

Date: 7 October 2008
On behalf of: Galleon Holdings plc (“Galleon”, “the Company” or “the Group”)
Embargoed until: 0700hrs

Galleon Holdings PLC

▪ Trading update

Galleon Holdings plc (AIM: GON), the AIM listed entertainment media company developing and producing multi-platform properties with a focus on emerging markets, provides the following update on trading for the year ended 30 September 2008, prior to entering its close period and ahead of the announcement of its preliminary results in January 2009.

The Group has made good progress during the year and full year results are expected to be at least in line with market expectations.

The acquisition of Phoenix, at the end of the last financial year, and Yunbo, in February this year, have enabled us to make significant strides in rolling out our multi-platform entertainment properties in China and around South East Asia. Since the acquisition Yunbo has grown to become the tenth largest mobile service provider in China.

During the year we have formed operational relationships with several Chinese broadcasters covering different provinces across China. These agreements include co-production of Galleon’s entertainment properties, Super Soccer Star and The Limit, syndication of the first series of Super Soccer Star, broadcast of Galleon’s “Play Along Gameshow” (PAGS) formats and interactive TV services, provided by Yunbo.

Galleon continues to build on the success of the first series of Super Soccer Star, which broadcast on Guangdong TV Sports Channel in China earlier this year. In addition to the syndication of the first series to other regions in China, Galleon is in advanced discussions regarding a second series of the show on a national platform across China. New series are planned for Malaysia and Indonesia, which are all expected to be broadcast during 2009. The US rights have recently been licensed to Dragonfruit Studios, an original content studio focused on multi-platform entertainment properties, which plans to launch the show in the US during 2009. In conjunction with the global sports sponsor of Super Soccer Star, Chelsea Football Club, Galleon is conducting negotiations in several other territories in South East Asia, Europe, Russia and the Middle East, building a global entertainment brand.

The Limit, an interactive, family-oriented shopping game show and Galleon’s second show to air in China, is scheduled for broadcast in the Chinese New Year on Hunan Satellite, a leading broadcaster with a reach of 400 million homes.

Apollo's Pad, an interactive entertainment property aimed at a young male audience, offers online and mobile users a unique, broadcast-quality comedy entertainment show. Over 100 episodes, set in the fictional Apollo’s Pad nightclub, have been produced to date. The music catalogue, which forms an integral part of the offering, is supplied by Sony BMG and EMI. The US and certain global rights to Apollo’s Pad were recently licensed to Dragonfruit Studios, which will support a broader global roll-out and increased brand sponsorship.

Following the first distribution agreement in the US for the Skunk fu! topline with Zizzle Toys in August this year, the toys are due to go on sale in the UK and US in spring 2009 in retail outlets including Tesco and Target. The Skunk fu! series is currently broadcast in the US on The Cartoon Network as many as three times per day during the week and on the weekends it is shown on the Kids WB Network and has been running on BBC1, CBBC and S4C in the UK since July 2007. The topline has been created by Galleon’s Croco Worldwide division and is another demonstration of how Galleon is able to exploit its’ entertainment properties across multiple platforms.

Stephen Green, CEO of Galleon Holdings, said:

“The Company is delighted to report that trading for the year to 30 September is at least in line with expectations. We have a number of hit shows under our belt and have demonstrated that we have a robust platform and infrastructure in China and South East Asia. We are heading to MIPCOM, an international audiovisual content trade show next week with an attractive slate and are well-positioned to take advantage of opportunities this will present. We remain confident of the Group’s outlook for the coming year.”

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Notes to Editors:

Galleon Holdings plc creates and distributes multi-platform branded entertainment properties focused on the emerging markets, in particular China and South East Asia. The entertainment properties are designed to establish a direct, interactive relationship with the viewer.

Television in China reaches approximately 98% of the population of 1.3 billion. Mobile phone penetration is also high, with over 450 million subscribers and with over 300 million people online, China is now the largest online market in the world. Huge TV audiences and growing interactive platform access presents a substantial opportunity for Galleon to benefit from the popularity and demand for interactive entertainment and game shows. China is forecast to become the world's fifth largest advertising market.

In October 2007 Galleon acquired Phoenix, a Hong Kong based media solutions company, which specialises in the provision of interactive broadcast television services that enable broadcasters in China and South East Asia to provide interactive entertainment for audiences to access through TV, online and mobile.

In February 2008 Galleon acquired Yunbo, a mobile service provider in China, strengthening the Company's ability to provide Chinese broadcasters with a complete media solution for multiplatform entertainment. Galleon now has total control over the interactive content, its delivery to the consumer, data capture and the billing process.

Galleon develops entertainment formats for children, families and young adults. These include:

- Super Soccer Star – an interactive family orientated football talent show. Produced in association with Chelsea Football Club through its media arm Chelsea Digital Media. The first series, currently broadcasting in Guangdong province, China, has achieved top five show status.
- The Limit – prime-time family variety game show. To be launched in Hunan province, China later this year.
- Skunk Fu! - a comedy action animated TV show for kids aged 6-11.
- Apollo's Pad - an interactive online animated sitcom targeting 16-24 year olds.