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On behalf of: Galleon Holdings plc ('Galleon', 'the Company' or 'the Group')
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Galleon Holdings PLC

Strategic deal with China Mobile

Galleon Holdings plc (AIM: GON), the AIM listed entertainment media company developing and producing multi-platform properties with a focus on emerging markets, is pleased to announce that its China operation, Galleon China, is one of 10 companies to successfully qualify as an official provider of international games and content for 3G handsets to China Mobile, the world's largest network operator with over 500 million subscribers.

China Mobile is now leading the push for 3G services and premium content to cater for the next generation of increasingly advanced handsets that will be flooding the market over the next few years. Smartphone penetration in China is expected to increase from 15.3% of the population in 2008 to 45% of the population by 2013 (*Source: In-Stat*). Additionally, data revenues generated from 3G non-messaging services in 2008 stood at USD 6.8 billion and are expected to grow to USD 20 billion by 2013 (*Source: iSuppli*).

Galleon's access to content from the international market and its ability to select that which is culturally and technically applicable in China ensures that the partnership with China Mobile will be mutual beneficial for both companies.

Selected games and content will be marketed by China Mobile on an exclusive basis through the following channels:

- Embedding on China Mobile's exclusive handsets
- China Mobile's web and WAP portals, including its mobile games portal
- Bundling through China Mobile's subscription brands
- Direct marketing and print

The majority of content will be marketed on a non-exclusive basis by Galleon China and will be supported by a Galleon mobile applications and games portal, run by Galleon's newly formed online operation.

Commenting on the agreement, Stephen Green, CEO of Galleon Holdings, said:

"We see the growth of the next generation of smartphones in China as a significant opportunity for Galleon. It is a proven model for higher value premium content for those who are able to operate in both the online and mobile sector."

"We have a significant advantage as a provider for China Mobile being a local operator with International connections and content access."

- Ends -

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Notes to Editors:

ABOUT GALLEON HOLDINGS

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 500 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 multi-platform 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 targeted football talent show, produced in association with Chelsea Football Club. The show has aired successfully in China and Malaysia. Format rights have been sold for Eastern Europe, Scandinavia, Turkey, India, Middle East and Vietnam to partners including IMG and Media Star Global.
- Super Fashion Stars – a multiplatform entertainment property that includes a reality TV show aimed at 16-45 year olds with 60 contestants working together as a designer, stylist and model. Each team is slowly eliminated over the series for the prize of competing at Fashion Fringe at Covent Garden which is a premier event during London Fashion Week.
- Skunk Fu! - a comedy action animated TV show for kids aged 6-11 which airs in 100+ territories including Cartoon Network(US), the BBC(UK), Disney Latin America, Cartoon Network Asia and Super RTL(Germany).
- Apollo's Pad – a multiplatform young adult sitcom that airs on Bite TV in Canada and includes a content rich online offering.
- Sokator-442 - a multi-player intergalactic football (soccer) management game that combines tactical thinking with fantasy/sci-fi gameplay.