



## 'mktg, inc.' Files Notification of Late Filing with SEC and Announces Preliminary Results For Fiscal 2009

NEW YORK, June 30, 2009 /PRNewswire-FirstCall via COMTEX News Network/ -- 'mktg, inc.' (Nasdaq: CMKG) announced today that it has filed a Notification of Late Filing with the Securities and Exchange Commission on Form 12b-25, providing the Company with an additional 15 days to timely file its Annual Report on Form 10-K for its fiscal year ended March 31, 2009. The Annual Report would have otherwise been due on June 29, 2009. Although the audit of the Company's financial statements is substantially complete, the Company has not yet concluded impairment testing of its goodwill, which under generally accepting accounting principles is required to be done on an annual basis.

'mktg, inc.' also reported in its SEC filing that it expects to report a net loss for Fiscal 2009 of approximately \$(2,703,000), or \$(0.34) per diluted share, compared to a net loss of \$(4,893,000), or \$(0.71) per diluted share for Fiscal 2008. The loss for Fiscal 2009 does not include any charges for impairment of goodwill, as testing for goodwill impairment has not yet been concluded. The change in results for Fiscal 2009 is due in large part to the provision for income taxes of \$4,751,000 recorded in Fiscal 2008, consisting primarily of a \$4,535,000 valuation allowance established at March 31, 2008 in light of the Company's losses for its fiscal years 2004 through 2008 aggregating \$5,961,000. The Company did not record any benefit for federal, state and local income taxes for Fiscal 2009 because any benefit would be fully offset by an increase in the valuation allowance against the Company's net deferred tax asset.

At March 31, 2009, mktg estimates it had cash and cash equivalents of \$1,904,000, and a working capital deficit of \$8,966,000. As a result of its failure to comply with various financial and other covenants under its senior loan facility, mktg entered into an amendment and waiver to its Credit Agreement in May 2009 under which its lender (i) waived existing defaults, (ii) indefinitely suspended mktg's revolving credit facility, and (iii) required mktg to maintain deposits with the lender at all times in an amount not less than the outstanding balance of the term loan as cash-collateral therefor.

As a result of the amendment, recent losses, and a recent change in the Company's business, which has resulted in a reduction in deferred revenues (i.e., advance payments by clients), mktg is currently exploring different alternatives for obtaining financing. There can be no assurance that the Company will be able to obtain such financing on favorable terms, if at all.

"As we continue to work through the challenges surrounding our recent restatements and its' impact on our business, we remain optimistic about the future of our company. Revenue continues strong, the Maritz relationship just announced offers new avenues for growth, and we have taken substantial costs out of the business. One-time charges associated with the restatement process and cost reductions increased the loss in the fourth quarter of Fiscal 2009. As a result of the actions already taken we expect to be profitable in the first quarter of Fiscal 2010, which concluded today, June 30, 2009," said Charlie Horsey, 'mktg, inc.' President.

### About 'mktg'

'mktg' (Nasdaq: CMKG) is an alternative media and marketing services company headquartered in New York with full service offices in San Francisco, Chicago, Cincinnati and Toronto. The company currently serves a variety of the world's most recognizable brands, including CBS, Diageo, P&G, Nintendo, Pepsi, Nike, Apple, Scottrade and Google/YouTube. The company's services include experiential marketing, digital marketing, retail promotions and strategic research and planning. The firm's programs help its clients profitably connect with consumers and create networks of brand advocates to generate brand awareness and higher sales for its customers. For more information, please visit [www.mktg.com](http://www.mktg.com).

This press release includes statements which constitute forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release are not promises or guarantees and are subject to risks and uncertainties that could cause our actual results to differ materially from those anticipated. These statements are based on management's current expectations and assumptions and are naturally subject to uncertainty and changes in circumstances. We caution you not to place undue reliance upon any such forward-looking statements. Actual results may vary materially from those expressed or implied by the statements herein. Factors that could cause actual results to differ materially from the Company's expectations are set forth in the Company's Annual Report on Form 10-K/A for the fiscal year ended March 31, 2008 and include the risk that projected business opportunities will fail to materialize or will be delayed. The Form 10-K/A may be obtained by accessing the database maintained by the Securities and Exchange Commission at <http://www.sec.gov>.

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