity and Excellence. Also, adding significant year round business to supplement the trade show activity from January to June will significantly reduce the effect of seasonality.

Our mid to longer term objective is to participate in a significant way in the consolidation of the middle market tier agencies to better compete with the worldwide giants in the industry and gain market position in new sectors and key geographic locations.

Please join us during our conference call scheduled for Wednesday August 20, 2008 at 15:00 UK time (10:00am EDT). To participate in the live call please dial 0800 279 2280 in the UK, 1-866-225-8729 in North America and +44 20 8515 2301 internationally ten minutes before the stated start time and reference conference ID number 3903959.