



29 October 2007

**BLINKX PLC ANNOUNCES INTERIM RESULTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2007**

Strong results for the period, with revenue 23% ahead of the top analyst forecast driven by 280% increase in daily searches and significant growth in content partner base

blinkx's interim period conference call will be webcast live at www.blinkx.com on 29 October 2007, at 9:30 a.m. GMT/5:30 a.m. EDT/2:30 a.m. PDT.

Cambridge, England and San Francisco, CA – 29 October 2007 - blinkx PLC (BLNX.L), the world's largest video search engine, today reported financial results for the period ended 30 September 2007.

Financial Highlights

	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited) US\$'000
Results in US\$ (\$'000s, except per share amounts)	
Revenues	2,953
Loss from operations before demerger / IPO costs*	(2,288)
Loss for the period before demerger / IPO costs*	(1,407)
Loss for the period	(12,862)
Loss per share (cents)	
Basic	(5.62)
Adjusted *	(0.62)
Cash used by operating activities excluding demerger / IPO costs**	(2,047)
Cash used by operating activities.....	(8,417)
Cash balance as of 30 September 2007	43,610

* Excludes demerger / IPO costs of \$11.5 million.

** Excludes demerger / IPO costs. See reconciliations on page 6

Highlights:

- Strong revenues, 23% above the top analyst forecast for the 5.5 month period ending 30 September 2007
- 280% growth in daily worldwide searches
- Daily searches average of 4.2 million in September
- 70% growth in content partner base to over 225 media organizations
- Strong growth in customer base, adding blue chip clients including Ask.com, RealNetworks, Infospace and MediaCom
- 160% expansion of core index of video content; total hours indexed exceeds 18.5 million
- Introduction of two new strategic technology offerings:
 - AdHoc (including Viral)
 - Native language search
- Successful demerger from Autonomy Corporation plc raising \$50 million in IPO
- Key hires in Sales and R&D in order to drive growth

Commenting on the interim results Suranga Chandratillake, founder and CEO of blinkx, said:

“We are pleased to report a strong performance throughout our initial reporting period, with revenues 23% ahead of the top analyst forecast driven by significant growth in daily searches. Key strategic partnerships, including Ask.com and RealNetworks, have established blinkx as the gold standard for TV and video search on the Web and almost tripled our daily searches. We have substantially built out our index of content, adding high-profile media companies such as Kiplinger’s and Michael Eisner’s Vuguru to our library. In addition, during the period we added two strategic offerings to our technology portfolio which will promote usage throughout Western Europe and drive advertising revenue worldwide.”

Mr. Chandratillake continued: “The popularity of online video is at an all time high, and we are seeing the proliferation of not only user-generated content, but also professionally-produced, high-value programming from established media companies, such as CBS, NBC and News Corp. With 75% of US users watching or downloading Internet video, the exponential growth in online video demands an advanced search function, and navigation is a vital service which can be monetized through advertising. Having established blinkx as the gold standard in online TV and video search, and with the introduction of the AdHoc platform, blinkx is ideally positioned at the intersection of content, search and advertising, and uniquely poised to capitalize on the surging video advertising market.”

Financial Highlights

For the period from 23 April 2007 (incorporation) to 30 September 2007, revenues totalled \$3.0 million. Gross profit for the first half of 2008 was \$2.2 million, representing a gross margin of 74%. Net loss for the period, before one-off costs related to the IPO and demerger, was \$1.4 million. Losses including one-off costs related to the demerger and IPO totalled \$12.9 million. Adjusted loss per share for the period, before one-off costs related to the IPO and demerger was 0.62 cents. Loss per share including one-off costs related to the demerger and IPO was 5.62 cents. During the period blinkx raised \$50.4 million in gross proceeds from an initial public offering completed on 22 May 2007. Cash balance at 30 September 2007 was \$43.6 million.

Customer and Business Developments

This first reporting period has seen significant growth. Since its IPO in May 2007, strong demand for blinkx’s unique, patented search functionality has established blinkx as the gold standard in video search, powering many of the most popular sites and portals on the Internet. Through these strategic partnerships and increased consumer visibility, searches have increased 280% since IPO to an average 4.2 million per day in September. High-profile new syndication customers included Ask.com, RealNetworks and InfoSpace. During the period blinkx also saw strong demand for its content platform from media companies, expanding the roster of top-quality content providers to over 220, including programming from CelebTV and Ministry of Sound. blinkx’s index of fully searchable online video has now surpassed 18.5 million hours.

Product and Technology Developments

During the period, blinkx introduced several new offerings based on its industry-leading technology. Launched in June 2007, blinkx’s patented AdHoc platform delivers multi-modal contextually relevant video advertising to capitalize on the flourishing market for online video advertising, which is estimated to reach \$4.3billion by 2011 (eMarketer), and has attracted brand-name advertisers, including Nokia, BestBuy, GM and ABC.

In October 2007, blinkx announced native language search for France, Germany and Spain. The pervasiveness of broadband in Europe has made online video and TV content extremely appealing to local Internet users, and blinkx is the first video search engine to address the Western European market, indexing content from over 200 European sources and sites and making more than 1 million hours of foreign language video fully searchable.

Company Developments

On the operational front blinkx made strategic hires to support growth and new initiatives, increasing headcount to over 40 employees. Seasoned executives were added to drive content acquisition, syndication partnerships, and build our advertising business.

During the period blinkx and its technological achievements were recognized with a number of awards. blinkx.com was named one of Time Magazine's 50 Best Websites of 2007 and was a finalist in CNET's annual Webware Awards. The company was also named 2007 Rising Star of the Year at Business XL's Company of the Year Awards.

About blinkx PLC

blinkx (London AIM: BLNX) is the world's most comprehensive video search engine. Today, blinkx has indexed more than 18.5 million hours of audio, video, viral and TV content, and made it fully searchable and available on demand. blinkx's founders set out to solve a significant challenge – as TV and user-generated content on the Web explode, keyword-based search technologies only scratch the surface. blinkx's patented search technologies listen to – and even see – the Web, helping users enjoy a breadth and accuracy of search results not available elsewhere. In addition, blinkx powers the video search for many of the world's most frequented sites. blinkx is based in San Francisco and London. More information is available at www.blinkx.com

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BLINKX PLC
CONSOLIDATED INCOME STATEMENT (UNAUDITED)
Results for the period from 23 April 2007 to 30 September 2007
(in thousands, except per share amounts)

	Note	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited) US\$'000
Revenue		2,953
Cost of revenue.....		(767)
Gross profit		2,186
 Operating Expenses	 3	
Research and development		1,314
Sales and marketing		2,567
Administrative expenses		593
Loss from operations before demerger / IPO costs*		(2,288)
Demerger / IPO costs		11,455
Loss from operations		(13,743)
 Finance income (net).....		881
Loss before taxation		(12,862)
 Income tax charge	 4	 —
Loss for the period before demerger / IPO costs*		(1,407)
 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 \$11.5 million

The accompanying notes are an integral part of these consolidated financial statements

BLINKX PLC
CONSOLIDATED BALANCE SHEET (UNAUDITED)
As at 30 September 2007
(in thousands)

	Note	As at 30 Sept 2007 US\$'000
ASSETS		
Non-current assets		
Property, plant and equipment		480
Other intangibles		4
		484
Current assets		
Trade receivables		1,194
Other assets		1,654
Cash and cash equivalents		43,610
		46,458
Total assets		46,942
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	6	5,483
Share premium		49,126
Stock compensation reserve		5,562
Currency translation reserve		1,685
Merger reserve		(4,323)
Retained earnings		(12,763)
		44,770
Current liabilities		
Trade and other payables		2,172
		2,172
Total liabilities		46,942

The accompanying notes are an integral part of these consolidated financial statements

BLINKX PLC
CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
Results for period from 23 April 2007 to 30 September 2007
(in thousands)

	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited)
	US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Loss from on-going operation.....	(2,288)
Loss from demerger / IPO related costs	(11,455)
Loss from operations	(13,743)
Adjustments for	
Depreciation and amortization.....	147
Share based compensation.....	5,676
Foreign currency movements	(3)
Operating cash flows before movements in working capital	(7,923)
Changes in operating assets and liabilities (net of impact of acquisitions):	
Receivables	(1,194)
Other assets	(1,472)
Payables	2,172
Cash used by operations	(494)
Net cash provided by operating activities	(8,417)
CASH FLOWS FROM INVESTMENT ACTIVITIES	
Interest received	700
Purchase of property, plant and equipment	(632)
Net cash generated by investment activities	68
CASHFLOWS FROM FINANCING ACTIVITIES	
Proceeds from issuance of shares	50,384
Net cash provided by financing activities.....	50,384
Net increase in cash and cash equivalents	42,035
Cash and cash equivalents at beginning of period	—
Effect of foreign exchange rate changes.....	1,575
Ending cash and cash equivalents	43,610

**RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES
EXCLUDING DEMERGER COSTS**

	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited)
	US\$'000
Net cash provided by operating activities	(8,417)
Adjustment for:	
One-off share based compensation.....	(5,085)
Loss from demerger / IPO costs	11,455
Net cash provided by operating activities, excluding demerger / IPO costs	(2,047)

The accompanying notes are an integral part of these consolidated financial statements

BLINKX PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the period from 23 April 2007 to 30 September 2007
(in thousands)

	Ordinary share capital	Redeemable share capital	Share premium	Stock compensation reserve	Sub-total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 23 April 2007.	—	—	—	—	—
Issue of shares	5,483	100	49,126	—	54,709
Capital contribution.....	—	—	—	—	—
Shares redeemed.....	—	(100)	—	—	(100)
Current period losses.....	—	—	—	—	—
Exchange differences on translation	—	—	—	—	—
Share based payments	—	—	—	5,562	5,562
Balance as at 30 Sept 2007...	<u>5,483</u>	<u>—</u>	<u>49,126</u>	<u>5,562</u>	<u>60,171</u>
	Sub-total forwarded	Currency translation	Merger reserve	Retained earnings	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 23 April 2007.	—	—	—	—	—
Issue of shares	54,709	—	(4,323)	—	50,386
Capital contribution.....	—	—	—	99	99
Shares redeemed.....	(100)	—	—	—	(100)
Current period losses.....	—	—	—	(12,862)	(12,862)
Exchange differences on translation	—	1,685	—	—	1,685
Share based payments	5,562	—	—	—	5,562
Balance as at 30 Sept 2007...	<u>60,171</u>	<u>1,685</u>	<u>(4,323)</u>	<u>(12,763)</u>	<u>44,770</u>

The accompanying notes are an integral part of these consolidated financial statements

BLINKX PLC
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of preparation

The interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRSs”) as adopted for use in the EU. While the financial information included in this interim announcement has been compiled in accordance with the recognition and measurement principles of IFRSs, this announcement does not itself contain sufficient information to comply with IFRSs. These interim financial statements do not constitute statutory financial statements within the meaning of section 240 of the Companies Act 1985.

The information for the period from incorporation through 30 September 2007 is unaudited, but reflects all normal adjustments which are, in the opinion of management, necessary to provide a fair statement of results and the company's financial position for and as at the period presented. The results of operations for the period ended 30 September 2007 are not necessarily indicative of the operating results for future operating periods.

2. Significant accounting policies

The interim financial statements have been prepared under the historical cost convention.

The same accounting policies, presentation and methods of computation are followed in these interim financial statements as will be applied for the preparation of the Group’s annual audited financial statements. The Group’s accounting policies are available from the investor relations page of the Company’s website at www.blinkx.com/investors.

3. Share-based payments

Included within operating expenses are the following amounts in respect of share based payments:

	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited)
	US\$'000
Research and development	320
Sales and marketing	228
Administrative expenses	42
Demerger / IPO costs	5,233
	5,823

4. Taxation

There is no income tax charged for the Interim Period.

5. Loss per share

The loss per ordinary share and diluted loss per share are equal because share options are only included in the calculation of diluted earnings per share if their issue would decrease the net profit per share or increase the net loss per share. The calculation is based on information in the table shown below.

	Period from 23 April 2007 (incorp.) to 30 Sept 2007 (unaudited)
	US\$'000
Earnings	
Loss for the period	(12,862)
Loss for the period excluding demerger / IPO costs of \$11,455k.....	<u>(1,407)</u>
Number of shares (number)	
Weighted average number of shares since 23 April 2007.....	<u>228,685,216</u>

6. Share capital

Major movements in share capital in the period include the issuance of 277,470,635 ordinary shares in relation to the demerger from Autonomy Corporation plc and equity financing in May 2007. In addition as part of the demerger process one redeemable share was issued in April 2007 which was subsequently redeemed in May 2007 prior to the demerger. Other issuances of shares relate to the exercise of employee share options.

7. Related party transactions

There are no related party transactions.

8. De-merger from Autonomy Corporation plc

The demerger of the blinkx business from Autonomy Corporation plc and its affiliates was completed on 21 May 2007. This was followed by an IPO on the AIM market of the London Stock Exchange. This transaction was accounted for as a reverse acquisition.

9. Approval of interim financial statements

The interim accounts were approved by the directors on 26 October 2007.

INDEPENDENT REVIEW REPORT TO BLINKX PLC

We have been engaged by the company to review the interim set of financial statements in the half-yearly financial report for the period from 23 April 2007 to 30 September 2007 which comprises the consolidated income statement, the consolidated balance sheet, the consolidated cash flow statement, the reconciliation of net cash provided by operating activities excluding demerger costs, the consolidated statement of changes in equity and related notes 1 to 9. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements 2410 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the Group will be prepared in accordance with IFRSs as adopted by the European Union. The interim set of financial statements included in this half-yearly financial report has been prepared in accordance with the accounting policies the group intends to use in preparing its next annual financial statements.

Our responsibility

Our responsibility is to express to the Company a conclusion on the interim set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the AIM Rules of the London Stock Exchange.

Deloitte & Touche LLP

26 October 2007

Chartered Accountants and Registered Auditor
Cambridge, United Kingdom