

InternetQ plc
("InternetQ" or the "Group")

Acquisition of i-POP Networks PTE Singapore

InternetQ, one of the leading providers of mobile marketing and digital entertainment solutions for mobile network operators and brands, today announces the acquisition of i-POP Networks PTE (the "Company" or "i-POP"), a Singapore based mobile and media services business funded entirely by the issue of new InternetQ shares.

i-POP provides direct connectivity, mobile marketing, as well as innovative media solutions to a wide range of clients ranging from mobile network operators, FMCG (fast moving consumer goods) companies, advertising and creative agencies, as well as traditional media companies. The Company is connected with 69 mobile network operators in Southeast Asia (32 direct and 37 through aggregators), covering more than 500 million subscribers in 19 countries.

For the year ended 31 December 2010 i-POP generated unaudited revenues of S\$4 million (€ 2.2 million), unaudited loss before taxation of S\$ 1.9million (€ 1.1 million) and showed unaudited net assets of S\$ 2.9 million (€ 1.6 million). For the period ending 31 March 2011, I-POP generated unaudited revenues of S\$1.2 million (€0.7 million), unaudited loss before taxation of S\$0.2 million (€0.1 million) and unaudited net assets of S\$2.8 million (€1.6 million).

The acquisition is expected to be earnings neutral for 2011 and earnings accretive thereafter.

Strategic rationale:

The acquisition of i-POP is in line with InternetQ's stated strategy of expanding its geographical footprint into new high growth mobile markets and developing its service offering.

This transaction provides InternetQ with an excellent opportunity to accelerate its growth in the Asia Pacific region, among the world's fastest growing mobile consumer market.

Key strategic benefits of the acquisition include:

- Accelerates the expansion of InternetQ's geographic footprint to now include Southeast Asia, among the fastest growing mobile markets in the world.
- Increases the number of InternetQ's connectivity agreements with mobile network operators by more than 50%, which will now reach 124 (up from 55), allowing it to address over 1.2 billion mobile users/consumers (up from nearly 700 million) with its mobile marketing products and services.
- Enables the immediate roll-out of the InternetQ mobile marketing platform (Mobi-Dialogue) in the Southeast Asia region.
 - The Directors believe it would have taken InternetQ several years to develop its footprint in the region organically.
- InternetQ's ability to leverage i-POP's market presence and capitalise on the breadth and depth of the business relationships with key operators, content providers, media assets and advertising agencies should generate significant cross-sell opportunities in Southeast Asia.
- Allows the Group to be within closer reach of key markets like India and China; which are expected to lead mobile marketing and advertising initiatives in the next few years.

Transaction summary:

The acquisition will be financed entirely by new InternetQ shares, consisting of two elements:

- The consideration on completion, which is payable in the form of InternetQ ordinary shares, will amount to 914.865 InternetQ new shares, which equates, at the closing share price of 239,5p as at 7 June 2011, to £2.158.167.
- The deferred consideration which is also payable in the form of InternetQ ordinary shares and will depend on i-POP's performance for the fiscal years 2011 until 2013. Up to 1,162,177 shares will be issued as deferred consideration over the period of three years, depending on achievement of certain KPIs (key performance indicators) linked to revenue, operating costs, net profit and business development targets.

The deferred consideration is payable to the current managing shareholders who will continue working for the Company.

InternetQ estimates that the Company will require US\$ 1.4 million working capital financing to develop its business over the next eighteen months. Such financing will be made available from InternetQ's existing cash resources.

Konstantinos Korletis, Chief Executive of InternetQ, commented:

"We are delighted to be announcing the acquisition of i-POP, which effectively doubles our addressable market. This transaction opens up Southeast Asia, a key territory, providing our business with an excellent platform to become a leader in one of the world's fastest growing mobile consumer markets."

Expanding our geographical reach within the growing emerging economies has always been a key component of our growth strategy and the acquisition of i-POP will accelerate that goal. We expect the benefits of this transaction immediately and look forward to developing a number of exciting cross selling opportunities which in the longer-term, we expect to underpin the continued growth of InternetQ."

Panagiotis Dimitropoulos, Founder & President of InternetQ also commented:

"The acquisition of i-POP is a very exciting development for InternetQ being our first acquisition as a public company. It is in line with our strategy and will give us the opportunity to leverage ten years of continuous innovation and sustained investment to become the preeminent mobile media services provider across Southeast Asia."

We believe our strong product pedigree coupled with the excellent market dynamics that exist within the South East Asian market place will present InternetQ with some exciting new business opportunities."

Mark Brimblecombe, Chief Executive of i-POP, commented:

"We are very excited about this transaction. We believe that our clients will benefit from the support of a stronger organisation, with much greater mobile marketing capabilities and an extended geographical coverage. The enlarged group also presents more career development opportunities for our staff. We look forward to working together to support InternetQ's global expansion plans."

For further details

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About InternetQ

InternetQ is a trusted global leader in mobile marketing and digital entertainment solutions listed on the AIM market of the London Stock Exchange. Its proprietary technology platforms support some of today's most recognized brands and enterprises with innovative solutions to help manage mobile interactive communications and push the frontiers in digital mobile entertainment. (INTQ: trading symbol)

About i-POP

Founded in 2001, i-POP has become a trusted m-VAS (mobile value added service) provider in the rapidly growing mobile and media industry of Southeast Asia. The Company is recognised as an early-entrant and a credible partner in its areas of business focus. It operates directly or through its subsidiaries in Singapore, Indonesia, Thailand, Vietnam and the Philippines, its technology and data processing centers are located in Singapore and Vietnam and its connectivity agreements include countries like Malaysia, Sri Lanka, Macao, Cambodia, Hong Kong and Taiwan. In total, i-POP employs approximately 50 professionals, including sales and marketing staff, software applications engineers, designers and telecom experts.