



blinkx

the new way to watch tv

**blinkx Results for the period
23 April to 30 September 2007**

Safeharbor Statement

- **During this presentation we may make various remarks about the company's future expectations, plans and prospects, which constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including those discussed in blinkx's most recent prospectus, which is on file with the UK Listing Authority.**
- **Any forward-looking statements represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. While we may elect to update forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our estimates change and, therefore, you should not rely on these forward-looking statements as representing our views as of any date subsequent to today.**
- **During this call we may be referring to non-IFRS financial measures. These non-IFRS measures are not prepared in accordance with generally accepted accounting principles. A reconciliation of the non-IFRS financial measures to the most directly comparable IFRS measures will be made available in the Investor Relations section of our website, www.blinkx.com, under the heading Investors.**



Results Highlights

- Revenues 23% ahead of top analyst forecast and 64% ahead of house broker forecast
- 280% growth in daily worldwide searches
- 70% growth in content partner base
- 225 content partners signed, including key sources such as CelebTV, Vuguru/PromQueen and Kiplinger
- Strong growth in SES/distribution customer list including Ask.com, RealNetworks, InfoSpace, Goal.com, PodShow
- 160% expansion in core index, total now exceeds 18.5 million hours
- Introduction of two new strategic technology offerings:
 - AdHoc (including Viral)
 - Native Language Search
- Significant advances in API compression technology ahead of schedule
- Key hires in Sales and R&D to drive growth



Customer Wins

New customers include:

- Ask.com
- RealNetworks
- InfoSpace
- Eurekster
- Sproose
- DinPris
- EmPivot
- PodShow
- Sesam/Schibsted
- Goal.com/Goal Media
- GoViral
- Nexple

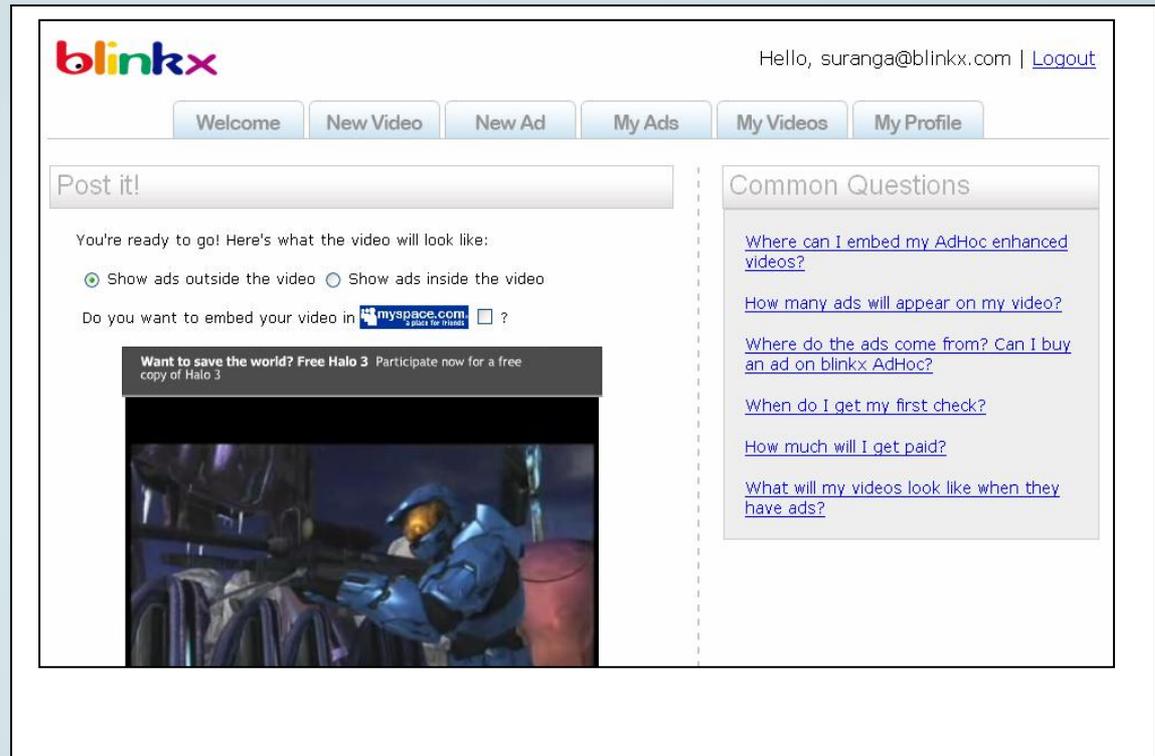


- **Strong demand for a broad range of blinkx functionality**
 - Video search
 - Profiling/user/community processing
 - Automated hyperlinking/implicit query
 - Video preview/summarization technology
- **API advances reduce costs and improve customer performance**
- **blinkx is a critical platform for media organisations that expect to derive significant revenues from online video**



Product launch: blinkx AdHoc

- First contextual advertising platform for video
- Uses blinkx's unique processing technology to match video content and consumer profiles to relevant ads
- Platform approach interfaces with any external ad network, regardless of ad format
- Multiple product opportunities on the platform currently includes Media Org Solution, BBTv compatibility, Consumer Widget



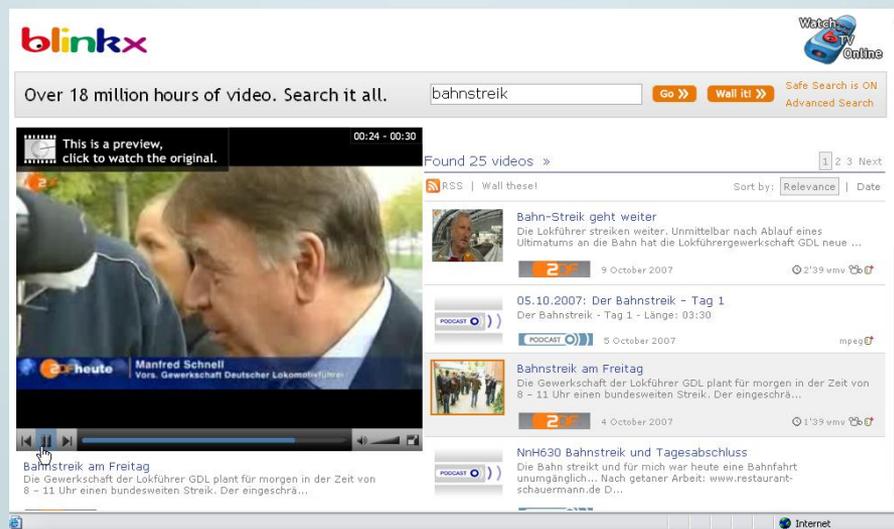
The screenshot displays the blinkx AdHoc user interface. At the top left is the blinkx logo. On the top right, it says "Hello, suranga@blinkx.com | [Logout](#)". Below this is a navigation bar with buttons for "Welcome", "New Video", "New Ad", "My Ads", "My Videos", and "My Profile". The main content area is divided into two columns. The left column has a "Post it!" header and a text input field. Below the input field, it says "You're ready to go! Here's what the video will look like:" followed by two radio buttons: "Show ads outside the video" (selected) and "Show ads inside the video". Below that, it asks "Do you want to embed your video in [myspace.com](#) ?". A video player is shown with a Halo 3 advertisement overlay that reads "Want to save the world? Free Halo 3. Participate now for a free copy of Halo 3." The right column has a "Common Questions" header and a list of links: "Where can I embed my AdHoc enhanced videos?", "How many ads will appear on my video?", "Where do the ads come from? Can I buy an ad on blinkx AdHoc?", "When do I get my first check?", "How much will I get paid?", and "What will my videos look like when they have ads?"

“blinkx's special sauce - something even Google doesn't have - is software that can turn speech into text and count how many times a word pops up in a video. This is very useful to anyone selling targeted ads...” *Erick Schonfeld, Business 2.0*



Product launch: Native Language Search

- Expanded video search service into Western Europe in response to rapid proliferation of multimedia Web content around the world
- First to offer native language search in French, German and Spanish
- Currently indexing content from 200+ European sources, 1 million hours of foreign language video from top media companies now fully searchable. Sources include Eurosport and Euronews, TF1, Elmundo, Le Monde and Spiegel TV

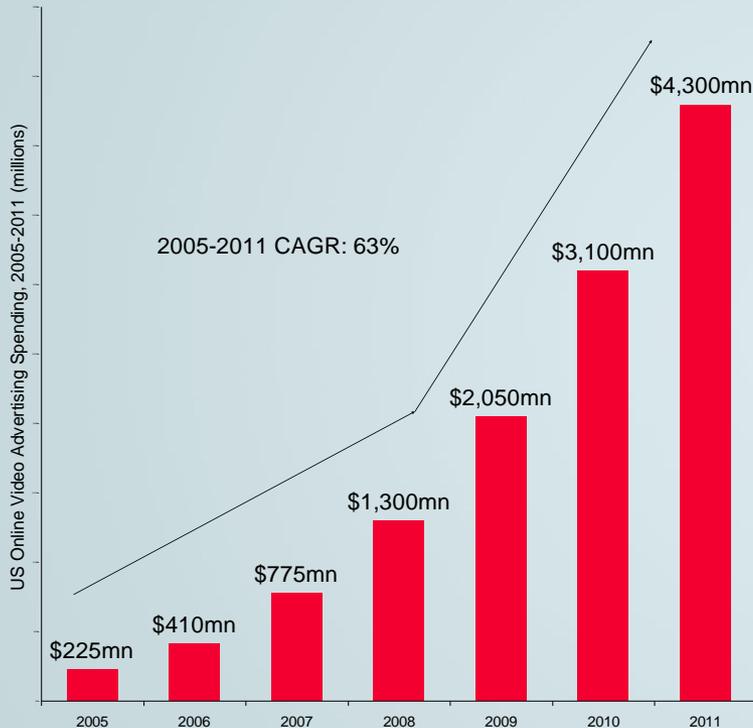


Corporate Progress

- **Successfully completed IPO**
 - Raised \$50m
 - Offering 3x over-subscribed
- **Strategic hires to support growth and new initiatives brings headcount to 40+ employees**
 - Addition of seasoned executives to drive:
 - Content Acquisition
 - Syndication Distribution
 - Advertising
- **Awards include Time 50 Best Websites 2007, Business XL Rising Star of the Year 2007, CNET Webware 100 Finalist**



Massive Opportunity



New Reach

- **75% of US Internet users** watch or download video online (Comscore)
- Average age of US video downloaders/streamers in 2006 was **39.4 years of age** (eMarketer)

New Revenue

- Network TV ad spending **declined 7.2%** Q1CY07 (TNS Media Intelligence)
- Online video ad market surging to **US\$4.3 billion** by 2011 (eMarketer)



Navigation the Key Challenge

Search is a vital service ...

- Search engines made the text internet work
- Binding force between consumers and websites
- Exponential growth in video content demands an advanced search function

"The growth of search and the role of search in usage of the Internet has been astounding, when you look at search penetration it's near 80%."

**Ken Cassar, Senior Director of Analytics,
Nielsen / NetRatings**

... which can be monetised

- To date search has been paid for through advertising
- Paid search the foundation of Google business model
 - In 2006 Google derived US\$7,183mn from c.34bn searches
- Advertising is a tried and tested method for funding TV, successful for many decades
- blinkx offers a new form of contextually relevant video advertising



Outdated Search Technology

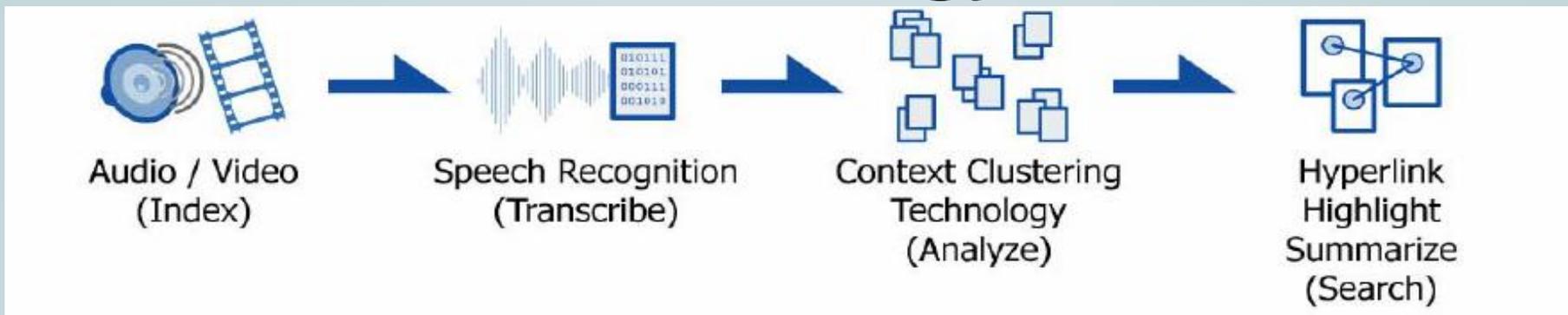
- **Text Search technology reconfigured for Video fails the test**
- **...reliance on incomplete and misleading metadata**
- **...weighting algorithms such as PageRank fail on video content**
- **Leading to low relevance and a frustrating consumer experience**

“The inherent difficulty of indexing video content is the most significant constraint on search...”

David Hallerman
eMarketer™



blinkx: Technology Matters



- **111 patents, US\$150 million invested over 12 years**
- **blinkx-developed, proprietary applications that extend the capabilities of the IDOL platform including:**
 - Automatic, language-independent indexing
 - Support for digital and offline content
 - Patented matching technology
- **The only search engine built from the ground-up for rich media**
 - efficiently, automatically and accurately finds and qualifies online video
 - using a unique combination of patented conceptual search, speech recognition and video analysis
- **Understands the meaning of video, indexing content in real-time**
 - without relying on faulty metadata or manual intervention

“If you are looking for a particular video clip, blinkx delivers unrivalled results.” Paul Taylor, Financial Times (March 2007)



Where We are Today

- blinkx.com: the world's largest video search engine with over 18.5 million hours of TV and video content
- Established as the gold standard in online TV and video search
- Introduction of the AdHoc platform positions blinkx ideally at the intersection of content, search and advertising
- blinkx Broadband TV and Transaction Hijacking on track to meet analysts' forecasts
- Uniquely poised to capitalize on the surging video advertising market, which is predicted to reach US\$4.3 billion by 2011 (eMarketer)



Financial Highlights

- **Total revenues of \$2.95 million for the period 23 April 2007 (incorporation) to 30 September 2007 23% ahead of top analyst forecast**
 - **Key Metrics**
 - **Total Searches – 480 million**
 - **Total Monetizable Searches – 365 million or 76%**
 - **Blended average CPM \$15 (range from \$7-\$66)**
- **Gross Profit for the period was \$2.2 million or 74% gross margin**
- **Net loss for the period, before one-off costs related to float and demerger was \$1.4 million**
- **Losses including one-off costs totalled \$12.9 million**
- **Proceeds from IPO \$50.4 million. Cash used by operations before one-off costs was \$2.1 million or \$8.4 million with these costs.**
- **Cash balance at 30 September 2007 was \$43.6 million**



Profit & Loss Statement

USD'000

Period from 23 April
(incorp.) to 30 Sept 2007
(unaudited)

Revenues	2,953
Cost of revenues	(767)
Gross profit	2,186
<i>Gross margin</i>	74%
Research and development	(1,314)
Sales and marketing	(2,567)
Administrative expenses	(593)
<i>Total Operating Expenses</i>	(4,474)
Loss from operations before demerger / IPO costs	(2,288)
Demerger / IPO costs	(11,455)
Loss from operations	(13,743)
Finance income (net)	881
Provision for income taxes	0
Loss for the period attributable to equity holders	(12,862)
Loss per share	Cents
Basic	(5.62)
Adjusted*	(0.62)

*Excludes demerger / IPO costs of \$11.5million



Balance Sheet

(USD '000)

As At
30 Sept. 2007

Cash and short-term investments	43,610
Receivables	1,194
Other current assets	1,654
Non current assets	484
Total assets	<u>46,942</u>
Trade & other payables	2,172
Other liabilities	-
Shareholders' equity	<u>44,770</u>
Total liabilities and equity	<u>46,942</u>

Conclusion

- Strong results that exceed all forecasts
- Very strong market development and demand
- Established as gold standard in TV & Video Search
- Growth driven by significant video search progress and supported by growth in content partner base
- Reinforced technology leadership with successful launch of two strategic products

