

13 August 2007



MAMA Group Plc

Acquisition of Mean Fiddler Holdings Limited

The directors of MAMA Group Plc ("MAMA" or "the Company") are pleased to report that, further to the Company's announcement on Monday 6 August 2007 regarding the Company's intention to exercise options to acquire certain businesses and assets owned by Mean Fiddler Holdings Limited ("MFH"), it has instead purchased the entire issued share capital of MFH from Mean Fiddler Music Group Limited ("MFG").

The businesses owned by MFH at completion consist of the following: Jazz Café, The Borderline, the Garage and the former Mean Fiddler, all of which are live music venues in London ("the Retained Businesses"). In addition, MFH owns 75% of the shares in Manto Soho Limited ("MSL"), the company which operates the 'G-A-Y' bar and 'G-A-Y Late' club in London.

The initial purchase consideration paid on completion of the acquisition was £6 million in cash which was funded by new banking facilities entered into by the Company with Bank of Scotland.

As stated in the announcement on 6 August 2007, based on data extracted from the audited accounts for each of MFH and MSL for the year ended 31 December 2006, the contributions from the Retained Businesses in that year were as follows (NB that in the case of MFH these figures are extracted from audited results but are not themselves audited):

| Relevant Business/Company | Revenues (£'000) | Profit before tax (£'000) |
|-------------------------------------|---------------------|------------------------------|
| The Borderline | 1,037 | 53 |
| Jazz Café | 3,391 | 146 |
| The Garage | - | - |
| Mean Fiddler Central Infrastructure | - | (300) |
| The Old Mean Fiddler | - | - |
| Manto Soho Limited | 3,529 | 567 |
| Total | 7,957 | 466 |

Audited accounts for MFH and MSL for the period from 1 January 2007 to 10 August 2007, the date of completion, will be prepared as soon as possible. At 31 December 2006, the net book value of the fixed assets of the Retained Businesses within the balance sheet of MFH was approximately £1.77 million. In addition, as at 31 December 2006 MSL had net assets of £1.68 million. As a result of transactions which have taken place since MFH's year end and prior to completion of the acquisition by MAMA, the combined balance sheets of MFH and MSL as at completion are expected to show a small amount of net current liabilities. It is also expected that such balance sheets will show that all sums owed by MFH to MFG and its group undertakings will have been repaid.

The initial purchase consideration payable to MFG will be increased or decreased based on the audited accounts for MFH and MSL referred to above, such that the consideration will be increased or reduced if the net current assets of the companies are greater or less than nil, as the case may be. The directors do not expect this to result in a material alteration to the initial purchase consideration.

In addition to the Retained Businesses and its shareholding in MSL, MFH holds certain additional assets including the 'Mean Fiddler' brand and the 'meanfiddler.com' website, and related intellectual property together with the leasehold offices currently occupied by MFH and MFG. Under the terms of the purchase agreement, MFG will continue to be entitled to operate outdoor music festivals in excess of 10,000 capacity under or in connection with the 'Mean Fiddler' brand as a non-exclusive licensee of MAMA, subject to certain conditions.

Adam Driscoll and Dean James, Co-Chief Executives of MAMA commented:

"We are delighted that we have been able to acquire the Jazz Café, The Borderline, the Garage and the original Mean Fiddler venue businesses through the simpler medium of acquiring Mean Fiddler Holdings Limited. In essence the deal is the same, but this acquisition structure is simpler and quicker than the proposed exercise of our options over the businesses and assets. This will enable us to immediately progress the integration of those businesses into our Live Music division, and enables all concerned to avoid the period of uncertainty which would have existed for the customers, suppliers and employees of those businesses while the various conditions were fulfilled."

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Information for Editors:

Information on MAMA

MAMA Group is the parent company of a diverse range of music and marketing businesses, consisting of three divisions:

- live music, which includes the Forum and the Hammersmith Apollo venues in London and the Barfly network of music venues around the UK together with interests in live music events including a strategic shareholding in the company which operates the Lovebox music festival;
- artist services, which includes artist management, recording, music publishing and merchandising businesses; and
- consumer, which includes ticketing, magazine, websites and specialist student and youth marketing businesses.