31 July 2014

Centaur Media plc

Second Interim Results

Centaur Media plc (LSE: CAU), the multi-platform media group, has published its second interim results for the six months ended 30 June 2014.

Operational Highlights

- Transformation to a multi-platform, customer focused business targeting core markets that are individually led, is well underway
- Strategic disposal of Perfect Information completed
- Econsultancy earn-out settlement addressed; integration across Marketing portfolio now accelerating
- Commercial outlook strengthening as a result of actions to date
- Trading outlook: 2014 expectations confirmed and prospects for 2015 encouraging with strong focus on digital paid-for content, live events and development of new revenue streams

Financial highlights

- Reported revenues for the six months to 30 June 2014 as expected at £40.8m (2013: £41.6m)
  - Underlying[1] digital paid-for content revenues up 30% to £5.3m; rate of growth accelerating
  - Underlying[1] deferred revenues up 23% to £14.7m
  - Dependency on print advertising revenues continues to reduce
- Adjusted EBITDA of £9.0m (2013: £10.0m) with EBITDA margins at 22% (2013: 24%)
- Interim dividend increased by 8% to 1.7p (2013: 1.575 p)
- Net debt at 30 June 2014 of £10.2m (31 December 2013: £27m)
- Procurement and efficiency initiatives expected to deliver £1m of annualised savings in 2014

	Six months to 30 June 2014 Unaudited	Six months to 30 June 2013 Unaudited
Revenue (£m)	40.8	41.6
Adjusted EBITDA (£m) [2]	9.0	10.0
Adjusted EBITDA margin [2]	22%	24%
Adjusted profit before tax (£m) [2]	6.5	7.9
Profit/(loss) before tax (£m)	13.8	(32.4)
Basic EPS/(LPS) (pence)	8.5	(24.1)
Adjusted basic EPS (pence) [2]	3.4	4.4
Dividend per share (pence)	1.7	1.575

1. *Adjusted to exclude the impact of Perfect Information*
2. *Adjusted results exclude adjusting items as detailed in the Basis of Preparation section of this statement*

Andria Vidler, CEO, said:

"The era of the single-format content business at Centaur is over. Our customers want flexible content that works seamlessly across multiple platforms - from print to digital to live events. We are evolving Centaur Media into a business that can deliver exactly that - opening up new opportunities and growing existing revenue streams, introducing new products and services, as well as getting the very best out of our people.

"We have made the significant and necessary changes to the business in the last six months to deliver this transformation. There is more work to do, but we are already seeing the benefits of the new strategy both in operational performance and financial outlook."

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Note to editors
Centaur Media is an award winning UK-based multi-platform media group that delivers information, insight and interaction to professional and consumer markets, helping people and businesses improve their performance and achieve their ambitions.

Leading brands across these markets include: Econsultancy, Marketing Week, Creative Review, Celebrity Intelligence, Fashion Monitor, Money Marketing, The Platforum, The Lawyer, VBR, Employee Benefits, The Engineer, Subcon, Homebuilding & Renovating, Business Travel Show and The Meetings Show.

Strategic overview

Transformation

The new strategy is anchored in a clear focus on core markets – Marketing, Financial, Home Interest and the four portfolios aggregated into Professional – with each having its own leadership team and individually reported P&L.

This new market-led structure, in a marked contrast to the previous format based structure, allows Centaur to provide its customers with multi-platform, integrated content for their audiences, with a growing focus on insight, live events and digital paid-for content, whilst also revitalising the print brands. It will also achieve efficiency savings and other synergies, as well as significant growth potential and clear competitor differentiation.

As part of this transformation the group completed two strategic transactions in June 2014:

- The resolution of the Econsultancy earn-out removed the final obstacle to an integrated Marketing portfolio. This portfolio is now fully focused on accelerating the pace of further integration and growth.

- The disposal of Perfect Information, a single format business with limited overlap with other parts of the business and limited potential for growth without significant investment.

In addition to their strategic importance, both of these transactions reduced leverage and provide capacity for further targeted investment elsewhere.

Operational change

The group has made and is continuing to make the significant operational changes necessary to deliver its new strategy:

- The core market portfolios and the subsidiary market portfolios within the Professional segment all now have individual leadership teams.

- A group wide growth strategy is now in place that includes rigorous new product development, a programme for revitalising the core brands, and an acceleration of digital functionality and customer engagement.

- Renewed emphasis on leveraging and integrating skills and assets across the business, including the alignment of marketing, research, digital product development, commercial and live event teams

- Incentive schemes across portfolios and the group as a whole are now aligned.

Commercial performance

This transformation underpins and is enabling Centaur to drive commercial performance in the second half of 2014 and into 2015. Specific examples include:

- Digital paid-for content revenues continue to grow well and with good forward visibility.

- Live Events, now centrally managed, is generating a strong pipeline of existing and new events activity and encouraging forward bookings.

- The rate of decline in print advertising revenues is moderating. Digital advertising revenues, which have seen some short-term weakness and volatility, notably across the financial portfolio, are also showing signs of stability. Recruitment advertising revenues are growing, and are well placed to benefit from further cyclical upturn across core markets.

- Procurement and efficiency savings, alongside continued focus on working capital management are creating further capacity to invest across the business. The group expects to deliver annualised savings of £1m in 2014.

- Group-wide technical and digital expertise is driving innovation. This is translating into initiatives that have relevance and opportunity across multiple portfolios rather than individual brands, offering each portfolio clear competitive advantage. New digital and live events products and refreshed print products are being developed and planned to be launched in 2015.

Dividend

With the seasonality of earnings expected to continue to reduce in the medium term, the Board is re-balancing the interim and final dividend payments on an approximately equal basis. The second interim dividend declared for the six-month period to 30 June 2014 of 1.7p (2013: 1.575p) still reflects the established larger weighting.

The expected dividend payment for the six-month period to 31 December 2014 will see a higher dividend payment than the previous smaller weighting for that period. The expected transition to equal dividend payments in 2014 is therefore beneficial to shareholders.

Financial targets

The group is adopting rigorous investment criteria across all new product development, including targets related to scale, margin and payback. It anticipates that these targeted investments will continue to drive strong growth across live events and digital paid-for content products. With the business capable of delivering strong underlying revenue growth, and with a scalable business structure, Centaur will be targeting improved EBITDA margins.

With significant structural and operational change across the business, and with the change in the year-end to 31 December, the Board has made a decision at this stage not to introduce new KPI measures against those that have been previously reported. It expects to set out in due course new medium-term targets relating to the quality and growth of revenue streams, EBITDA margins and return on investment, and to report against these from 1 January 2015.

Current trading and outlook

There has been a significant level of change across all the portfolios; this change is ongoing and ahead of schedule.

Trading in the first six months of 2014 across the business has reflected the variation in performance in each portfolio. The Marketing and Legal portfolios have reported modest growth, while the Financial and HR portfolios have been impacted by specific external, legacy product, and leadership issues, all of which have now been addressed.

Momentum across digital paid-for content revenues continues to build; equally, forward bookings across live events are encouraging. While the rate of decline in display advertising revenues is reducing, the group continues to manage these revenue streams aggressively.

Overall, the transformation across Centaur is creating the cohesion and foundation for a more efficient business that is better positioned to drive sustainable growth and value creation across its core markets.

The Board remains encouraged by the potential across the business, and trading for the year to 31 December 2014 is in line with its expectations.

Financial overview

As a result of the change in its accounting reference date from 30 June to 31 December, alongside the second interim results to 30 June 2014, the group is also presenting unaudited results for the 12 months to 30 June 2014.

Six months to 30 June 2014

As expected, reported revenues for the six-month period to 30 June 2014 declined by 2% to £40.8m (2013: £41.6m). Revenues across the financial portfolio declined by 11%, and adjusted for this and the disposal of Perfect Information (PI) in June 2014, revenues across the rest of the group grew by 2%.

Underlying paid-for content revenues of £8.9m grew by 17%, adjusted for the sale of PI at the beginning of June 2014. On the same basis, underlying digital paid-for content revenues of £5.3m grew by 30%. This underlying growth is primarily being driven by the Marketing portfolio, where Celebrity Intelligence, Fashion Monitor and Econsultancy digital paid-for content revenues grew by 35%. Reported digital paid-for content revenues grew by 11%, reflecting PI revenues that were flat in the first five months of the year.

Live events revenues, adjusted for the impact of event phasing and discontinued events, grew by 2%. Reported live events revenues of £16.9m fell by 3%, reflecting specific weakness across the HR portfolio and the National Home Building & Renovating Show, and the re-phasing of some events into the second half of 2014.

Print advertising revenues of £6.1m now account for just 15% (2013: 18%) of the group’s total revenues, with the 16% rate of decline in the first six months of 2014 moderating compared to 2013. The weakness in digital advertising revenues, which declined by 5% to £5.7m is most evident across the financial portfolio, and is being addressed. Recruitment revenues of £3.1m grew by 3%. Total advertising revenues of £11.8m declined by 11% and now account for 29% of total revenues compared to 32% in the same period last year.

Adjusted group EBITDA was £9.0m (2013: £10.0m). This reflects specific weakness across the HR and Financial portfolios. EBITDA margins were 22% (2013: 24%). With investment into group-wide initiatives providing a stronger platform for growth, Centaur expects full year 2014 margins to recover in line with 2013.

Exceptional costs of £6.5m consist of IFRS 3 earn-out charges of £3.5m, a £2.5m charge for unwinding the remaining discount on the Econsultancy earn-out, acquisition-related costs of £0.1m, restructuring costs of £0.2m, and other exceptional costs amounting to £0.2m, which include an onerous lease charge associated with the group’s on-going property rationalisation.

The disposal of PI generated a profit on disposal of £14.9m.

Adjusted profit before taxation was £6.5m (2013: £7.9m). Reported profit before taxation of £13.8m (2013: loss £32.4m) is after the exceptional costs, the amortisation of acquired intangibles of £1.1m, and the profit on disposal of PI.

The group has reported an adjusted basic EPS of 3.4 pence (2013: 4.4 pence) and has declared a second interim dividend of 1.7 pence (2013: 1.575 pence).

Net debt at 30 June 2014 was £10.2m (31 December 2013: £27m) with a net debt to EBITDA ratio of 0.8 times.

Segmental review

Revenue and adjusted EBITDA together with reported growth rates across each segment for both the six month and 12 month periods to 30 June 2014 are set out below.

	Six months to 30 June 2014 Unaudited	Six months to 30 June 2013 Unaudited	Reported growth	Year to 30 June 2014 Unaudited	**Year to 30 June 2013 Audited**	Reported growth
	£m	£m	%	£m	**£m**	%
Marketing						
Revenue	**14.4**	14.2	1%	25.1	**23.8**	5%
Adjusted EBITDA	**3.4**	3.0	13%	4.2	**3.6**	17%
Adjusted EBITDA margin	**23%**	21%		17%	**15%**	
Financial						
Revenue	**7.1**	8.0	(11%)	12.7	**13.3**	(5%)
Adjusted EBITDA	**1.5**	2.1	(29%)	2.2	**2.2**	0%
Adjusted EBITDA margin	**21%**	26%		17%	**17%**	
Home Interest						
Revenue	**6.3**	6.1	3%	11.0	**10.8**	2%
Adjusted EBITDA	**1.3**	1.5	(13%)	1.6	**1.7**	(6%)
Adjusted EBITDA margin	**21%**	25%		15%	**16%**	
Professional						
Revenue	**13.0**	13.3	(2%)	24.8	**24.1**	3%
Adjusted EBITDA	**2.8**	3.4	(18%)	4.1	**5.4**	(24%)
Adjusted EBITDA margin	**22%**	26%		17%	**22%**	
Total						
Revenue	**40.8**	41.6	(2%)	73.6	**72.0**	2%
Adjusted EBITDA	**9.0**	10.0	(10%)	12.1	**12.9**	(6%)
Adjusted EBITDA margin	**22%**	24%		16%	**18%**	

Marketing

Serving the marketing and creative industries, this portfolio includes Econsultancy, Marketing Week, Creative Review, Design Week, Celebrity Intelligence and Fashion Monitor:

- Revenues were £14.4m (2013: £14.2m)
- Adjusted EBITDA up 13% to £3.4m (2013: £3.0m)
- Digital revenues of £6.7m grew by 24%
  - Digital paid-for content revenues of £4.2m grew by 38%
  - Digital advertising revenues of £2.5m grew by 9%
- Live events revenues of £5.6m and print revenues of £1.7m

The outlook across this portfolio is encouraging with digital paid-for content growth across Econsultancy, Celebrity Intelligence and Fashion Monitor, underpinned by annualised contract values that are up 35% compared to the same period last year. The Festival of Marketing runs in November 2014 and bookings are in line with expectations. The accelerated settlement of the Econsultancy earn-out presents further opportunity to accelerate revenue growth across the portfolio.

The increase in EBITDA and margin reflects rationalisation of Econsultancy overseas operations and events, excellent profit growth across Celebrity Intelligence and Fashion Monitor, offset by lower advertising revenues and investment in group overhead.

Celebrity Intelligence and Fashion Monitor continue to grow at pace, with digital paid-for content revenues of £2.6m, 37% higher than in the same period last year. Econsultancy also continues to perform ahead of expectations. While Marketing Week and Creative Review saw revenues decline, all of these brands are beginning to benefit from portfolio management, and a renewed focus on content and audience.

Financial

Serving the financial services industry, this portfolio includes Money Marketing, Fund Strategy, Mortgage Strategy, Corporate Advisor, Tax Briefs, Headline Money and The Platforum:

- Revenues were £7.1m (2013: £8.0m)
  - Display advertising revenues declined by 31%

- Adjusted EBITDA of £1.5m (2013: £2.1m)

- The Platforum revenues of £1.0m grew by 32%

- Refreshed leadership now in place

The decline in adjusted EBITDA reflects the operational gearing associated with the expected decline in advertising revenues, in both print and digital formats.

While the performance across this segment has been materially impacted by more stringent regulatory requirements that are impacting audiences, sponsors and advertisers, Centaur has already implemented a number of actions to reposition this portfolio and to leverage The Platforum business model where revenues grew by 32% to £1.0m. These initiatives include new leadership across the portfolio as a whole, and the re-launch of Money Marketing. The Platforum and Money Marketing are now well positioned to support demand for greater insight and analysis around key topics such as investment, retirement, mortgages, protection and technology.

While the short term outlook across this segment remains challenging, the group is encouraged by the opportunities across the retail financial services market.

Home Interest

Live events and publishing assets focusing on homebuilding and home renovation - includes Homebuilding & Renovating, Real Homes and Period Living:

- Revenues were £6.3m (2013: £6.1m)
  - Digital revenues +20%

- Adjusted EBITDA of £1.3m (2013: £1.5m)

- Visitor numbers across the National Homebuilding events portfolio grew by 28%

The decline in EBITDA primarily reflects the investment into the National Homebuilding & Renovating Show and the similarly branded regional live events. Visitor numbers across this portfolio of live events have shown good growth, and with continued increases in activity across the homebuilding and home improvement sectors, we are encouraged by the opportunities across the live events portfolio.

The publishing activities across the Home Interest segment continue to report good growth in both market share and digital revenues. With a new content and commercial structure now established, the group is confident in the outlook for the portfolio as a whole.

Professional

This segment divides into four subsidiary markets - legal, engineering, HR and new markets:

- Revenues were £13.0m (2013: £13.3m)

- Adjusted EBITDA of £2.8m (2013: £3.4m)

The Legal portfolio includes the print, digital and live events activities associated with The Lawyer and VB Research. The principal assets within the Engineering portfolio are The Engineer and Subcon, an exhibition which serves the sub-contractor industry. The HR portfolio includes FEM, Employee Benefits and Employee Benefits Live, and New Markets includes a portfolio of exhibitions serving the Business Travel and Meetings markets. The disposal of PI was completed in June 2014.

Total reported revenues were £13.0m (2013: £13.3m), with the Business Travel Show growing its revenues by £0.6m (37%). The growth across the Business Travel portfolio was offset by a £0.6m (21%) decline in HR revenues and the impact of the disposal of PI. The decline in HR revenues demonstrates the increased investment necessary in FEM's product portfolio following the earn-out period to 30 June 2013. Centaur expects to see the benefits of the newly aligned HR portfolio in 2015. Revenues across the legal and engineering portfolios grew by 2% and 6% respectively.

Adjusted EBITDA of £2.8m (2013: £3.4m) reflects the impact of the disposal of PI and the operational gearing impact of weaker revenues across the HR portfolio. The legal and engineering portfolios both grew profits, and with targeted investment into new digital product development initiatives, Centaur continues to be encouraged by the opportunities across these brands, and the portfolio as a whole.

12 months to 30 June 2014

These numbers are presented to reflect the change in year-end from 30 June to 31 December.

	Year to 30 June 2014 Unaudited	Year to 30 June 2013 Audited
Revenue (£m)	73.6	72.0
Adjusted EBITDA (£m) [1]	12.1	12.9
Adjusted EBITDA margin [1]	17%	18%
Adjusted profit before tax (£m) [1]	7.3	8.6
Profit/(loss) before tax (£m)	11.0	(37.4)
Basic EPS/(LPS) (pence)	6.8	(27.3)
Adjusted basic EPS (pence) [1]	3.7	4.5
Dividend per share (pence)	2.6	2.4

1. *Adjusted results exclude adjusting items as detailed in the Basis of Preparation section of this statement*

Key Performance Indicators (KPIs)

The Board uses a range of performance indicators to monitor progress against its strategic objectives and to manage the business. The Board expects to to report, from 1 January 2015, clearer medium-term targets related to the quality and growth of revenue streams, EBITDA margins and return on investment. The indicators which the Board has historically considered to be important are as set out below:

	Six months to 30 June 2014	Six months to 30 June 2013	**Year to 30 June 2014**	Year to 30 June 2013
	Unaudited	Unaudited	**Unaudited**	Unaudited
Revenue growth/(decline) by revenue type				
Digital products	**4%**	19%	**6%**	28%
Live events	**(3%)**	19%	**5%**	28%
Print	**(10%)**	(18%)	**(8%)**	(19%)
Other	**133%**	50%	**67%**	-
Total	**(2%)**	7%	**2%**	10%
Digital revenues as a percentage of total revenues	**33%**	31%	**36%**	35%
Adjusted EBITDA margin	**22%**	24%	**17%**	18%
Revenue per employee (£000)	**138.5**	139.5	**123.7**	122.5
Adjusted Profit before tax (£m)	**6.5**	7.9	**7.3**	8.6
Adjusted basic EPS (pence)	**3.4**	4.4	**3.7**	4.5

Principal risks and uncertainties

The principal risks and uncertainties have not changed since the Annual Report. Further details of the group's risk profile can be found in the 2013 Annual Report on pages 35 and 36.

Forward looking statements

Certain statements in this interim report are forward-looking. Although the group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. It undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Statement of directors' responsibilities

The directors confirm that this consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the period and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining period of the financial year; and

- material related-party transactions in the period and any material changes in the related-party transactions described in the last annual report.

The directors of Centaur Media plc are listed in the Centaur Media plc Annual Report for 30 June 2013.

The appointments and resignations during the twelve months to 30 June 2014 were as follows:

Andria Vidler (Chief Executive Officer)	Appointed 4 November 2013
Colin Morrison (Non-Executive Director)	Resigned 13 November 2013
Matthew Jones (Company Secretary)	Appointed 29 January 2014
Claire Baty (Company Secretary)	Resigned 29 January 2014

A list of current directors is maintained on the Centaur Media plc website: www.centaur.co.uk.

Going concern

In assessing the going concern status, the Directors considered the group's activities, the financial position of the group and the group's financial risk management objectives and policy. The Directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and for this reason, they continue to adopt the going concern basis in preparing the financial statements.

Related party transactions

As part of the disposal of Perfect Information Limited the amount of £45,000 owed by GP Simidian, a director of PI, arising from unpaid share subscriptions relating to his minority shareholding in that company, was settled. There have been no further changes to the related party transactions set out in the annual report for the year-end 30 June 2013.

Change of accounting reference date

As a result of the group's change in accounting reference date, announced in the annual report for the year-ended 30 June 2013, this financial report represents the interim results for the six months to June 2014 and for the twelve months to June 2014. The next financial report to be issued will be the financial statements for the 18 month period ended 31 December 2014.

The interim report was approved by the Board of Directors and authorised for issue on 30 July 2014 and signed on behalf of the board by:

Andria Vidler, Chief Executive Officer
Mark Kerswell, Finance Director

Report on the consolidated interim financial statements

Our conclusion

We have reviewed the consolidated interim financial statements, defined below, in the interim report of Centaur Media plc for the six and twelve month periods ended 30 June 2014. Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

This conclusion is to be read in the context of what we say in the remainder of this report.

What we have reviewed

The consolidated interim financial statements, which are prepared by Centaur Media plc, comprise:

- the Consolidated Balance Sheet as at 30 June 2014;
- the Consolidated Statements of Comprehensive Income for the six and twelve month periods then ended;
- the Consolidated Cash Flow Statement for the twelve month period then ended;
- the Consolidated Statement of Changes in Equity for the twelve month period then ended; and
- the explanatory notes to the consolidated interim financial statements.

As disclosed in the Basis of Preparation, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The consolidated interim financial statements included in the interim report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What a review of consolidated financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the consolidated interim financial statements.

Responsibilities for the consolidated interim financial statements and the review

Our responsibilities and those of the directors

The interim report, including the consolidated interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express to the company a conclusion on the consolidated interim financial statements in the interim report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure and Transparency Rules of the Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
30 July 2014
London

Notes:

(a) The maintenance and integrity of the Centaur Media plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated Statement of Comprehensive Income – six months ended 30 June 2014

	Notes	**Adjusted Results Six months ended 30 June 2014 Unaudited £m**	**Adjusting Items Six months ended 30 June 2014 Unaudited £m**	**Statutory Results Six months ended 30 June 2014 Unaudited £m**	Adjusted Results Six months ended 30 June 2013 Unaudited £m	Adjusting Items Six months ended 30 June 2013 Unaudited £m	Statutory Results Six months ended 30 June 2013 Unaudited £m
Revenue	**1**	**40.8**	**-**	**40.8**	41.6	-	41.6
Net operating expenses	**2**	**(33.7)**	**(5.1)**	**(38.8)**	(33.1)	(39.6)	(72.7)
Operating profit/(loss)		**7.1**	**(5.1)**	**2.0**	8.5	(39.6)	(31.1)
Profit on disposal of subsidiary	**11**	**-**	**14.9**	**14.9**	-	-	-
Finance costs		**(0.6)**	**(2.5)**	**(3.1)**	(0.6)	(0.7)	(1.3)
Profit/(loss) before tax		**6.5**	**7.3**	**13.8**	7.9	(40.3)	(32.4)
Taxation (expense)/credit	**4**	**(1.7)**	**-**	**(1.7)**	(1.9)	0.3	(1.6)
Profit/(loss) for the period		**4.8**	**7.3**	**12.1**	6.0	(40.0)	(34.0)
Items that may be reclassified subsequently to profit or loss:							
Losses on hedge of a net investment taken to equity		**(0.3)**	**-**	**(0.3)**	-	-	-
Total comprehensive income/(loss) attributable to owners of the parent		**4.5**	**7.3**	**11.8**	6.0	(40.0)	(34.0)
Earnings/(loss) per share attributable to owners of the parent							
Basic	**5**	**3.4p**		**8.5p**	4.4p		(24.1p)
Diluted	**5**	**3.3p**		**8.3p**	4.2p		(24.1p)

Consolidated Statement of Comprehensive Income – twelve months ended 30 June 2014

	Notes	**Adjusted Results Twelve months ended 30 June 2014 Unaudited £m**	**Adjusting Items Twelve months ended 30 June 2014 Unaudited £m**	**Statutory Results Twelve months ended 30 June 2014 Unaudited £m**	Adjusted Results Twelve months ended 30 June 2013 Audited £m	Adjusting Items Twelve months ended 30 June 2013 Audited £m	Statutory Results Twelve months ended 30 June 2013 Audited £m
Revenue	**1**	**73.6**	**-**	**73.6**	72.0	-	72.0
Net operating expenses	**2**	**(65.1)**	**(8.3)**	**(73.4)**	(62.2)	(44.7)	(106.9)
Operating profit/(loss)		**8.5**	**(8.3)**	**0.2**	9.8	(44.7)	(34.9)
Profit on disposal of subsidiary	**11**	**-**	**14.9**	**14.9**	-	-	-
Finance costs		**(1.2)**	**(2.9)**	**(4.1)**	(1.2)	(1.3)	(2.5)
Profit/(loss) before tax		**7.3**	**3.7**	**11.0**	8.6	(46.0)	(37.4)
Taxation (expense)/credit	**4**	**(2.0)**	**0.6**	**(1.4)**	(2.2)	1.2	(1.0)
Profit/(loss) for the period		**5.3**	**4.3**	**9.6**	6.4	(44.8)	(38.4)
Items that may be reclassified subsequently to profit or loss:							
Losses on hedge of a net investment taken to equity		**(0.3)**	**-**	**(0.3)**	-	-	-
Total comprehensive income/(loss) attributable to owners of the parent		**5.0**	**4.3**	**9.3**	6.4	(44.8)	(38.4)
Earnings/(loss) per share attributable to owners of the parent							
Basic	**5**	**3.7p**		**6.8p**	4.5p		(27.3p)
Diluted	**5**	**3.7p**		**6.6p**	4.5p		(26.8p)

Consolidated Statement of Changes in Equity

Attributable to the owners of the parent

	Notes	Share capital £m	Treasury shares £m	Share premium £m	Reserve for shares to be issued £m	Deferred shares £m	Retained earnings £m	Total £m
Audited								
At 1 July 2012		15.0	(10.5)	0.7	3.6	0.1	113.7	122.6
Loss for the period and total comprehensive loss for the period		-	-	-	-	-	(38.4)	(38.4)
Transactions with owners:								
- Dividends	**10**	-	-	-	-	-	(3.3)	(3.3)
Share options:								
- Share options exercised		-	0.4	-	-	-	-	0.4
- Fair value of employee services		-	-	-	0.3	-	-	0.3
As at 30 June 2013		15.0	(10.1)	0.7	3.9	0.1	72.0	81.6
Unaudited								
Profit for the period		-	-	-	-	-	9.6	9.6
Other comprehensive loss for the period		-	-	-	-	-	(0.3)	(0.3)
Transactions with owners:								
- Dividends	**10**	-	-	-	-	-	(3.5)	(3.5)
Share options:								
- Fair value of employee services		-	-	-	0.3	-	-	0.3
As at 30 June 2014		**15.0**	**(10.1)**	**0.7**	**4.2**	**0.1**	**77.8**	**87.7**

Consolidated Balance Sheet at 30 June 2014

	Note	**30 June 2014 Unaudited £m**	30 June 2013 Audited £m
Non-current assets			
Goodwill	**6**	**90.0**	98.9
Other intangible assets	**7**	**20.7**	23.8
Property, plant and equipment		**2.3**	2.0
Deferred income tax assets		**1.5**	1.5
		114.5	126.2
Current assets			
Inventories		**2.0**	2.0
Trade and other receivables		**16.2**	16.1
Cash and cash equivalents		**1.7**	3.3
		19.9	21.4
Current liabilities			
Trade and other payables		**(11.4)**	(11.6)
Deferred income		**(14.7)**	(14.3)
Current income tax liabilities		**(0.8)**	(1.4)
Provisions	**9**	**(4.3)**	(3.1)
		(31.2)	(30.4)
Net current liabilities		**(11.3)**	(9.0)
Non-current liabilities			
Borrowings	**8**	**(11.7)**	(22.7)
Provisions	**9**	**(0.9)**	(9.9)
Deferred income tax liabilities		**(2.9)**	(3.0)
		(15.5)	(35.6)
Net assets		**87.7**	81.6
Capital and reserves attributable to owners of the parent			
Share capital		**15.0**	15.0
Own shares		**(10.1)**	(10.1)
Share premium		**0.7**	0.7
Other reserves		**4.3**	4.0
Retained earnings		**77.8**	72.0
Total equity		**87.7**	81.6

The condensed set of financial statements, comprising the Consolidated Statement of Comprehensive Income to note 12, was approved by the Board of Directors on 30 July 2014 and was signed on its behalf by:

MH Kerswell
Finance Director

Consolidated Cash Flow Statement
for the twelve months ended 30 June 2014

	Note	**Twelve months ended 30 June 2014 Unaudited £m**	Twelve months ended 30 June 2013 Audited £m
Cash flows from operating activities			
Cash generated from operations	**12**	**12.1**	9.3
Tax paid		**(2.1)**	(1.3)
Net cash generated from operating activities		**10.0**	8.0
Cash flows from investing activities			
Acquisition of subsidiary		**-**	(11.4)
Settlement of earn-outs on acquisitions		**(15.4)**	(0.4)
Proceeds from disposal of subsidiary (net of cash disposed)		**24.5**	-
Deferred consideration on disposal of subsidiary		**0.2**	0.2
Purchase of property, plant and equipment		**(1.3)**	(0.3)
Purchase of intangible assets		**(3.8)**	(4.1)
Net cash flows generated from/(used in) investing activities		**4.2**	(16.0)
Cash flows from financing activities			
Exercise of employee benefit trust shares		**-**	0.4
Interest paid		**(1.2)**	(1.1)
Finance lease repayments		**(0.2)**	(0.3)
Dividends paid to shareholders	**10**	**(3.5)**	(3.3)
(Repayment)/proceeds of borrowings		**(10.9)**	10.3
Net cash flows (used in)/generated from financing activities		**(15.8)**	6.0
Net decrease in cash and cash equivalents		**(1.6)**	(2.0)
Cash and cash equivalents at the start of the period		**3.3**	5.3
Cash and cash equivalents at the end of the period		**1.7**	3.3
Reconciliation of net debt:			
Cash and cash equivalents		**1.7**	3.3
Borrowings	**8**	**(11.9)**	(22.7)
		(10.2)	(19.4)

Basis of preparation

This condensed set of financial statements in the interim report for the six and twelve month period ended 30 June 2014 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. The interim report should be read in conjunction with the annual financial statements for the year ended 30 June 2013, which have been prepared in accordance with IFRSs as adopted by the European Union.

Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2013, as described in those annual financial statements. The following new standards and amendments to standards are mandatory for the first time for the financial period ending 30 June 2014 and have been adopted in this interim report although there has been no significant impact on the group as a result of adopting these new standards and amendments to standards.

- Amendment to IAS 19, 'Employee Benefits';
- Amendment to IAS 1, 'Financial Statement Presentation' regarding other comprehensive income;
- IFRS 10, 'Consolidated Financial Statements' and IAS 27 (revised 2011), 'Separate Financial Statements';
- IFRS 11, 'Joint Arrangements';
- IFRS 12, 'Disclosures of Interests in Other Entities';
- Amendments to IFRS 10, 11 and 12 on transition guidance;
- IFRS 13, 'Fair Value Measurement';
- IAS 28 (revised 2011), 'Associates and Joint Ventures';
- Amendments to IFRS 7, 'Financial Instruments: Disclosures' and IAS 32, 'Financial Instruments: Presentation' on offsetting financial assets and financial liabilities;
- Annual improvements 2011; and
- IFRS 9, 'Financial Instruments' on classification and measurement.

Additional presentation within the statement of comprehensive income

The Directors believe that adjusted results and adjusted earnings per share provide additional useful information on the ongoing operations of the group to shareholders. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

The following charges/(credits) were presented as adjusting items:

		Six months ended 30 June 2014 Unaudited	Six months ended 30 June 2013 Unaudited
	Notes	**£m**	£m
Exceptional operating costs	**3**	**4.0**	38.4
Amortisation of acquired intangibles		**1.1**	1.2
Adjusting items to operating profit		**5.1**	39.6
Exceptional profit on disposal of subsidiary	**11**	**(14.9)**	-
Exceptional finance costs	**3**	**2.5**	0.7
Adjusting items to profit before tax		**(7.3)**	40.3
Tax credit relating to adjusting items		**-**	(0.3)
Adjusting items to profit for the period		**(7.3)**	40.0

Additional presentation within the statement of comprehensive income (continued)

	Notes	Twelve months ended 30 June 2014 Unaudited £m	Twelve months ended 30 June 2013 Audited £m
Exceptional operating costs	3	6.1	42.4
Amortisation of acquired intangibles	7	2.2	2.3
Adjusting items to operating profit		8.3	44.7
Exceptional profit on disposal of subsidiary	11	(14.9)	-
Exceptional finance costs	3	2.9	1.3
Adjusting items to profit before tax		(3.7)	46.0
Tax credit relating to adjusting items		(0.6)	(1.2)
Adjusting items to profit for the period		(4.3)	44.8

The basis of the principal adjustments is consistent with that presented in the annual financial statements for the year ended 30 June 2013, and as described in those annual financial statements. Further details of all exceptional costs are shown in Note 3.

Below is a reconciliation for Operating profit to Adjusted EBITDA:

	Six months ended 30 June 2014 Unaudited £m	Six months ended 30 June 2013 Unaudited £m
Operating profit / (loss)	2.0	(31.1)
Adjusting items	5.1	39.6
Adjusted operating profit	7.1	8.5
Depreciation of property, plant and equipment	0.5	0.3
Amortisation of software	1.3	1.2
Share-based payments	0.1	-
Adjusted EBITDA	9.0	10.0

	Twelve months ended 30 June 2014 Unaudited £m	Twelve months ended 30 June 2013 Audited £m
Operating profit / (loss)	0.2	(34.9)
Adjusting items	8.3	44.7
Adjusted operating profit	8.5	9.8
Depreciation of property, plant and equipment	0.9	0.6
Amortisation of software	2.4	2.3
Share-based payments	0.3	0.2
Adjusted EBITDA	12.1	12.9

General information

The Company is a limited liability company incorporated and domiciled in the UK. The address of its registered office is Wells Point, 79 Wells Street, London, W1T 3QN. The Company has its listing on the London Stock Exchange.

The condensed set of financial statements in the interim report was approved for issue on 30 July 2014.

This interim report is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2013 were approved by the Board of Directors on 11 September 2013 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 30 June 2013, with the exception of changes in estimates that are required in determining the provision for income taxes and disclosure of exceptional items (see note 3).

Financial risk factors

The group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the group's annual financial statements as at 30 June 2013.

Seasonality

Due to the seasonal nature of events and exhibitions, higher revenues and operating profits are usually expected in the period January to June. In the financial year ended 30 June 2013, 42% of revenues and 22% of adjusted EBITDA occurred in the period July to December with the balance accumulating in the period January to June.

Notes to the condensed set of financial statements for the six and twelve months ended 30 June 2014

1 Segmental reporting

The group is organised into four main business segments. The products and services that each segment offers are described in detail in the Divisional Review.

The Operating Board has been identified as the chief operating decision-maker. The Board reviews the group's internal monthly reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Six months ending 30 June 2014	Marketing £m	Financial £m	Home Interest £m	Professional £m	Group £m
Revenue	**14.4**	**7.1**	**6.3**	**13.0**	**40.8**
Adjusted EBITDA	3.4	1.5	1.3	2.8	9.0
Depreciation of property, plant and equipment	-	(0.1)	(0.1)	(0.3)	(0.5)
Amortisation of software	(0.5)	(0.1)	(0.1)	(0.6)	(1.3)
Amortisation of acquired intangibles	(0.8)	(0.1)	(0.1)	(0.1)	(1.1)
Exceptional administrative costs	(2.1)	(1.6)	(0.1)	(0.2)	(4.0)
Segment result	**-**	**(0.4)**	**0.9**	**1.6**	**2.1**
Shared-based payments					(0.1)
Operating profit					**2.0**
Exceptional profit on disposal of subsidiary					14.9
Finance costs					(3.1)
Profit before tax					13.8
Taxation					(1.7)
Profit for the period attributable to owners of the parent					
Segment assets	63.1	17.5	11.0	39.6	131.2
Corporate assets					3.2
Consolidated total assets					134.4
Segment liabilities	(12.9)	(1.7)	(3.7)	(13.0)	(31.3)
Corporate liabilities					(15.4)
Consolidated total liabilities					(46.7)
Other items					
Capital expenditure (tangibles and intangibles)	1.3	0.1	0.2	0.2	1.8

1 Segmental reporting (continued)

Six months ending 30 June 2013	Marketing £m	Financial £m	Home Interest £m	Professional £m	Group £m
Revenue	**14.2**	**8.0**	**6.1**	**13.3**	**41.6**
Adjusted EBITDA	3.0	2.1	1.5	3.4	10.0
Depreciation of property, plant and equipment	(0.2)	(0.1)	-	-	(0.3)
Amortisation of software	(0.5)	-	-	(0.7)	(1.2)
Amortisation of acquired intangibles	(0.9)	(0.1)	-	(0.2)	(1.2)
Impairment of goodwill	(20.8)	(14.2)	-	(4.2)	(39.2)
Exceptional administrative	4.8	(0.4)	(0.2)	(3.4)	0.8
Segment result	**(14.6)**	**(12.7)**	**1.3**	**(5.1)**	**(31.1)**
Shared based payments					-
Operating loss					**(31.1)**
Finance costs					(1.3)
Loss profit before tax					(32.4)
Taxation					(1.6)
Loss for the period attributable to owners of the parent					(34.0)
Segment assets	50.7	18.9	13.2	60.0	142.8
Corporate assets					4.8
Consolidated total assets					147.6
Segment liabilities	(17.3)	(3.5)	(3.7)	(14.7)	(39.2)
Corporate liabilities					(26.8)
Consolidated total liabilities					(66.0)
Other items					
Capital expenditure (tangibles and intangibles)	0.9	0.3	-	1.2	2.4

1 Segmental reporting (continued)

Twelve months ending 30 June 2014	Marketing £m	Financial £m	Home Interest £m	Professional £m	Group £m
Revenue	**25.1**	**12.7**	**11.0**	**24.8**	**73.6**
Adjusted EBITDA	4.2	2.2	1.6	4.1	12.1
Depreciation of property, plant and equipment	(0.4)	(0.1)	(0.1)	(0.3)	(0.9)
Amortisation of software	(0.8)	(0.2)	(0.1)	(1.3)	(2.4)
Amortisation of acquired intangibles	(1.7)	(0.2)	(0.1)	(0.2)	(2.2)
Exceptional administrative costs	(2.3)	(3.2)	(0.2)	(0.4)	(6.1)
Segment result	**(1.0)**	**(1.5)**	**1.1**	**1.9**	**0.5**
Shared-based payments					(0.3)
Operating profit					**0.2**
Profit on disposal of subsidiary					14.9
Finance costs					(4.1)
Profit before tax					**11.0**
Taxation					(1.4)
Profit for the period attributable to owners of the parent					9.6
Segment assets	63.1	17.5	11.0	39.6	131.2
Corporate assets					3.2
Consolidated total assets					134.4
Segment liabilities	(12.9)	(1.7)	(3.7)	(13.0)	(31.3)
Corporate liabilities					(15.4)
Consolidated total liabilities					(46.7)
Other items					
Capital expenditure (tangibles and intangibles)	2.3	0.7	0.5	1.4	4.9

1 Segmental reporting (continued)

Twelve months ending 30 June 2013 Audited	Marketing £m	Financial £m	Home Interest £m	Professional £m	Group £m
Revenue	**23.8**	**13.3**	**10.8**	**24.1**	**72.0**
Adjusted EBITDA	3.6	2.2	1.7	5.4	12.9
Depreciation of property, plant and equipment	(0.3)	(0.1)	(0.1)	(0.1)	(0.6)
Amortisation of software	(0.7)	(0.1)	(0.1)	(1.4)	(2.3)
Amortisation of acquired intangibles	(1.7)	(0.2)	(0.1)	(0.3)	(2.3)
Impairment of goodwill	(20.8)	(14.2)	-	(4.2)	(39.2)
Exceptional costs	3.9	(0.6)	(0.5)	(6.0)	(3.2)
Segment result	**(16.0)**	**(13.0)**	**0.9**	**(6.6)**	**(34.7)**
Shared based payments					(0.2)
Operating loss					**(34.9)**
Finance costs					(2.5)
Loss profit before tax					**(37.4)**
Taxation					(1.0)
Loss for the period attributable to owners of the parent					(38.4)
Segment assets	50.7	18.9	13.2	60.0	142.8
Corporate assets					4.8
Consolidated total assets					147.6
Segment liabilities	(17.3)	(3.5)	(3.7)	(14.7)	(39.2)
Corporate liabilities					(26.8)
Consolidated total liabilities					(66.0)
Other items					
Capital expenditure (tangibles and intangibles)	10.6	0.6	0.2	2.1	13.5

All segmental results shown above are unaudited except for the 12 months to 30 June 2013 which were presented in the group's latest audited financial statements.

Included with the Professional segment are the results of Perfect Information Limited which was disposed of during the period, see note 11. The results of PI are not shown separately as a discontinued operation as it was not individually deemed a major line of business of the group.

2 Net operating expenses

	Notes	**Adjusted Results Six months ended 30 June 2014 Unaudited £m**	**Adjusting Items Six months ended 30 June 2014 Unaudited £m**	**Statutory Results Six months ended 30 June 2014 Unaudited £m**	Adjusted Results Six months ended 30 June 2013 Unaudited £m	Adjusting Items Six months ended 30 June 2013 Unaudited £m	Statutory Results Six months ended 30 June 2013 Unaudited £m
Employee benefit expense		**14.9**	**-**	**14.9**	14.0	-	14.0
Depreciation of property, plant and equipment		**0.5**	**-**	**0.5**	0.3	-	0.3
Amortisation of intangibles		**1.3**	**1.1**	**2.4**	1.2	1.2	2.4
Impairment of goodwill	**6**	**-**	**-**	**-**	-	39.2	39.2
Exceptional costs	**3**	**-**	**4.0**	**4.0**	-	(0.8)	(0.8)
Operating lease rentals		**0.9**	**-**	**0.9**	1.1	-	1.1
Repairs and maintenance expenditure on							
Property, plant and equipment		**0.1**	**-**	**0.1**	-	-	-
Trade receivables impairment		**0.2**	**-**	**0.2**	0.1	-	0.1
Other operating expenses		**15.8**	**-**	**15.8**	16.4	-	16.4
		33.7	**5.1**	**38.8**	33.1	39.6	72.7

2 Net operating expenses (continued)

	Notes	**Adjusted Results Twelve months ended 30 June 2014 Unaudited £m**	**Adjusting Items Twelve months ended 30 June 2014 Unaudited £m**	**Statutory Results Twelve months ended 30 June 2014 Unaudited £m**	Adjusted Results Twelve months ended 30 June 2013 Audited £m	Adjusting Items Twelve months ended 30 June 2013 Audited £m	Statutory Results Twelve months ended 30 June 2013 Audited £m
Employee benefit expense		**29.6**	**-**	**29.6**	27.9	-	27.9
Depreciation of property, plant and equipment		**0.9**	**-**	**0.9**	0.6	-	0.6
Amortisation of intangibles		**2.4**	**2.2**	**4.6**	2.3	2.3	4.6
Impairment of goodwill	**6**	**-**	**-**	**-**	-	39.2	39.2
Exceptional costs	**3**	**-**	**6.1**	**6.1**	-	3.2	3.2
Operating lease rentals		**2.3**	**-**	**2.3**	2.3	-	2.3
Repairs and maintenance expenditure on Property, plant and equipment		**0.1**	**-**	**0.1**	0.1	-	0.1
Trade receivables impairment		**0.2**	**-**	**0.2**	-	-	-
Other operating expenses		**29.6**	**-**	**29.6**	29.0	-	29.0
		65.1	**8.3**	**73.4**	62.2	44.7	106.9

*Figures amended due to classification error between employee benefit expense and other operating expenses of £1.5m and between operating lease rentals and other operating expenses of £0.4m. There is no net impact on net operating expenses from this reclassification.

3 Exceptional costs

	Six months ended 30 June 2014 Unaudited £m	Six months ended 30 June 2013 Unaudited £m
Reorganisation costs		
Redundancy costs	**0.2**	1.6
Accelerated amortisation of software	**-**	0.2
Accelerated share based payment charge	**-**	0.1
Impairment of goodwill	**-**	39.2
Acquisition-related costs	**0.1**	-
IFRS 3 (R) earn-outs	**3.5**	2.8
Deferred contingent consideration adjustment	**-**	(5.4)
Onerous lease provision	**0.1**	-
Other	**0.1**	(0.1)
Total operating exceptional costs	**4.0**	38.4
Exceptional finance costs	**2.5**	0.7
Net exceptional costs	**6.5**	39.1

	Twelve months ended 30 June 2014 Unaudited £m	Twelve months ended 30 June 2013 Audited £m
Reorganisation costs		
Redundancy costs	**0.6**	2.8
Accelerated amortisation of software	**-**	0.2
Accelerated share based payment charge	**-**	0.1
Post closure costs	**0.3**	-
Impairment of goodwill	**-**	39.2
Acquisition-related costs	**0.2**	0.7
IFRS 3 (R) earn-outs	**4.7**	4.3
Deferred contingent consideration adjustment	**-**	(5.4)
Onerous lease provision	**0.1**	0.6
Other	**0.2**	(0.1)
Total operating exceptional costs	**6.1**	42.4
Exceptional finance costs	**2.9**	1.3
Net exceptional costs	**9.0**	43.7

For the six months ended 30 June 2014

The group has incurred £0.2m of redundancy costs in the six month period to June 2014. Acquisition-related costs amounting to £0.1m comprise legal and professional fees.

Earn-out costs relate to deferred contingent consideration associated with the acquisition of Investment Platforms Limited and an additional charge of £2.0m in relation to the deferred contingent consideration for Econsultancy.com Limited as part of its early settlement in June 2014, see note 9.

Exceptional finance costs relate to the unwinding of the discounting on the Econsultancy.com Limited deferred contingent consideration provision. The remaining charge was accelerated in the six months to 30 June 2014 as part of its early settlement in June 2014.

Capitalised costs amounting to £0.3m were written off in the 12 month period to June 2014 following product discontinuations. There were no such costs in the six months to June 2014.

A full explanation of exceptional costs for the year ending 30 June 2013 is disclosed in the audited 2013 Annual Report.

4 Taxation

The amounts recognised in the income statement were as follows:

	Six months ended 30 June 2014 Unaudited £m	Six months ended 30 June 2013 Unaudited £m	**Twelve months ended 30 June 2014 Unaudited £m**	Twelve months ended 30 June 2013 Audited £m
Current tax	1.7	2.2	1.5	1.7
Deferred tax	-	(0.6)	(0.1)	(0.7)
Total taxation credit	1.7	1.6	1.4	1.0

The tax charge is based on the estimated effective tax rate for the 18 month period to 30 June 2014 following a change in the group financial year-end.

5 Earnings per share

The calculations of earnings per share are based on the following profits and numbers of shares:

	Six months ended 30 June 2014 Unaudited			Six months ended 30 June 2013 Unaudited		
	Earnings	**Weighted average no. of shares**	**Earnings per share amount**	Earnings	Weighted average no. of shares	Earnings per share amount
	£m	**millions**	**Pence**	£m	Millions	Pence
Basic	**12.1**	**142.5**	**8.5**	(34.0)	140.9	(24.1)
Effect of dilutive securities						
Options	**-**	**2.9**	**(0.2)**			
Diluted	**12.1**	**145.4**	**8.3**			
Adjusted						
Earnings attributable to ordinary shareholders	**12.1**	**142.5**	**8.5**	(34.0)	140.9	(24.1)
Amortisation of acquired intangibles	**1.1**		**0.8**	1.2	-	0.9
Exceptional operating expenses	**4.0**		**2.8**	38.4	-	27.3
Exceptional profit on disposal of subsidiary	**(14.9)**		**(10.5)**	-	-	-
Exceptional finance costs	**2.5**		**1.8**	0.7	-	0.5
Tax effect	**-**		**-**	(0.3)	-	(0.2)
Adjusted	**4.8**	**142.5**	**3.4**	6.0	140.9	4.4
Effect of dilutive securities						
Options	**-**	**2.9**	**(0.1)**	-	2.3	(0.2)
Diluted adjusted	**4.8**	**145.4**	**3.3**	6.0	143.2	4.2

291,019 shares held in an employee benefit trust (2013: 523,371) and 7,261,078 (2013: 7,283,083) shares held in treasury have been excluded in arriving at the weighted average number of shares.

There is no dilutive impact in respect of share options on Basic EPS in the prior period as their conversion to ordinary shares would decrease the loss per share.

5 Earnings per share (continued)

	Twelve months ended 30 June 2014 Unaudited Earnings £m	Weighted average number of shares millions	Earnings per share amount Pence	Twelve months ended 30 June 2013 Audited Earnings £m	Weighted average number of shares millions	Earnings per share amount Pence
Basic	**9.6**	**142.2**	**6.8**	(38.4)	140.9	(27.3)
Effect of dilutive securities						
Options	**-**	**2.6**	**(0.2)**	-	2.3	-
Diluted	**9.6**	**144.8**	**6.6**	(38.4)	143.2	(26.8)
Adjusted						
Earnings attributable to ordinary shareholders	**9.6**	**142.2**	**6.8**	(38.4)	140.9	(27.3)
Amortisation of acquired intangibles	**2.2**		**1.5**	2.3	-	1.6
Exceptional operating expenses	**6.1**		**4.3**	42.4	-	30.2
Exceptional profit on disposal of subsidiary	**(14.9)**		**(10.5)**	-	-	-
Exceptional finance costs	**2.9**		**2.0**	1.3	-	0.9
Tax effect	**(0.6)**		**(0.4)**	(1.2)	-	(0.9)
Adjusted	**5.3**	**142.2**	**3.7**	6.4	140.9	4.5
Effect of dilutive securities						
Options	**-**	**2.6**	**-**	**-**	2.3	-
Diluted adjusted	**5.3**	**144.8**	**3.7**	6.4	143.2	4.5

6 Goodwill

	£m
Cost	
At 1 July 2012	147.2
Additions - acquisitions of subsidiaries	16.7
Additions - other	0.1
At 30 June 2013 (audited)	164.0
Disposal of subsidiary	(8.9)
At 30 June 2014 (unaudited)	**155.1**
Accumulated impairment	
At 1 July 2012	25.9
Impairment charge	39.2
At 30 June 2013 (audited) and 30 June 2014 (unaudited)	**65.1**
Net book amount	
At 30 June 2014 (unaudited)	**90.0**
At 30 June 2013 (audited)	98.9

6 Goodwill (continued)

Additions from other acquisitions in 2013 arose from the purchase of an additional 0.71% of the share capital of Perfect Information for £0.1m in November 2012.

On 12 June the group disposed of its subsidiary PI resulting in disposal of goodwill of £8.9m. See note 11 for further details.

Goodwill by segment

Each brand, comprising individual magazines, digital titles and events, is deemed to be a Cash Generating Unit (CGU), being the lowest level for which cash flows are separately identifiable. Goodwill is attributed to individual CGUs but is reviewed at the segment level for the purposes of the annual impairment review as this is the level that management monitor goodwill. The majority of the group's goodwill arose on the acquisition of the Centaur Communications Group in 2004.

Goodwill is allocated to segments as follows:

	Marketing	Financial	Home Interest	Professional	Total
	£m	**£m**	**£m**	**£m**	**£m**
At 30 June 2014	36.7	12.3	7.5	33.5	90.0
At 30 June 2013	36.7	12.3	7.5	42.4	98.9

Impairment testing of goodwill and acquired intangible assets

During the period goodwill was tested for impairment in accordance with IAS 36. In assessing whether a write-down of goodwill and acquired intangible assets is required, the carrying value of the segment is compared with its recoverable amount. Recoverable amount is measured based on value-in-use.

The group estimates the value-in-use of its CGUs using a discounted cash flow model, which adjusts the cash flows for risks associated with the assets and discounts these using a pre-tax rate of 12.5% (2013: 12.6%). The discount rate used is consistent with the Group's weighted average cost of capital and is used across all segments.

The key assumptions used in calculating value-in-use are revenue growth, margin, adjusted EBITDA, discount rate and the terminal growth rate. The group has used formally approved forecasts for the first three years of the value-in-use calculation, and applied a terminal growth rate of 2.25% thereafter (2013: 2.25%). This timescale and the terminal growth rate are both considered appropriate given the cyclical nature of the group's revenues.

The assumptions used in the calculations of value-in-use for each segment have been derived based on a combination of past experience, current orders and opportunities and management's expectations of future growth rates in the industry.

Sensitivity analysis was performed using the following assumptions which resulted in no impairment in any segment.

1) An increase in WACC of 1.7%.
2) A decrease in EBITDA of 10% in each year.
3) A decrease in Long Term Growth Rate of 2% to 0.25%.

7 Other intangible assets

	Computer software £m	Brands and publishing rights £m	Customer Relationships £m	Websites and content £m	Non-compete arrangements £m	Total £m
Cost						
At 1 July 2012	14.8	5.6	6.0	1.5	0.5	28.4
Additions – business combinations	0.3	-	5.6	3.2	-	9.1
Additions – separately acquired	3.5	-	-	-	-	3.5
Additions – internally generated	0.6	-	-	-	-	0.6
At 30 June 2013 (audited)	19.2	5.6	11.6	4.7	0.5	41.6
Additions – separately acquired	2.6	-	-	-	-	2.6
Additions – internally generated	1.2	-	-	-	-	1.2
Disposals	(0.3)	-	-	-	-	(0.3)
Disposals of subsidiary	(7.2)	-	-	-	-	(7.2)
At 30 June 2014 (unaudited)	**15.5**	**5.6**	**11.6**	**4.7**	**0.5**	**37.9**
Accumulated amortisation						
At 1 July 2012	10.1	0.8	1.1	0.5	0.5	13.0
Amortisation charge for the period	2.3	0.3	1.2	0.8	-	4.6
Accelerated amortisation charge	0.2	-	-	-	-	0.2
At 30 June 2013 (audited)	12.6	1.1	2.3	1.3	0.5	17.8
Amortisation charge for the period	2.4	0.2	1.1	0.9	-	4.6
Disposal of subsidiary	(5.2)	-	-	-	-	(5.2)
At 30 June 2014 (unaudited)	**9.8**	**1.3**	**3.4**	**2.2**	**0.5**	**17.2**
Net book value at 30 June 2014 (unaudited)	**5.7**	**4.3**	**8.2**	**2.5**	**-**	**20.7**
Net book amount at 30 June 2013 (audited)	6.6	4.5	9.3	3.4	-	23.8

8 Borrowings

	30 June 2014 Unaudited £m	30 June 2013 Audited £m
Current liabilities		
Finance lease creditor	**0.1**	0.2
Arrangement fee in respect of revolving credit facility	**(0.2)**	(0.2)
	(0.1)	-
Non-current liabilities		
Revolving credit facility	**11.9**	22.8
Finance lease creditor	**-**	0.1
Arrangement fee in respect of revolving credit facility	**(0.1)**	(0.2)
	11.8	22.7

The following tables detail the group's remaining financial maturity for its borrowings:

	Book value £m	**Fair value £m**	**Less than 1 year £m**	**1-5 Years £m**
At 30 June 2014				
Unaudited				
Non-derivative financial instruments				
Variable interest rate instruments	**11.9**	**11.9**	**-**	**11.9**
Fixed interest rate instruments	**0.1**	**0.1**	**0.1**	**-**
	12.0	**12.0**	**0.1**	**11.9**
At 30 June 2013				
Audited				
Non-derivative financial instruments				
Variable interest rate instruments	22.8	22.8	-	22.8
Fixed interest rate instruments	0.3	0.3	0.2	0.1
	23.1	23.1	0.2	22.9

During the period the group reduced its available revolving credit facility to £25 million. The facility expires in February 2016.

9 Provisions

	Onerous lease provision	Deferred consideration	Total provision
	£m	£m	£m
At 1 July 2012	0.3	1.2	1.5
Arising on acquisition	-	11.6	11.6
Charged to the statement of comprehensive income	0.6	4.3	4.9
Unwinding of discount	-	1.3	1.3
Released during the period	(0.1)	(5.4)	(5.5)
Utilised during the period	(0.6)	(0.2)	(0.8)
At 30 June 2013 (audited)	0.2	12.8	13.0
Charged to the statement of comprehensive income	0.1	4.8	4.9
Unwinding of discount	-	2.9	2.9
Utilised during the period	(0.1)	(15.4)	(15.5)
Disposal on sale of subsidiary	(0.1)	-	(0.1)
At 30 June 2014 (unaudited)	**0.1**	**5.1**	**5.2**
Current	**0.1**	**4.2**	**4.3**
Non-current	**-**	**0.9**	**0.9**
	0.1	**5.1**	**5.2**

The deferred consideration relates to contingent consideration associated with the acquisition of Venture Business Research Limited ("VBR"), Investment Platforms Limited ("IPL") and Econsultancy.com Limited. The amount charged in the period represents the current period portion of the expected total payment, plus an adjustment to earlier periods where the latest information available indicates that the consideration ultimately payable will differ from that which was initially expected.

During the six month period, following negotiations for the early settlement of the Econsultancy deferred contingent consideration, the provision was increased by £2 million and all remaining discounting of £2.5m unwound. The deferred consideration was settled on 12 June 2014 for £12.5 million in cash. The deferred consideration for Forum for Expatriate Management was also settled at £2.8m during the 12 months to 30 June 2014.

The provision for IPL will be settled during the 6 months to 31 December 2014. Based on actual results for the 12 months to 30 June 2014 this is expected to be settled at £4.2m. The amount of deferred contingent consideration payable with respect to VBR is dependent on the profits generated by VBR during the year to 30 June 2015 (the performance year), subject to a maximum earn-out payment of £5.0m.

The remaining onerous lease provision for the Chiswell Street property was disposed of with the sale of PI (see note 11).

The group has recognised a charge of £0.1m in relation to the Holden House property for which the group has exercised its break notice and thus the property will become vacant in October 2014. The lease expires in December 2014.

10 Dividends

A final dividend in relation to the interim period ended 30 June 2013 of 1.575 pence (2012: 1.5 pence) per 10p ordinary share was paid on 6 December 2013. This amounted to £2,240,920 (2013: £2,111,760).

An interim dividend in relation to the period ended 31 December 2013 of 0.85 pence (2012: 0.825 pence) per 10p ordinary share was paid on 11 of April 2014. This amounted to £1,210,709 (2012: £1,162,320).

A second interim dividend of 1.7 pence (2013: 1.575 pence) per 10p ordinary share is proposed. This amounts to £2,431,292 and will be paid on 10 October 2014 to all shareholders on the register as at 12 September 2014.

11 Disposal of subsidiary

On 12 June 2014 the group disposed of its interest in PI. Economic control transferred on 31 May 2014.

The net assets of PI at the date of disposal were as follows:

	Six months ended 30 June 2014 Unaudited £m
Intangible assets	2.0
Trade and other receivables	0.8
Intercompany	3.1
Cash and bank balances	0.4
Deferred tax asset	0.1
Current tax liability	(0.2)
Trade and other payables	(0.6)
Deferred income	(2.5)
Onerous lease provision	(0.1)
Attributable goodwill	8.9
Net assets disposed	**11.9**
Attributable to non-controlling interest	**-**
Attributable to non-controlling interest of shareholders of the Parent Company	**11.9**
Gain on disposal	**14.9**
Costs of disposal	**(1.0)**
Fair value of consideration	**27.8**
Satisfied by:	
Cash and cash equivalents	**23.7**
Novation of intercompany balances	**3.1**
	26.8
Net cash inflow arising on disposal:	
Consideration received in cash and cash equivalents	**24.9**
Less: cash and cash equivalents disposed of	**0.4**
	24.5

Proceeds of £26.8 million comprise:

- cash of £23.7 million stated after deducting transaction costs of £1.0 million; and
- settlement of amounts owed by the continuing group to PI of £3.1 million.

The results of PI Limited are not shown separately as a discontinued operation in the consolidated statement of comprehensive income as it was not individually deemed a major line of business for the group.

There were no disposals of subsidiaries in the year-ended 30 June 2013.

12 Cash flow generated from operating activities

	Twelve months ended 30 June 2014 Unaudited £m	Twelve months ended 30 June 2013 Audited £m
Profit/(loss) for the period	**9.6**	(38.4)
Adjustments for:		
Tax	**1.4**	1.0
Depreciation of property, plant and equipment	**0.9**	0.6
Amortisation of intangible assets	**4.6**	4.6
Accelerated amortisation of software (included within exceptional costs)	**0.3**	0.2
Impairment of goodwill (included within exceptional costs)	**-**	39.2
Earn-out Provision release (included within exceptional costs)	**-**	(5.4)
IFRS 3 (R) earn-out (included in exceptional costs)	**4.7**	4.3
Interest expense	**1.2**	1.2
IAS 39 discounting unwind	**2.9**	1.3
Onerous lease charge (included within exceptional costs)	**0.1**	-
Share option charge	**0.3**	0.3
Profit on disposal of subsidiary	**(14.9)**	-
Other	**0.1**	**-**
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries):		
Increase in inventories	**-**	(0.9)
Increase in trade and other receivables	**(1.0)**	(0.8)
(Decrease)/increase in trade and other payables	**(0.8)**	0.4
Increase in deferred income	**2.9**	1.8
Decrease in provisions	**(0.2)**	(0.1)
Cash generated from operations	**12.1**	9.3