



Virtue Raises £687,000 in Placing

London, UK - 3 October 2003

Virtue Broadcasting plc (the "Company")

The Company announces a Placing of 30,548,300 new ordinary shares of 0.1p at 2.25p per share to raise approximately £687,000 for the Company before expenses.

This placing replaces the conditional placings announced on 29 September and 1 October for £205,996 and £71,875 (before expenses) respectively which had been conducted at a price of 3.125p.

As set out in the interim results to 30 June 2003 published on 30 September, the Company has been looking to strengthen its balance sheet and to position itself to take advantage of consolidation opportunities in the corporate communications sector. Following the announcement of the previous placings, and the interim results, a further significant placing demand was received, but at a price lower than that at which the two previous placings had been conducted.

The Board considered this in the light of the previous placings and, on balance, agreed it was in the Company's and its shareholders best interests to take this further sum of money. However it was felt appropriate to offer the placees who had agreed to subscribe for shares in the earlier placings the opportunity to participate in the new Placing at the revised 2.25p placing price and to cancel the original placings.

Application has been made for the 30,548,300 new ordinary shares to be admitted to AIM and listing is expected to become effective on 9 October.

The overall effect is that the Company will receive a gross £410,000 on top of the amount previously announced.

Mike Neville, Chairman, commented "We are very pleased that Virtue has attracted this additional investor interest following the positive progress announced in our recent Interim results. The restructured Company, now refocused primarily on the IP based corporate communications sector, will benefit from a strengthened balance sheet and this additional funding will also enable us to review opportunities as they occur in our sector which is consolidating. "

About Virtue Broadcasting plc

Virtue, a UK based plc, is a leading provider of webcasting solutions to corporates. Virtue provides organizations with the technology infrastructure and software solutions that can enable them to create and deliver communications messages to complement their global communications strategies.

Virtue operates webcasting solutions for more than 35% of the FTSE 100 as well many other multinationals such as Siebel, BAT and Reuters. It is headquartered in London, and has offices in Zurich, Frankfurt, Madrid and Sydney.

www.virtuebroadcasting.com

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