



ZOO Digital Group plc

Company Information Pack

August 1, 2011

Disclaimer

The information contained in this Company Information Pack has not been approved by an authorised person (within the meaning of section 21 Financial Services and Markets Act 2000).

The information contained in this Company Information Pack does not constitute a prospectus or admission document and does not constitute, or form part of, any offer of, or invitation to apply for, securities nor shall it, or the fact of its distribution, form the basis of or be relied upon in connection with any contract or commitment to acquire any securities.

The distribution of this document in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

Some of the statements contained in this document are “forward looking statements” that involve risks, uncertainties and assumptions with respect to us, including some statements concerning the transactions described in this document, future results, plans, goals and other events which have not yet occurred. These forward looking statements are based on our current expectations, speak only as of the date of this document and are susceptible to a number of risks, uncertainties and other factors. Our actual results, performance and achievements may differ materially from any future results, performance or achievements expressed or implied by such forward looking statements. Many important factors could affect our future results and could cause those results to differ materially from those expressed in the forward looking statements contained in this document.

Whilst this document has been prepared in good faith, no representation or warranty (express or implied) is or will be made or given as to, and (except in the case of fraud) no responsibility or liability is or will be accepted by ZOO Digital Group plc or any of its shareholders, officers, employees, agents or advisers in respect of, the accuracy, reliability, completeness or reasonableness of the information contained in this document or any other information or data (of whatever kind and in whatever form) made available to any party or its advisers.



ZOO Investor Relations Team:

Tel: +44 114 241 3700

www.zoodigital.com/investor-relations

ir@zoodigital.com

Company overview

ZOO Digital Group provides software and related services that support the authoring, re-purposing and distribution of creative media. ZOO's products form an integrated suite of web-based and desktop applications for audio/visual content and printed materials, adapting these media for different languages, formats and delivery mechanisms.

By centralising editorial and approval processes via secure web-based platforms, ZOO's proprietary patented software helps customers to increase their speed of production, reduce costs and protect their brand integrity. ZOO's services enable quicker and more cost effective processes across a wide range of applications and formats, including packaging, printed materials, DVD, Blu-ray Disc, video on demand, electronic sell-through, broadcast, music and electronic books.

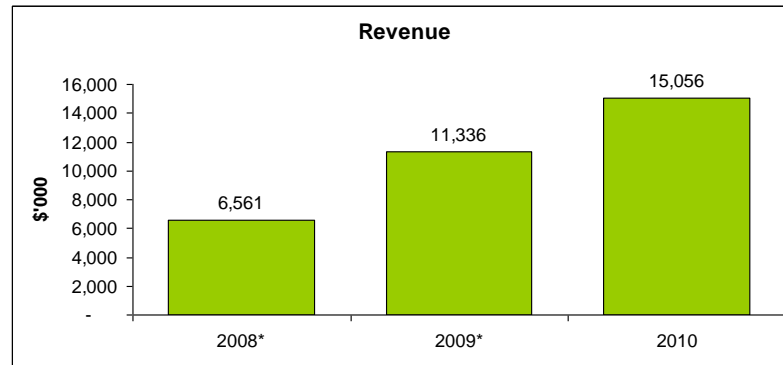
The Group's largest customers include major Hollywood studios, for which the production, marketing and distribution of titles in numerous formats across many geographies and languages has previously been a lengthy, costly and largely manual process. Increasingly the Group's software is benefiting a variety of companies across sectors where the development of media products, printing, packaging and marketing involves complex processes in multiple countries and languages, particularly where brand integrity is of core importance.



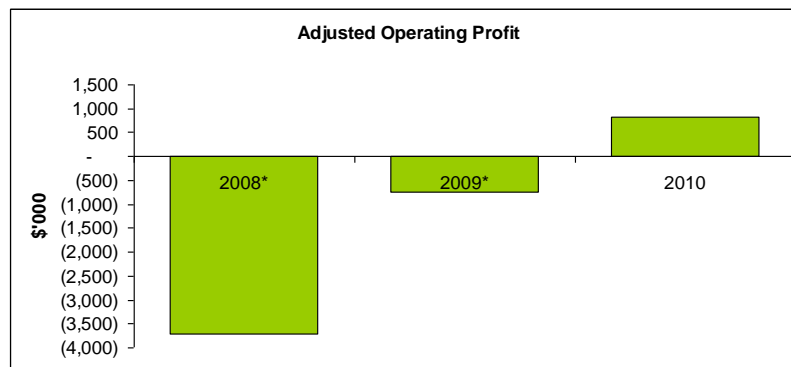
warner | music | group

Operational Performance

ZOO has produced a robust operational performance in challenging market conditions in the year ended March 2010, and has delivered significant revenue growth since 2008. The company changed its reporting currency to US Dollars in 2009; the revenues for the prior two years have been restated in USD using average exchange rates over the periods. The 2010 results are unaudited and were announced in the trading update issued on 12th April 2010.

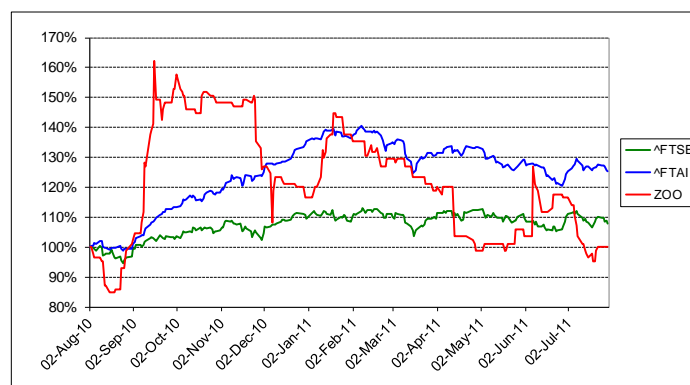


ZOO's assets and liabilities denominated in Sterling are converted into USD for reporting purposes at the end of each period and this gives rise to exchange gains and/or losses at the operating profit level, although these have no cash impact. Before accounting for any such exchange differences and exceptional impairments, ZOO has transitioned the business from an operating loss of \$3.7m in 2008, a loss of \$0.7m in 2009, to a profit of \$0.8m in 2010.



Share Price Performance

The following graph illustrates the change in the ZOO share price compared with the FTSE 100 index (^FTSE) and the FTSE AIM index (^FTAI) over the past 12 months to 29 July 2011, having recorded a 100% loss compared to a 8% gain for FTSE 100 and a 25% gain for FTSE AIM.



ZOO's software products are changing markets

We create disruptive software systems to manage complex workflows and automate processes for digital media production, saving our customers significant time and cost. As global organisations are increasingly seeking ways to improve operational performance, we are in the right place at the right time with products that are fundamentally changing the way in which our customers do business.

ZOO's products and services address a requirement that exists within many markets and industries where content and/or products are made in one form and then adapted for international exploitation. For example, when a consumer product is created in North America, the packaging and marketing materials for that product must be translated and conformed to the local conventions and requirements of all the countries in which the product is to be sold.



ZOO focused initially on the US entertainment industry which has a clear need to capitalise on the investment in filmed content by exploiting products internationally. ZOO's expertise in the area of video content makes the entertainment industry particularly attractive due to the range of complementary services the company can offer.

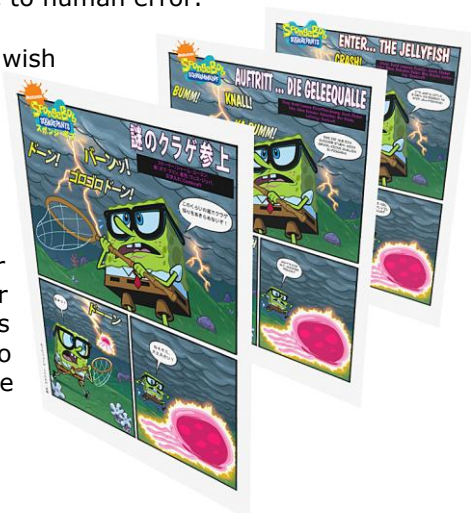
New products, such as feature films, are normally created initially for the domestic North American market. Consequently, the language of the soundtrack, any captions, credits and title sequences will all be in US English, and all posters, advertising materials and other print items will be designed for the North American consumer. As the product is adapted for the home entertainment market the video and audio will be digitized, compressed and encoded for a variety of distribution formats including DVD, Blu-ray Disc, Electronic Sell Through and Video on Demand. Product packaging will be created together with the print materials to support the US marketing campaign.

The international exploitation of such a product has traditionally involved a complex, costly and labour intensive process to create translations of all dialogue and visible text elements for each language required by the studio's marketing department. For a new movie release from one of the major Hollywood studios there could be as many as 60 different language variants that are needed. Traditionally each variant has been created by starting with the domestic US content and manually applying local language treatments. In this way, the original version is transformed to yield new language variants, each of which may be exploited across multiple viewing and distribution platforms, giving rise to the need for yet more product transformations. Such product/language versions are typically created by service vendors operating either close to the studio (in the case where this regionalization work is centralized) or in the target territories.

The traditional solution to this problem is provided through the use of human labour. Given that the work of transforming a video product for different platforms and languages is a repetitive process, in a manual workflow this incurs significant cost and time. It is also vulnerable to human error.

ZOO's products and services are targeted at organisations that wish to transform existing content into different language and format variants. What differentiates ZOO's offerings is that its suite of media transformation software is employed to drive significant efficiencies, enabling work to be done more easily, in less time and at lower cost.

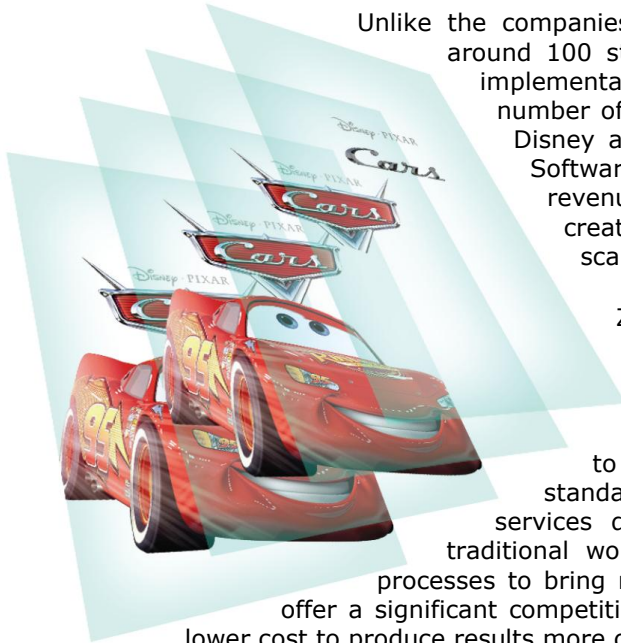
ZOO is working currently with major Hollywood studios and other global companies. In some cases its technologies are licensed for use in-house by the client's staff, and for others ZOO provides production services to deliver a highly competitive alternative to the traditional vendors. In all cases customers enjoy more reliable results in a shorter timeframe at a lower cost.



A differentiated strategy that delivers growth

We compete with traditional production services companies that employ large numbers of highly trained staff to perform complex tasks. Our workflow management and automation software can reduce the labour requirements by up to 90% and eliminate the need for specialist operators. Our products are unique and enable our customers to bring in-house a number of functions that have traditionally been outsourced to specialists. By cutting out the middle man and serving our customers directly we save them time and cost – time to market can be reduced by 50% and savings of millions of dollars per company are typical.

Unlike the companies we compete against we are small and agile, employing around 100 staff across our UK-based R&D centre and our Los Angeles implementation services facility. We are winning market share in a number of industries and our customers include major brands such as Disney and Warner. Our products are licensed as a combination of Software-as-a-Service and pay-per-use so that we enjoy recurring revenues that grow as our customers process more of their creative media materials. The ZOO business model is highly scalable and operationally geared.



ZOO competes with traditional service providers that typically perform their work using off-the-shelf software systems. For example, professionals working with graphical elements for digital delivery or print will use software tools such as Adobe® Photoshop® or Adobe InDesign®. ZOO's strategy is to offer easy-to-use software that works in conjunction with standard industry packages together with highly competitive services delivered using this software. ZOO's approach transforms traditional workflows through the use of automation and by redefining processes to bring new efficiencies and benefits. This software enables ZOO to offer a significant competitive advantage resulting in solutions that can be delivered at lower cost to produce results more quickly and reliably.

ZOO generates its revenues by licensing software using a recurring revenue pricing model, and by providing related value-adding implementation and production services. Through the use of its proprietary automation software, ZOO can scale its operations relatively easily and capitalise on the large and growing international market for media authoring, re-purposing and distribution.

The efficiencies of ZOO's approach enable customers to reduce the time to market of their consumer products. In the home entertainment market this is a particularly valuable selling proposition at a time when counterfeit products result in significant lost revenue for the studios. By reducing the time between release in movie theatres and the availability of DVD and Blu-ray products, the window of opportunity for illegal copies is shortened, thereby curtailing some of the lost revenue that would otherwise be suffered.

ZOO focuses its product development and service offerings on three main types of content:

1. **video** – dealing with the highly specialised processes of encoding, compression, formatting and post-production, which includes the preparation of content for DVD, Blu-ray Disc and electronic distribution platforms;
2. **pre-media** – dealing with the preparation of all kinds of media for print and internet, including packaging, posters and other point of purchase items; and
3. **eBooks** – dealing with the preparation of electronic books in multiple languages.



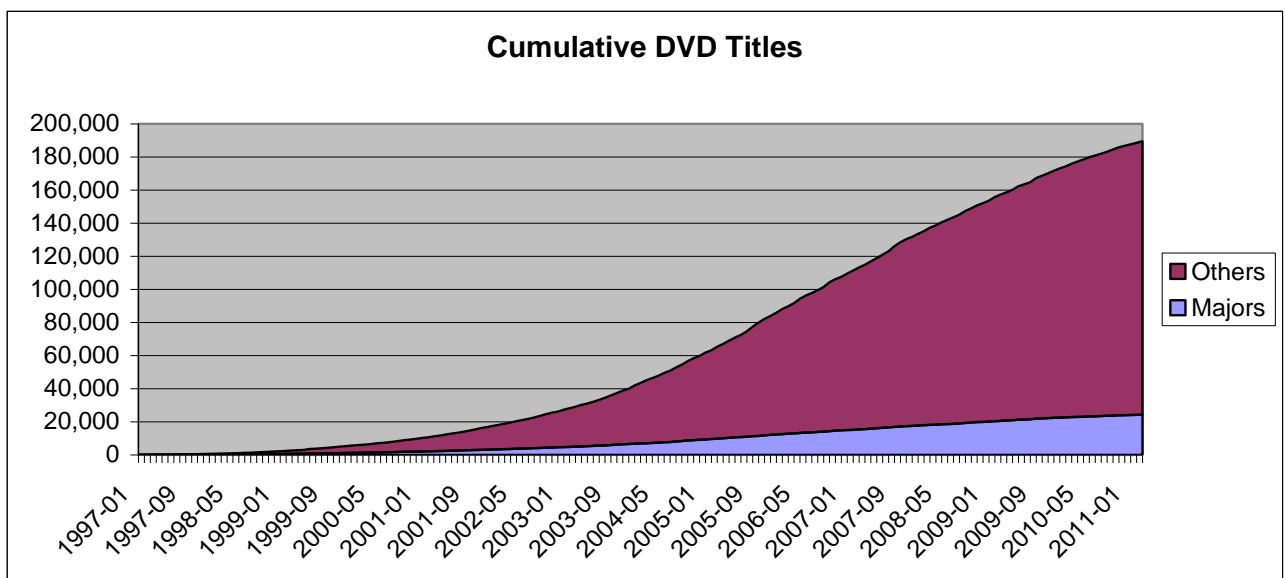
The company has developed a media transformation software suite that delivers differentiation and competitive advantages in these areas.

A business model giving high growth potential

We have delivered significant growth year on year for three years based substantially on business generated from just one major film studio, giving revenues for the year to March 2010 of \$15.1 million and EBITDA (on a fixed exchange basis) of \$1.6 million. We are now poised to scale the business through new agreements with additional film studios as well as a range of organizations across a number of other markets, giving significant growth potential.

ZOO’s software pricing model is based on the *usage* of its products – customers are billed on a monthly basis according to the use they have made of the products during that period. In some cases a Software-as-a-Service pricing arrangement is applied, and in others the outputs from the software are metered and customers are billed accordingly. Consequently ZOO’s growth potential is related to the number of titles that are produced by its customers.

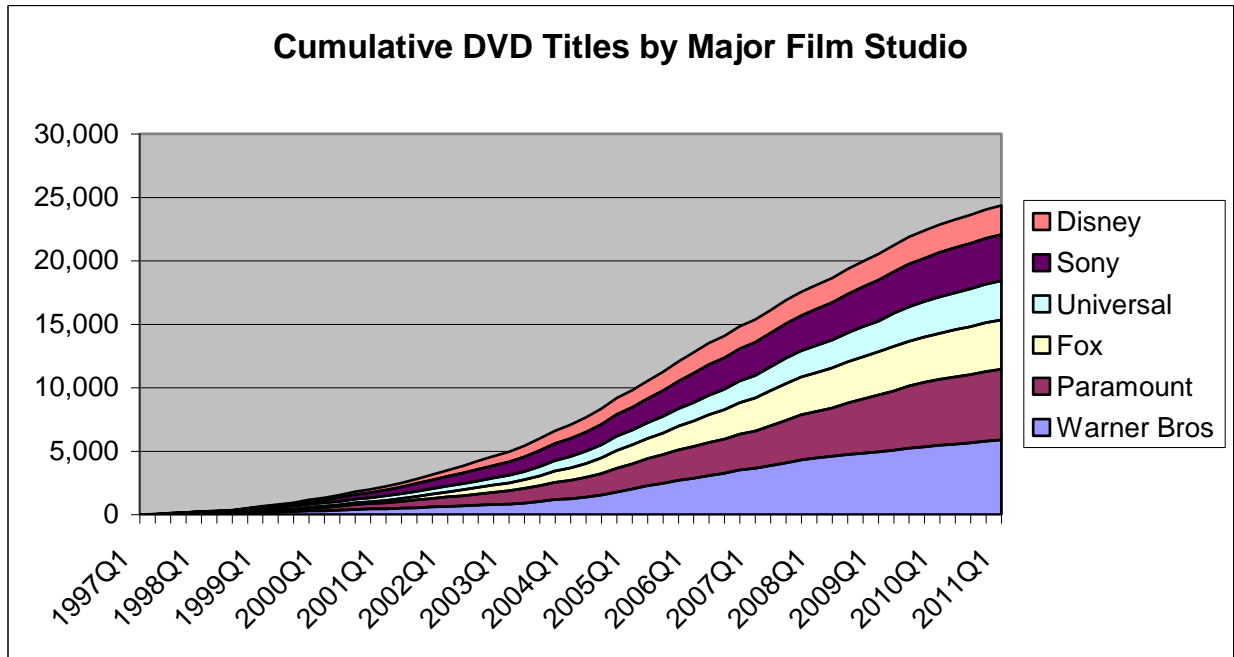
The industry releases a substantial number of packaged media products into the market each year; in 2010 just over 17,000 products were released to US retail¹. These products are made up of a mix of different genres, including films and TV series, both new and catalogue titles. The following chart shows the total number of DVD titles that have been produced and indicates how these are divided between the “majors” (the leading Hollywood studios, namely Warner Bros, Paramount, Universal, Fox, Sony and Disney) and others.



Some products may be repackaged versions of titles that were released in prior periods. Each of the products consists of one or more discs (DVD or Blu-ray); products based on TV series may typically contain six or more separate discs. Therefore, the total number of discs authored in any year is likely to be significantly greater than the number of titles indicated in the chart above.

Measured by the number of DVD titles released since the launch of the format, the largest publisher amongst the major film studios is Warner Bros. with around 6,400 titles, and the smallest is Disney with around 2,500 titles. Therefore, it can be seen that licensing its software to other major film studios provides ZOO with an opportunity for significant growth within this market.

¹ The analysis of DVD product releases presented here is based on data available from www.hometheaterinfo.com



ZOO's software continues to be developed and enhanced, and support for other video exploitation platforms is being added as opportunities arise. Digital delivery represents a growth area for the home entertainment market driven by an increase in digital homes, increases in broadband bitrates and the wider availability of day-and-date product releases via Video on Demand (VOD) and Electronic Sell Through (EST) platforms. According to figures published by the Digital Entertainment Group² the combined consumer sales of VOD and EST grew by 19% in calendar 2010 to \$2.5 billion.

An increasing number of electronic retailers are now providing EST offerings through which consumers can buy or rent digital copies for download and playback onto PCs and portable devices. No industry data has yet been published on availability of titles across these various retailers, but as of April 2010 the number of movie and TV products in the catalogues of some of the leading suppliers was believed to be as follows³:

Platform	Number of titles
Amazon Unbox	4,800+
Apple iTunes	?
Blockbuster	95,000+
Café DVD	60,000
CinemaNow	6,000+
DVD Avenue	25,000+
EzTakes	2,500+
GreenCine	30,000+
MovieFlix	3,000
Netflix	100,000+
Superpass	300
TotalVid	1,600+



Preparation of video products for multiple electronic retailers represents a growth area for ZOO, since in each case video entertainment content must be assembled to address the requirements of each proprietary platform. ZOO's software enables such products to be assembled and readied for publishing more quickly, reliably and at lower cost than competing service providers.

² The Digital Entertainment Group <http://www.dvdinformation.com/>

³ As listed by <http://movie-download-review.toptenreviews.com/>

A management team you can trust

The ZOO board upholds the highest standards of integrity and corporate governance, and exemplifies the company's core values of innovation, team working, positive attitude, customer first and mutual respect. Its members, with a combined experience of over 100 years in building and growing technology companies, include successful software entrepreneurs with respected reputations in the UK stock market.

Roger Jaynes, Chairman – Roger has over 20 years experience in the technology sector, encompassing senior sales, marketing and general management roles in the UK, Italy and the USA with IBM, Pyramid Technology Inc., and EMC Corporation. His most recent executive position was Chief Operating Officer at AIM-listed technology merchant bank Interregnum Plc through which he worked on the boards of more than a dozen technology companies. He is a non-executive director of Downing Distribution VCT1 (DDV1.L), Keycom plc, mxData Limited and Charborough Capital Limited, and Professor of Management Practice at the Ashcroft International Business School of Anglia Ruskin University. Roger is a member of the Audit and Remuneration Committees.



Dr. Stuart Green, Chief Executive Officer – Stuart has led software companies since the early 1990s. He has founded and managed three software development houses. With a Ph.D. in Computer Science from the University of Bristol, UK, he brings a technical edge to the leadership of ZOO Digital Group. He invented a number of the core algorithms used by ZOO's proprietary software – Stuart has more than 20 granted patents in the fields of image processing and media transformation. His knowledge of the technology and the industry has led ZOO's development of innovative software as the enabler for its differentiated media transformation services. Stuart is also active in the search for new industry connections to propel sales and development.



Helen Gilder, Group Finance Director – Helen has been employed within the technical and services industry since 1993. After qualifying as a Chartered Accountant with PKF in 1991 she moved into a more commercially focussed role. Her extensive managerial and transaction experience came through her role as Finance Director within a highly acquisitive listed IT company. She joined ZOO to assist with the initial float in 2000 as Group Financial Controller and has gathered an invaluable knowledge of the companies in the group. She became Group Finance Director in 2006. Helen is also Company Secretary.



Gordon Doran, Commercial Director – Gordon has held senior positions in sales and marketing roles for a variety of companies in the software industry since the early 1990s, both in the UK and US. Most recently he was Chief Operating Officer for Mediostream Inc. – a consumer DVD software developer – and joined ZOO in 2005 to establish a North American division. In addition to his role as Commercial Director Gordon is also President of ZOO's US operation, responsible for all North America operations and has been pivotal in establishing relationships with a number of large US entertainment companies.



James Livingston, Non-Executive Director – James is a portfolio manager at Foresight Group, a leading UK investment manager. He works closely with the boards of a number of SME UK companies as non-executive director of two and board observer of a further six companies. He was a strategy Consultant at Deloitte where he advised businesses in the healthcare, public sector and technology sectors. He has a first class degree in Natural Sciences and Management from Cambridge University and holds the CIMA advanced Diploma in Management Accounting. James has represented Great Britain at the Rowing World Championships and rowed for Cambridge in the Boat race. James chairs the Audit Committee and is a member of the Remuneration Committee.



Recent Announcements

The following are recent announcements issued by ZOO.

20th June 2011 – ZOO targets eBook and music industries

ZOO, the provider of workflow management software and services for creative media production, is pleased to announce that, following the success of its iTunes production toolset, it has identified further opportunities within the Electronic Sell Through (“EST”) market, specifically with regards to electronic books and the music industry.

Since announcing in September 2010 the availability of its toolset for iTunes production, ZOO has been working with a number of film studios, including Warner Bros., to adapt video content for sale through Apple’s iTunes store and has expanded the range of services it offers to content owners for EST production.

As a result of this, and given the success of the electronic books market, ZOO has augmented its Media Collaboration platform to include an eBook Builder which provides an efficient and cost-effective way for publishers to repurpose traditional books for sale online, across a wide range of genres including picture books, comics, travel guides, cookery books and reference publications. This new tool works in conjunction with ZOO’s software for managing collaborative workflows, adapting materials into multiple languages, and providing storage and distribution of content for multiple eBook vendors. ZOO has begun working with a number of traditional publishers in the US and Europe to enable high quality adaptations of existing products for sale online. According to a recent report from Futuresource Consulting, in 2010 the eBook market grew by more than 200% to a value of more than US\$900m.

Another area of development for ZOO is in the music industry, where publishers are beginning to promote their products with value-added materials using Apple’s iTunes LP format. iTunes LP and iTunes Extras are interactive experiences created to accompany music and movies. iTunes LP lets listeners hear an album and view lyrics, liner notes, band photos, performance videos, and more. ZOO has created an Interactive Content Editor to enable the efficient preparation of these and other EST packages to which iTunes LP support has been added. Initial customers include a number of music publishers in the US, UK and France. According to Strategy Analytics, digital music revenues in 2012 will reach US\$2.8 billion and surpass physical sales for the first time.

Stuart Green, CEO of ZOO commented: “The Electronic Sell Through market is clearly one of the most exciting developments in recent history for all forms of media sales, and we’re delighted to be playing an increasing role. The incredible growth in the electronic books market has been well documented of late and we believe that there are also substantial opportunities within the music industry.”

7th June 2011 – ZOO’s software adopted by leading videogame publisher

ZOO is pleased to announce that it has begun working with a leading international videogames publisher in the regionalisation of the interactive game group’s packaging materials for multiple territories and languages. The announcement highlights the potential of ZOO’s software tools and services across a number of different industries in addition to its traditional core market of filmed entertainment.

The agreement also marks the first significant new client to come through ZOO’s relationship with Multi Packaging solutions Inc (“MPS”) which is already working with the publisher to produce high quality packaging materials for the North American market. Collaborating with MPS, two of ZOO’s software products, the Translation Management System (“TMS”) and the Media Adaption Tool (“MAT”), will be used to customise and localise packaging for the publisher’s sales outside of North America which will bring it benefits in terms of cost and time savings, and the streamlining of print operations.

Stuart Green, ZOO’s Chief Executive Officer, commented: “This is a significant step in our strategy to expand our customer base beyond the film industry, and we are delighted that this has been achieved through our relationship with MPS. This announcement is further proof that our tools, with only modest adaption, are applicable to a number of different industries beyond Hollywood.”

Marc Shore, CEO of MPS, commented: “We expect this to be the first of many new business relationships for the application of ZOO’s product set in the packaging industry. Initial presentations to our customers

over the last year have underpinned the great opportunity that exists for both MPS and ZOO as we seek to expand our businesses in other vertical markets and territories.”

About MPS

Multi Packaging Solutions, a portfolio company of Irving Place Capital, is a leading manufacturer of print, packaging, labels, inserts, and POP for the cosmetics, healthcare, horticultural, media, and value added consumer markets. MPS has 18 manufacturing locations in the U.S. and Europe. The company’s seasoned management, sales, and design teams bring vast experience in print and packaging to current and future customers. Unlike traditional packaging companies, MPS is unique in its depth of industry experience, breadth of technologies and range of resources. More information is available at www.multipkg.com.

26th May 2011 – GDMX licenses automated Blu-ray and EST production solutions

ZOO is pleased to announce that it has signed a licensing agreement with Global Digital Media Xchange Inc. (GDMX) that will provide shorter and streamlined programming using automated production solutions to support Blu-ray™ Disc and Electronic Sell Through (EST) platforms.

GDMX will use ZOO’s systems to create Blu-ray Disc and digital products for VOD providers more quickly and efficiently, thereby reducing costs and time-to-market. These systems provide an integrated and automated solution for the preparation of digital content, its regionalization into multiple languages and territory variants, and its assembly for full compliance with the Blu-ray Disc and EST formats. ZOO’s toolset can automatically adapt audio and video materials prepared for physical disc products so that the same titles can be prepared for sale via digital download more quickly and easily than would otherwise be possible, and thereby at a cost that is not prohibitive to the content owners.

“As a world leader in digital video compression and authoring, we are committed to delivering excellent service and value to our home entertainment clients,” said Brian McKay, Executive Vice President Production Operations. “The adoption of ZOO’s systems within our proven workflows will enable us to increase our throughput while reducing our costs, bringing significant benefits and improvements to our services.”

Stuart Green, CEO of ZOO, commented: “As a leading provider of workflow automation solutions for the filmed entertainment market, we look forward to working with GDMX to enable more efficient production of Blu-ray discs and digital distribution titles.”

About Global Digital Media Xchange Inc. (GDMX)

GDMX, a wholly-owned subsidiary of Warner Bros. Entertainment, is a global leader in the production and distribution of all forms of creative content, across all current and emerging technologies and platforms. The company stands at the forefront of the media and entertainment industry, supporting feature film, TV and home entertainment production for worldwide distribution to DVD and Blu-ray Disc, digital distribution, broadcast and syndication. GDMX has authored and encoded more motion pictures for DVD, Blu-ray Disc and Video on Demand (VOD) than any other facility in the world.

12th April 2011 – Trading Update

ZOO, the provider of software and software-led services for the filmed entertainment market, is issuing a trading update for its year to 31st March 2011 ahead of the announcement of the preliminary results in June.

Profitability for the year is expected to be in line with market expectations with adjusted* EBITDA (excluding exchange differences) of circa \$2.3 million (unadjusted: \$2.1 million) and adjusted** profit before tax of circa \$1.3 million (unadjusted: \$0.8 million). The year end cash balance was \$0.6 million which, in addition to the bank overdraft facility of \$0.8m, gives sufficient working capital for the foreseeable future.

Margins have benefited from a change in sales mix where certain non-core outsourced services are now being invoiced to the client directly by a third party rather than by ZOO. This change, combined with the short-term slowdown of orders during organisational changes within a major customer, has led to revenues for the year in the region of \$14 million, below the figure for the prior year. Demand from the

division most affected by the reorganisation within our major client is now increasing and we expect further revenue recovery going forward.

Stuart Green, Chief Executive of ZOO, commented:

"I am pleased with the Group's bottom line performance despite revenue falling slightly short of expectations. The short term slowdown in revenues from a major customer is now reversing and I am encouraged to see activity levels in line with our previous expectations. The proliferation of content availability on new platforms continues to provide exciting opportunities for us. We are currently working with a number of new customers and prospects to apply our proprietary software to a broader range of authored content, addressing substantial additional markets. We believe this will lead to further diversification of our client base and therefore we continue to view the future with great confidence."

* EBITDA as adjusted for share based payments

** Profit before tax as adjusted for share based payments and amortisation

24th November 2010 – Interim results for the six months to 30 Sept 2010

Financial Highlights

- Revenue in line with first half of prior year at \$8.1 million (H1 2009: \$8.1 million)
- Operating profit up 36% to \$880,000 (H1 2009: \$647,000) reflecting focus on higher margin work
- Maiden interim profit before tax of \$388,000 (H1 2009: loss of \$232,000)
- Basic earnings per share of 1.72 cents (H1 2009: loss of 1.09 cents)
- Cash balance at 30 September of \$1.9 million (30 September 2009: \$450,000)

Operational Highlights

- New iTunes® production toolset introduces ZOO to the video Electronic Sell Through (EST) market
- Advanced talks with new prospective clients resulting from Multi Packaging Solutions (MPS) collaboration
- Initial engagement with an illustrated book publisher for e-book production

Stuart Green, CEO of ZOO Digital, commented:

"I am pleased to be able to report that ZOO has traded profitably in the first half of the year, driven by recurring revenues from major clients.

We continue to add new products to our suite of tools which help our customers achieve cost savings and protect their brand integrity, and I am particularly pleased with the progress we have made in helping our customers exploit Apple's iTunes system for the distribution of video. As well as looking to add further Hollywood studios to our client base, we have qualified, through our relationship with MPS, other vertical markets where our software is highly relevant. This will provide valuable diversification of our sources of income, and we therefore continue to view the future with confidence."

9th September 2010 – AGM Statement

At ZOO's Annual General Meeting to be held later today, Roger Jeynes, Chairman, will make the following statement: "I am pleased to be able to report that trading in the current year continues to be in line with expectations.

"Earlier today we announced the launch of a new production toolset that enables full movie material, including extras such as stills, deleted scenes, exclusive interviews and behind-the-scenes footage to be adapted for sale on the Apple iTunes® platform. We are delighted that a major Hollywood studio has already chosen to adopt this technology for a range of catalogue titles.

"This is further evidence of the Group's ability to adapt its market leading tools for a variety of applications, providing greater reach within existing clients as well as an ever more compelling investment case to potential customers.

"Our strategic relationship with Multi Packaging Solutions, Inc. has highlighted some exciting opportunities and we remain confident that this will enable ZOO to broaden the use of its products to other industries outside of entertainment.

"The last twelve months has proved to be another very successful period for the Company and the quality of our products, the strength of our client relationships, the talents of our staff and new initiatives such as those outlined above, continue to provide the Board of ZOO with confidence in the future."

9th September 2010 – Production tools for Apple's iTunes adopted by major studio

ZOO Digital, the provider of software and software-led services for the filmed entertainment market, announces the availability of its iTunes® production toolset and adoption by a major film studio. iTunes, the proprietary digital media player application from Apple, used for playing and organizing digital music and video files, is the first platform to be supported by ZOO's new suite of authoring tools for the Electronic Sell Through market. Electronic Sell Through (EST) is the offer of content, usually video or audio over the internet, allowing consumers to keep a copy of a movie or music album permanently on their computer hard drive or portable device.

ZOO's new toolset supports the automated production of iTunes ExtraSM content, which offers a unique and interactive experience with iTunes and is available for select movie purchases on the iTunes Store. These purchases include the movie and chapter selection along with special features such as movie stills, deleted scenes, exclusive interviews, and behind-the-scenes footage.

These additional features have long been associated with DVD and Blu-ray Disc productions but the costs associated with traditional production methods have proved prohibitive for sales on iTunes. ZOO's toolset provides an innovative way to automate the adaptation of menu systems and bonus features which enables the creation of iTunes Extra titles at significantly lower costs. The authoring solutions are integrated with ZOO's Translation Management System and Media Adaptation Tool, enabling efficient localisation of iTunes Extras for multiple territories.

Stuart Green, CEO of ZOO commented: "This is an important development for ZOO that takes us firmly into the growing Electronic Sell Through market and provides us with new revenue streams. Our iTunes production tools provide the only cost effective way of bringing additional features to this exciting sales platform and we are delighted that they have been adopted by a major Hollywood studio for publishing a range of catalogue titles."