

Embargoed for 7.00am, 21 March 2007

Future Internet Technologies Plc (the “Company” or “FIT”)

**Interim Results for the six months ended 31 December 2006 and
Appointment of Chief Executive**

The Company is pleased to report results for the six months ended 31 December 2006, the appointment of a new Chief Executive and an update on the performance of the business following the period end.

Highlights

- Results for the period in line with previously stated expectations
- Robert Marcus joins as Chief Executive with extensive international technology sector experience
 - Paul Gratton reverts to Executive Chairman role
- Continued strong performance from core Artilium business, post period-end
 - International roll-out progressing with first sale achieved in US

Commenting, Paul Gratton, said:

“We are now entering a new phase of growth for the business.

We have continued to see strong performance from Artilium and our planned sales expansion outside the company’s core market of the Benelux region is on track, as evidenced by our first sale achieved in the US.

We are also delighted by the appointment of Robert Marcus as Chief Executive. His extensive experience in the technology sector, including most recently nine years at Microsoft, specialising latterly in international M&A, as well as his experience as a leader of emerging technology businesses, will bring real value to FIT.”

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Future Internet Technologies Plc (the “Company” or “FIT”)

**Interim Results for the six months ended 31 December 2006 and
Appointment of Chief Executive**

CHAIRMAN’S STATEMENT

Introduction

The results for the six months ended 31 December 2006 reflect a period of significant transition for the Company to position our business to take advantage of the growing demand for voice integration into multiple business applications.

Today, our core business is focused on the emerging market of providing Shared Service Delivery Platform services for the telecoms industry and internet service providers. It supplies hardware and software as well as consultancy services. It has considerable experience in this area and, in conjunction with its partnership network, has already established installations in more than ten countries across Europe.

Following the period end, the Company successfully completed a placing and capital reorganisation and its shares were re-admitted to trading on AIM on 8 January 2007.

The results for the period are in line with our previously stated expectations.

Update on performance

Following the completion of our acquisition of the remaining 51% of Artilium N.V. (“Artilium”) on 8 January 2007, we have continued to see strong performance from the business and our planned sales expansion outside the company’s core market of the Benelux region is on track.

We now have customers in Benelux, France, Germany, the UK and the US, among others. Our new US channel continues to develop well and we have established strong commercial relationships with industry partners there. We are also progressing opportunities in new markets such as North Africa and Central America.

We will continue to develop relationships with existing clients including a number of Tier 1 telecommunications operators and new partnerships with global system integration groups.

In addition, as announced in January 2007, we are planning to enter a new market offering voice solutions through “Hosting Companies” as the “Software as a Service” industry trend continues to gather pace. We believe this has the potential to provide a significant, additional revenue opportunity from the resale of voice minutes and are pleased to report that our plans in this area are progressing well.

To this end, we will today complete the acquisition of a minority stake in the Seattle based company, Chinook Hosting Corporation (“Chinook”). Chinook was founded in 2006 by technology professionals with experience in developing, deploying and hosting Microsoft technologies. Its vision is to create a Redmond/Seattle-based hosting company that collaborates closely with Microsoft and technology partners to bring a suite of products and services to market that are easy to use, easy to sell, cutting edge and operationally stable. FIT paid approximately £300,000 in cash for a

31% stake. In addition, FIT has the right to acquire majority control of Chinook at a future date in certain prescribed circumstances. As a result of the transaction, FIT will have representation on the Chinook board.

This acquisition provides us with ready access to the US hosting market and represents a major step ahead for our new voice solutions business. In addition, Chinook will also provide a platform for further sales for Artilium in the US.

We are entering a new phase of growth for the business and, assuming the current trend continues, we remain confident that we will achieve our goal of growing Artilium's revenue by over 50% to support the underlying growth in Artilium's profitability for the year ending 30 June 2007.

Appointment of Chief Executive

As a significant step towards achieving that goal, we are delighted to announce the appointment of Robert Harris Marcus, 45, as Chief Executive of FIT, with immediate effect.

He brings to the position a strong record of corporate leadership and strategic thinking, particularly in the field of unified communications. Robert is a seasoned leader of emerging technology businesses. He joins FIT after nine years at Microsoft, where he served most recently as a director on the company's elite mergers and acquisitions team. Robert is a thought-leader in unified communications and voice-data convergence and was responsible for both areas at Microsoft. As a Solution CEO at Microsoft, he was responsible for a portfolio of communications and collaborations solutions, including the highly successful Intranet Solution that generated an estimated \$100 million worldwide. He served as Director of Strategic Business Development and Communications in Microsoft's worldwide partner group (the division responsible for 97% of company revenue), and led a specialist sales organisation 500+ strong in the same division.

Before joining Microsoft Robert was Chief Executive of ConnectSoft, a pioneer in unified communications; General Manager of PICIS, an innovator in critical-care software and the Microsoft go-to partner that helped break UNIX dominance in healthcare; President of IMT, an emergency medical device company he founded; and European Director of ADL a medical laser systems company.

There are no further details to be disclosed under Rule 17 Schedule Two paragraph (g) of the AIM Rules in relation to Robert Marcus.

Board

Executive Director Tom Casaer steps down from the Board with immediate effect but will continue to serve as a key member of the management team as Chief Marketing Officer for the Company.

Richard Armstrong has resigned as non-Executive Director of FIT and leaves the Company with immediate effect. We are very grateful to Richard for his hard work over the last number of years and wish him every success for the future.

The board is currently undertaking a search to appoint two new Non-Executive Directors as soon as possible.

Financial Results

As anticipated, the Company reported a loss from continuing operations for the six month period ended 31 December 2006 of £1.4 million (six months ended 31 December 2005: loss of £452,000). After stripping out non-recurring corporate activity costs of £0.5 million, the company's underlying operating loss for the period was £0.9 million.

The Company also reported a loss of a further £1.33 million for discontinued operations related to the operating costs prior to disposal and the loss on disposal of the consumer branded "Unified Communication Service" business, which, as previously announced, was sold on 11 September 2006.

We are encouraged by the progress that we have seen in the third quarter and expect that FIT (as enlarged by the Artilium acquisition) will, consistent with our previously stated expectations, incur a small overall loss for the year. This loss will be prior to what we estimate will total £2 million of one-off costs for the full year due principally to the discontinued businesses and professional fees relating to corporate transactions incurred in the first half, described above.

Paul Gratton
Chairman

**FUTURE INTERNET TECHNOLOGIES PLC
INTERIM ACCOUNTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2006**

CONSOLIDATED INCOME STATEMENT

	6 months ended 31 December 2006	6 months ended 31 December 2005	Year ended 30 June 2006 (Restated) Audited
	Unaudited £'000	Unaudited £'000	£'000
<u>Continuing operations</u>			
Revenue	1,712	-	612
Cost of sales	(900)	-	(56)
Gross profit	812	-	556
Administrative expenses	(2,339)	(489)	(2,428)
Other operating expenses	-	-	(6)
Operating loss	(1,527)	(489)	(1,878)
Investment revenues	45	37	135
Other gains and losses	-	-	(698)
Finance costs	(5)	-	(349)
Loss before tax	(1,487)	(452)	(2,790)
Tax	44	-	(152)
Loss for the period from continuing operations	<u>(1,443)</u>	<u>(452)</u>	<u>(2,942)</u>
<u>Discontinued operations</u>			
Loss for the period from discontinued operations	<u>(1,337)</u>	<u>-</u>	<u>(981)</u>
Loss for the period	<u>(2,780)</u>	<u>(452)</u>	<u>(3,923)</u>
Attributable to:			
Equity holders of parent	(2,641)	(452)	(3,159)
Minority Interest	(139)	-	(764)
	<u>(2,780)</u>	<u>(452)</u>	<u>(3,923)</u>

CONSOLIDATED INCOME STATEMENT (continued)

	6 months ended 31 December 2006	6 months ended 31 December 2005	Year ended 30 June 2006 (Restated)
Loss per share in pence from continuing operations	(3) <u>(0.67)</u>	<u>(0.92)</u>	<u>(1.98)</u>
Loss per share in pence from discontinued operations	(3) <u>(0.69)</u>	<u>-</u>	<u>(0.88)</u>
Total Loss per share in pence	(3) <u>(1.36)</u>	<u>(0.92)</u>	<u>(2.86)</u>

FUTURE INTERNET TECHNOLOGIES PLC
INTERIM ACCOUNTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

CONSOLIDATED BALANCE SHEET

	31 Dec 2006 Unaudited £'000	31 Dec 2005 Unaudited £'000	30 June 2006 Audited £'000
Note			
Non-current assets			
Goodwill	2,697	-	2,697
Intangible assets	808	-	837
Property, plant and equipment	496	-	170
Deferred tax asset	161	-	119
Investments	-	18	-
	<u>4,162</u>	<u>18</u>	<u>3,823</u>
Current assets			
Inventories	21	-	118
Trade and other receivables	7,395	53	1,925
Cash at bank and in hand	1,075	8,329	1,911
	<u>8,491</u>	<u>8,382</u>	<u>3,954</u>
Total assets	<u>12,653</u>	<u>8,400</u>	<u>7,777</u>
Current liabilities			
Trade and other payables	2,486	13	2,849
Obligations under finance leases	-	-	4
Provisions	410	-	425
	<u>2,896</u>	<u>13</u>	<u>3,278</u>
Non-current liabilities			
Deferred tax liabilities	140	-	180
Total liabilities	<u>3,036</u>	<u>13</u>	<u>3,458</u>
Net assets	<u>9,617</u>	<u>8,387</u>	<u>4,319</u>

CONSOLIDATED BALANCE SHEET (continued)

	Note	6 months ended 31 Dec	6 months ended 31 Dec	Year ended 30 June
Equity				
Called up share capital	(4)	2,452	1,761	1,769
Share premium account		16,385	8,940	9,033
Capital redemption reserve		4,493	4,493	4,493
Option to acquire minority interest		(1,611)	-	(1,611)
Translation Reserve		249	-	2
Share warrant reserve		336	336	336
Profit and loss account		(12,629)	(7,143)	(9,849)
		<hr/>	<hr/>	<hr/>
Equity attributable to equity holders of parent		9,675	8,387	4,173
Minority Interest		(58)	-	146
Total equity		9,617	8,387	4,319
		<hr/>	<hr/>	<hr/>
Total liabilities and equity		12,653	8,400	7,777
		<hr/>	<hr/>	<hr/>

FUTURE INTERNET TECHNOLOGIES PLC
INTERIM ACCOUNTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2006

CONSOLIDATED CASH FLOW STATEMENT

	Notes	6 months ended 31 December 2006 Unaudited £'000	6 months ended 31 December 2005 Unaudited £'000	Year ended 30 June 2006 Audited £'000
Net cash used in operating activities	(5)	(8,286)	(204)	(1,732)
Investing activities				
Interest received		44	37	135
Sale of investments		-	-	21
Purchases of property, plant and equipment		(541)	-	(34)
Purchase of investments		-	-	(691)
Acquisition of subsidiary		-	-	(4,370)
Net cash (used in)/from investing Activities		<u>(497)</u>	<u>37</u>	<u>(4,939)</u>
Financing activities				
Repayments of obligations under finance lease		-	-	(5)
Proceeds on issue of shares		8,035	7,944	8,046
Net cash from financing activities		<u>8,035</u>	<u>7,944</u>	<u>8,041</u>
Net increase in cash and cash equivalents		(748)	7,777	1,370
Cash and cash equivalents at beginning of period		1,911	552	552
Effect of foreign exchange rate changes		(88)	-	(11)
Cash and cash equivalents at end of period		<u><u>1,075</u></u>	<u><u>8,329</u></u>	<u><u>1,911</u></u>

FUTURE INTERNET TECHNOLOGIES PLC
INTERIM ACCOUNTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2006
NOTES TO THE CONSOLIDATED ACCOUNTS

1. Significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

The financial statements have also been prepared in accordance with IFRSs adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on the historical cost basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entity controlled by the Company (its subsidiary being Artilium). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2. Discontinued Activities

During the period, the Company disposed of its retail unified communication operation. Trading activity and cashflows relating to this discontinued operation have been separately disclosed on the face of the Income Statement and notes to the Cashflow Statement for the six months ended 31 December 2006. Comparatives have also been restated to reflect the discontinued operation.

3. Loss per share

The company is currently loss making and therefore the effect of the warrants on issue is anti-dilutive. As a result, diluted earnings per share is the same as basic earnings per share.

	Six months ended 31 December 2006 Unaudited £'000	Six months ended 31 December 2005 Unaudited £'000	Year ended 30 June 2006 Audited £'000
Loss			
Loss for the purposes of basic loss per share being net loss attributable to equity holders of the parent	<u>(2,641)</u>	<u>(452)</u>	<u>(3,159)</u>
	Number	Number	Number
Number of shares			
Weighted average number of ordinary shares for the purposes of basic earnings per share	<u>193,942,290</u>	<u>49,093,485</u>	<u>110,552,747</u>

4 Share capital

	31 December 2006 Unaudited £'000	31 December 2005 Unaudited £'000	Year ended 30 June 2006 Audited £'000
Fully paid ordinary shares:			
Authorised: 1,050,676,947 (2005: 1,050,676,947) ordinary shares of 1 pence each	<u>10,507</u>	<u>10,507</u>	<u>10,507</u>
Issued and fully paid: 245,249,000 (2005: 176,050,006) ordinary shares of 1 pence each	<u>2,452</u>	<u>1,761</u>	<u>1,769</u>

	31 December 2006 Unaudited		31 December 2005 Unaudited		30 June 2006 Audited	
	No. '000	£'000	£'000	No. '000	£'000	No. '000
Fully paid ordinary shares:						
Balance at beginning of period:	176,900	1,769	161	16,050	16,050	161
Shares issued by placement	-	-	1,600	160,000	160,000	1,600
Shares issued by warrant conversion	68,349	683	-	-	850	8
Issued and fully paid at end of period:	<u>245,249</u>	<u>2,452</u>	<u>1,761</u>	<u>176,050</u>	<u>176,900</u>	<u>1,769</u>

Fully paid ordinary shares carry one vote per share and carry the rights to dividends.

5 Notes to the consolidated cash flow statement

	Six months ended 31 December 2006 Unaudited £'000	Six months ended 31 December 2005 Unaudited £'000	Year ended 30 June 2006 Restated Audited £'000
Loss from continuing operations	(1,443)	(452)	(2,942)
Loss from discontinued operations	(1,337)	-	(981)
Adjustments for:			
Investment revenues	(44)	(37)	(135)
Impairment of investment	-	-	698
Tax	-	-	152
Depreciation of property, plant and equipment	156	-	31
Amortisation of intangible assets	90	-	60
Share based payment expense	-	336	336
Gain on disposal of property, plant and equipment	-	-	(14)
Increase / (decrease) in provisions	(15)	-	425
Operating cash flows before movements in working capital	(2,593)	(153)	(2,370)
Decrease in inventories	97	-	(34)
Increase in receivables – continuing operations	(6,337)	(48)	(316)
Decrease/(Increase) in receivables – discontinued operations	825	-	(825)
Increase/(Decrease) in payables – continuing operations	409	(3)	1,475
(Decrease)/Increase in payables – discontinued operations	(687)	-	687
Cash used in operations	(8,286)	(204)	(1,380)
Income taxes paid	-	-	(352)
Net cash used in operating activities	<u>(8,286)</u>	<u>(204)</u>	<u>1,732</u>

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less.

6 Events after the balance sheet date

Completion of the acquisition of Artidium N.V. and the placing of 3,000,000 new ordinary shares took place upon re-admission of the Company's shares for trading on AIM on 8 January 2007.

In addition, a consolidation of 5 shares of 1 pence each into one share of 5 pence each was completed. The ordinary shares accordingly now have a par value of 5 pence. The outstanding series 2 warrants of the Company were also adjusted for the consolidation with the number being reduced by a factor of 5 and the exercise price increasing from 15p to 75p.

7 Related party transactions

The Company disposed of its consumer branded “Unified Communication Service” business, on 11 September 2006 to Flasket Limited. Flasket Limited is controlled by Robert Bonnier, through Cold Investments Limited, a significant shareholder of FIT at 31 December 2006.

Revenue for the year included sales of IT hardware for £160,000 to Flasket Limited. A profit of £14,000 was earned on these transactions.

8 Status of these accounts

The interim accounts for the six months ended 31 December 2006 are unaudited. The financial information set out in this statement does not constitute statutory accounts within the meaning of the Companies Act 1985. The comparative figures for the year ended 30 June 2006 are not the statutory accounts for that year but are abridged from those accounts which have been reported on by the Company’s auditors and delivered to the registrar of Companies. The report of the former auditors was unqualified and did not contain a statement under section 237(2) or (3) of the Companies Act 1985. The comparative figures have been represented in an IFRS format, however, are not in compliance with IAS 34 ‘Interim Financial Reporting’.

9 Further Copies

Copies of the interim results are available from the Company’s registered office at 7th Floor, City Point, One Ropemaker Street, London, EC2Y 9AW.

INDEPENDENT REVIEW REPORT TO FUTURE INTERNET TECHNOLOGIES PLC

Introduction

We have been instructed by the company to review the financial information for the six months ended 31 December 2006 which comprises the profit and loss account, the balance sheet, the cash flow statement and related notes 1 to 9. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

This report is made solely to the company, in accordance with Bulletin 1999/4 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are also responsible for ensuring that the accounting policies and presentation applied to the interim figures are consistent with those applied in preparing the preceding annual accounts except where any changes, and the reasons for them, are disclosed.

Review work performed

We conducted our review in accordance with the guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an audit opinion on the financial information.

Review conclusion

On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 December 2006.

Deloitte & Touche LLP

Chartered Accountants
21 March 2007

London