RNS Number : 2367Y
Centaur Media PLC
20 February 2013

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Centaur Media plc

Good momentum maintained with improving revenue mix and margin

Centaur Media plc (LSE: CAU, "Centaur," the "Group"), the business information, events and marketing services group, has published its half year results for the six months ended 31 December 2012.

Financial[1]

- Reported revenue up 14% to £30.4m (H1 2012: £26.6m)
- Deferred revenues up 30% to £15.1m (31 December 2011: £11.6m)
- Adjusted EBITDA up 81% to £2.9m (H1 2012: £1.6m)
    - Adjusted EBITDA margins increased to 10% (H1 2011: 6%)
- Interim dividend up 10% to 0.825p (H1 2012: 0.75p)

Operational

- Digital and events revenues now account for 39% and 29% of reported revenue respectively (H1 2012: 32% and 22% respectively)
- Print revenue contribution reduced to 31% (H1 2012: 45%) of reported revenues
- Econsultancy, acquired in July 2012, performing well
- Good progress against medium term financial targets
- Group restructured and repositioned, focused on continued margin improvement
- Strong pipeline of new products in development

	Six months to 31 December 2012 Unaudited	Six months to 31 December 2011 Unaudited	Reported Growth	Underlying growth [2]
Revenue (£m)	30.4	26.6	14%	(3%)
Adjusted EBITDA (£m) [1]	2.9	1.6	81%	28%
Adjusted EBITDA margin	10%	6%		
Adjusted profit/(loss) before tax (£m)[1]	0.7	(0.1)		
Loss before tax (£m)	(5.0)	(1.5)		
Basic EPS (pence)	(3.1)	(0.9)		
Adjusted basic EPS (pence) [1]	0.3	0.0		
Dividend per share (pence)	0.825	0.75		

1. *Adjusted results exclude adjusting items as detailed in the Basis of Preparation section of this statement*
2. *Underlying growth rates adjust for the impact of acquisitions, disposals and discontinued activities by excluding them from the results reported for both the six months to 31 December 2012 and the six months to 31 December 2011.*

Geoff Wilmot, CEO of Centaur, said:

"We have delivered an encouraging set of results in what remain challenging market conditions, with

both our recent acquisitions and the underlying business contributing to earnings growth.

"The business is now repositioned and restructured. We are maintaining momentum in improving the quality of our portfolio and remain focused on increasing margins. We have an exciting pipeline of new product development initiatives across each of our three operating divisions, which positions us well for further growth in the medium term.

"The second half of our financial year continues to account for the large majority of our earnings. Although we remain dependent on underlying revenues returning to growth in the second half, we anticipate trading will be in line with our expectations for the current financial year."

Enquiries

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Note to editors

Centaur Media is an integrated business media group, providing business information, events, and content based marketing solutions to a range of professional sectors. The Group delivers its services through market-leading brands operating across three principal media formats: digital, events and print.

Centaur Media operates through three operating divisions, Business Publishing, Business Information and Exhibitions, each supported by a central shared services infrastructure. Each division operates with its own distinct commercial and operational focus, but also benefits significantly through collaboration with the other divisions.

Strategic overview and highlights

Following the reorganisation of the Group in 2012, Centaur has continued to make good progress against the delivery of its strategic objectives of:

- Delivering rapid growth by taking full advantage of the opportunities to expand and build market-leading positions in high growth markets
- Improving the quality of its revenues by increasing the proportion of revenues generated from digital media, high value subscriptions and events; and
- Leveraging scale to deliver sustainable growth in adjusted EBITDA margins and cash flow.

The new structure continues to perform well, resulting in the identification of further opportunities to deliver growth and improve efficiency, and with a number of new digital and events led product initiatives in development.

The balance of revenues improved further during the period, with digital revenues increasing to 39% of total revenues (H1 2012: 32%) and print falling to 31% (H1 2012: 45%). Events revenues increased to 29% of total revenues (H1 2012: 22%). By source, advertising revenues fell to 38% of total revenues (H1 2012: 51%) and paid-for content rose to 32% of total revenues (H1 2012: 26%).

The Group completed the acquisition of the digital marketing and information business Econsultancy in July 2012. Econsultancy now forms part of the Business Information Division. This acquisition has significantly strengthened Centaur's position in the marketing sector and opportunities to develop high value, paid for subscription services are progressing well.

Acquisitions in prior periods, including IPL, VBR and Profile have now been fully integrated in to the Group and are realizing the scale benefits anticipated. These acquisitions are performing in line with our expectations.

Current trading and outlook

Centaur continues to build a higher quality revenue and earnings profile, has capacity to fund further growth and opportunity to drive scale benefits and margin improvement.

The Group continues to focus on progressively integrating its recent acquisitions and investing in an innovative pipeline of new product development. The acquisition of Econsultancy in the first half of this financial year has added significant scope for further innovation across the business. The Group sees good potential across each of the Business Publishing, Business Information and Exhibitions divisions.

The Board's primary focus continues to be on leveraging Centaur's brands and organisation to accelerate organic and new product growth, whilst seeking appropriate acquisition opportunities.

The second half of the year traditionally accounts for the majority of Centaur's earnings. Market conditions remain challenging, particularly across the more cyclical parts of the business. Although Centaur remains dependent on underlying revenues returning to growth in the second half, the Board currently anticipates that trading for the full financial year will be in line with its expectations.

Financial overview [1]

Reported revenues increased by 14% to £30.4m (H1 2012: £26.6m). Adjusted for the impact of acquisitions and discontinued activities, underlying revenues were 3% below the same period last year. Reported digital revenues were 37% higher, with reported events revenues up 50% and reported print revenues down 19%. On an underlying basis, digital, events and print revenues were up 1%, up 12%, and down 14% respectively.

Reported deferred revenues of £15.1m are 30% ahead of the same period last year.

Adjusted EBITDA increased by 81% to £2.9m (H1 2012: £1.6m), with adjusted EBITDA margins increasing to 10% from 6%. The growth in adjusted EBITDA margins reflects the impact of recent restructuring activities, the trimming of marginal product, and the Group's continued focus on building a scalable platform from which to support further growth.

The acquisition of Econsultancy was completed in July 2012. Econsultancy contributed £4.2m of revenue in the first six months of the 2013 financial year, in line with expectations.

Exceptional costs of £4.6m include restructuring costs of £1.2m, acquisition related costs of £0.7m, IFRS 3 earn out charges of £1.5m, vacant property charges of £0.6m and a £0.6m charge for unwinding the discount on the Econsultancy earn out.

Adjusted profit before taxation of £0.7m compares to a £0.1m loss reported in the same period last year. The reported loss before taxation of £5.0m is after charging exceptional costs referred to above of £4.6m and the amortisation of acquired intangibles of £1.1m.

The Group has reported an adjusted EPS of 0.3 pence (H1 2012: 0.0 pence) and has declared an interim dividend of 0.825 pence (H1 2012: 0.75 pence). This 10% increase in the interim dividend reflects the Board's confidence in the future prospects for the Group, despite what remain challenging market conditions.

The Group reported net debt at 31 December 2012 of £24.5m, with net debt to EBITDA of approximately two times. The increase in net debt over the first six months of the year reflects the acquisition of Econsultancy, seasonality, the cash impact of restructuring costs and investment in new product development.

The Group continues to benefit from the availability of the £40m revolving credit facility arranged in 2012. As the Group's earnings and cash flows continue to be weighted towards the second half of the year, the ratio of net debt to EBITDA is expected to fall in the next six months.

[1] Throughout this review, the Group refers to both adjusted and statutory results. Adjusted results are presented to provide a more comparable view on the Group's performance. A summary of adjusting items is presented on the Consolidated Statement of Comprehensive Income, and further detail on each adjusting item together with a reconciliation to adjusted EBITDA is included in the Basis of Preparation section of this statement.

Divisional review

Revenue and adjusted EBITDA together with reported and underlying growth rates across each division are set out below.

	Six months to 31 December 2012 Unaudited	Six months to 31 December 2011 Unaudited Restated	Reported growth	Underlying growth
	£m	£m	%	%
Business Publishing				
Revenue	**14.2**	16.8	(15%)	(9%)
Adjusted EBITDA	**0.8**	0.3	167%	96%
Adjusted EBITDA margin	**6%**	2%		
Business Information				
Revenue	**9.7**	3.8	155%	3%
Adjusted EBITDA	**1.7**	1.1	55%	(6%)
Adjusted EBITDA margin	**18%**	30%		
Exhibitions				
Revenue	**6.5**	6.0	8%	11%
Adjusted EBITDA	**0.4**	0.2	100%	53%

Adjusted EBITDA margin	**6%**	3%		
Total				
Revenue	**30.4**	26.6	14%	(3%)
Adjusted EBITDA	**2.9**	1.6	81%	28%
Adjusted EBITDA margin	**10%**	6%		

In the current period the results for Headline Money and NMA have been reclassified from Business Publishing to Business Information division. The comparative information has been restated to reflect this change The aggregate impact on the comparative revenue and EBITDA within Business Publishing and Business Information is £0.8m and £nil.

Business Publishing

This division comprises the digital, print and related events activities for the portfolio of leading B2B publications in the Marketing, Creative, Legal, Financial, HR and Engineering communities. Leading brands include Marketing Week, Creative Review, The Lawyer, Money Marketing, Employee Benefits, The Engineer, FEM and The Platforum.

Digital, events, print and other revenues accounted for respectively 30% (H1 2012 27%), 17% (H1 2012: 14%), 51% (H1 2012: 57%) and 2% (H1 2012: 2%) of total Business Publishing revenues.

The decline in reported revenues within Business Publishing reflects weaker print revenues across the Legal and Marketing titles, in particular across *Marketing Week*, *Money Marketing* and *Fund Strategy,* and the closure of the print edition of The Engineer in July 2012.

While the impact of the Retail Distribution Review ("RDR") has created additional uncertainty across the markets served by the core financial titles in this division, our Platforum and Tax Briefs products are well placed to benefit from the impact of RDR. Recent acquisitions, including FEM and IPL, continue to perform in line with or ahead of expectations. Underlying revenues declined by 9%.

Despite the revenue weakness across the Business Publishing division, EBITDA increased to £0.8m from the £0.3m reported in the same period last year, with EBITDA margins increasing to 6% from 2%. This reflects the impact of restructuring initiatives that have positioned the Business Publishing division as a digital first business, operating from an efficient and scalable systems platform and leveraging a single audience database and shared publishing services operations teams.

Despite the uncertainty across the financial titles, the Business Publishing division is well positioned to benefit from recovery across its key markets, and will also benefit from the various digital and events focused new product development initiatives to be launched over the next six months.

Business Information

This division includes the activities of Perfect Information ("PI"), a digital workflow business serving the global corporate advisory sector, and the Group's recent acquisitions, VBR, Profile and Econsultancy.

Reported revenues across the Business Information division increased to £9.7m from the £3.8m reported last year (as restated to include the £0.8m contribution from Headline Money and NMA). Underlying revenues increased by 3%. EBITDA increased by 55% to £1.7m reflecting the impact of cost savings from PI and contributions from acquisitions. EBITDA margins across this division fell, as expected, to 18% from 30%, reflecting the impact of the lower margin Econsultancy business.

While the traditional PI corporate advisory markets are expected to remain challenging, PI is investing in future growth from new markets, predominantly in the Far East. Profile continues to perform ahead of expectations, contributing £1.7m to H1 revenues. Econsultancy traded in line with expectations, contributing £4.2m to H1 revenues, despite the deferral of some US event and corporate training revenues into the second half of the year, as a consequence of hurricane Sandy.

Exhibitions

This division comprises a portfolio of specialist exhibitions covering a number of sectors, and publishing assets linked to the specialist construction show portfolio. Leading brands include Marketing Week Live, Employee Benefits Live, SubCon, The Business Travel Show and the Homebuilding and Renovating portfolio.

Reported revenues across this division grew by 8%, with core exhibitions revenues up 15% and publishing revenues flat. Exhibitions in the first six months of the year included Employee Benefits Live, National Home Improvement, Aidex and two regional Homebuilding events. EBITDA margins for the division have performed well, growing to 6% from 3% the prior year.

Forward bookings in the Exhibitions division at 31 December 2012 were 10% ahead of the same period last year, and the outlook for the National Homebuilding, Business Travel, SubCon and Marketing Week Live events is positive.

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 indicators which the Board considers to be important are as set out below:

	Six months to 31 December 2012 Unaudited	Six months to 31 December 2011 Unaudited
Underlying revenue growth/(decline) by revenue type		
Digital products	**1%**	10%
Events	**12%**	2%
Print	**(14)%**	0%
Other	**17%**	0%
Total	**(3)%**	4%
Digital revenues as a percentage of total revenues	**39%**	32%
Adjusted EBITDA margin	**10%**	6%
Revenue per employee (£000)	**104**	100
Adjusted Profit / (loss) before tax (£m)	**0.7**	(0.1)
Adjusted EPS (pence)	**0.3**	0.0

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 our 2012 Annual Report on pages 27 and 28.

Forward looking statements

Certain statements in this half-yearly report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, we 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. We undertake 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 first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months 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 2012.

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

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group and Company have 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.

The half-yearly report was approved by the Board of Directors and authorised for issue on 19 February 2013 and signed on behalf of the board by:

Geoff Wilmot, Chief Executive Officer
Mark Kerswell, Finance Director

Independent review report to Centaur Media plc

Introduction

We have been engaged by the company to review the consolidated interim financial information in the half-yearly financial report for the six months ended 31 December 2012, which comprises the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Balance Sheet at 31 December 2012, Consolidated Cash Flow Statement, Basis of Preparation and Notes to the condensed set of financial statements. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the consolidated interim financial information.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in the basis of preparation, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The consolidated interim financial information included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the consolidated interim financial information in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, 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.

Scope of review

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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information in the half-yearly financial report for the six months ended 31 December 2012 is 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 Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
19 February 2013
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

	Adjusted Results Six months ended 31	**Adjusting Items Six months ended 31**	**Statutory Results Six months ended 31**	Adjusted Results Six months ended 31	Adjusting Items Six months ended 31	Statutory Results Six months ended 31

	Notes	December 2012 Unaudited £m	December 2012 Unaudited £m	December 2012 Unaudited £m	December 2011 Unaudited £m	December 2011 Unaudited £m	December 2011 Unaudited £m
Revenue	1	**30.4**	**-**	**30.4**	26.6	-	26.6
Net operating expenses	2	**(29.1)**	**(5.1)**	**(34.2)**	(26.6)	(1.4)	(28.0)
Operating profit/ (loss)		**1.3**	**(5.1)**	**(3.8)**	-	(1.4)	(1.4)
Finance costs		**(0.6)**	**(0.6)**	**(1.2)**	(0.1)	-	(0.1)
Profit/(loss) before tax		**0.7**	**(5.7)**	**(5.0)**	(0.1)	(1.4)	(1.5)
Income tax (charge)/credit	4	**(0.3)**	**0.9**	**0.6**	0.1	0.1	0.2
Profit/(loss) for the period attributable to owners of the company		**0.4**	**(4.8)**	**(4.4)**	-	(1.3)	(1.3)
Total comprehensive profit/(loss) for the period attributable to owners of the company		**0.4**	**(4.8)**	**(4.4)**	-	(1.3)	(1.3)
Earnings / (loss) per share for loss attributable to the owners of the company							
- Basic	5	**0.3p**		**(3.1)p**	0.0p		(0.9)p
- Fully diluted	5	**0.3p**		**(3.1)p**	0.0p		(0.9)p

Consolidated Statement of Changes in Equity

Group - unaudited	**Share capital £m**	**Treasury shares £m**	**Share premium £m**	**Retained earnings £m**	**Reserve for shares to be issued £m**	**Deferred shares £m**	**Total £m**
At 1 July 2011	15.0	(10.3)	0.7	115.3	3.3	0.1	124.1
Loss for the period and total comprehensive loss for the period	-	-	-	(1.3)	-	-	(1.3)
Transactions with owners:							
- Dividends	-	-	-	(1.8)	-	-	(1.8)
- Purchase of shares	-	(0.2)	-	-	-	-	(0.2)
Share options:							
- Fair value of employee services	-	-	-	-	0.2	-	0.2
As at 31 December 2011	**15.0**	**(10.5)**	**0.7**	**112.2**	**3.5**	**0.1**	**121.0**
At 1 July 2012	15.0	(10.5)	0.7	113.7	3.6	0.1	122.6
Loss for the period and total comprehensive loss for the period	-	-	-	(4.4)	-	-	(4.4)
Transactions with owners:							
- Dividends	-	-	-	(2.1)	-	-	(2.1)

- Sale of shares	-	0.2	-	-	-	-	0.2
Share options:							
- Fair value of employee services	-	-	-	-	0.2	-	0.2
As at 31 December 2012	**15.0**	**(10.3)**	**0.7**	**107.2**	**3.8**	**0.1**	**116.5**

Consolidated Balance Sheet at 31 December 2012

	Notes	**31 December 2012 Unaudited £m**	31 December 2011 Unaudited £m	30 June 2012 Audited £m
Non-current assets				
Goodwill	**6**	**136.0**	119.1	121.3
Other intangible assets	**7**	**24.0**	9.7	15.4
Property, plant and equipment		**2.2**	2.4	2.3
Deferred tax assets		**0.8**	0.7	0.8
		163.0	131.9	139.8
Current assets				
Inventories		**2.4**	2.1	1.1
Current income tax asset		**0.4**	0.6	-
Trade and other receivables		**15.1**	13.2	13.5
Cash and cash equivalents		**2.6**	1.1	5.3
		20.5	17.0	19.9
Current liabilities				
Financial liabilities	**8**	**-**	(6.7)	-
Trade and other payables		**(8.0)**	(7.1)	(10.0)
Deferred income		**(15.1)**	(11.6)	(11.3)
Current income tax liabilities		**-**	-	(0.8)
Provisions	**9**	**(1.5)**	(0.2)	(0.3)
		(24.6)	(25.6)	(22.4)
Net current liabilities		**(4.1)**	(8.6)	(2.5)
Non-current liabilities				
Financial liabilities	**8**	**(27.1)**	(0.4)	(12.5)
Provisions	**9**	**(14.3)**	(0.8)	(1.2)
Deferred tax liabilities		**(1.0)**	(1.1)	(1.0)
		(42.4)	(2.3)	(14.7)
Net assets		**116.5**	121.0	122.6
Capital and reserves attributable to owners of the company				
Share capital		**15.0**	15.0	15.0
Treasury and employee benefit trust shares		**(10.3)**	(10.5)	(10.5)
Share premium		**0.7**	0.7	0.7
Retained earnings		**107.2**	112.2	113.7
Other reserves		**3.9**	3.6	3.7
Total equity		**116.5**	121.0	122.6

The condensed set of financial statements on pages 8 to 23 was approved by the Board of Directors on 19 February 2013 and was signed on its behalf by:

MH Kerswell
Finance Director

Consolidated Cash Flow Statement
for the six months ended 31 December 2012

	Six months	Six months

	Notes	ended 31 December 2012 Unaudited £m	ended 31 December 2011 Unaudited £m
Cash flows from operating activities			
Cash used in operations	**11**	**(0.8)**	(1.0)
Tax (paid)/repaid		**(0.6)**	0.7
Net cash used in operating activities		**(1.4)**	(0.3)
Cash flows from investing activities			
Acquisition of subsidiaries (net of cash acquired)		**(11.2)**	(4.3)
Other Acquisitions		**(0.2)**	-
Proceeds from disposal of assets		**-**	0.3
Purchase of property, plant and equipment		**(0.3)**	(0.1)
Purchase of software		**(1.7)**	(0.8)
Net cash flows used in investing activities		**(13.4)**	(4.9)
Cash flows from financing activities			
Sale/(purchase) of shares by employee benefit trust		**0.2**	(0.2)
Finance costs		**(0.4)**	(0.1)
Finance lease repayments		**(0.2)**	(0.1)
Dividends paid to shareholders	**10**	**(2.1)**	(1.8)
Drawdowns on credit facility		**14.6**	6.5
Net cash flows used in financing activities		**12.1**	4.3
Net decrease in cash and cash equivalents		**(2.7)**	(0.9)
Cash and cash equivalents at start of period		**5.3**	2.0
Cash and cash equivalents at the end of the period		**2.6**	1.1
Reconciliation of net debt:			
Cash and cash equivalents		**2.6**	1.1
Financial Liabilities	**8**	**(27.1)**	(6.5)
		(24.5)	(5.4)

Basis of preparation

This condensed set of financial statements in the half-yearly report for the period ended 31 December 2012 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. The half-yearly report should be read in conjunction with the annual financial statements for the year ended 30 June 2012, 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 2012, as described in those annual financial statements. The following new standards and amendments to standards are mandatory for the first time for the financial year ending 30 June 2013 and have been adopted in this half-yearly 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;
- 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 were presented as adjusting items:

	Notes	**Six months ended 31 December 2012 Unaudited £m**	Six months ended 31 December 2011 Unaudited £m
Exceptional operating expenses	**3**	**4.0**	1.1
Amortisation of acquired intangibles	**7**	**1.1**	0.3
		5.1	1.4
Exceptional finance costs	**3**	**0.6**	-
		5.7	1.4
Tax (credit)/charge relating to adjusting items		**(0.9)**	0.1
		4.8	1.5

The basis of the principal adjustments is consistent with that of the annual financial statements for the year ended 30 June 2012, as described in those annual financial statements. Further details of all exceptional costs are shown in Note 3.

Below is a reconciliation for Operating loss to Adjusted EBITDA:

	Notes	**Six months ended 31 December 2012 Unaudited £m**	Six months ended 31 December 2011 Unaudited £m
Operating loss		**(3.8)**	(1.4)
Adjusting items		**5.1**	1.4
Adjusted operating profit		**1.3**	-
Depreciation of property, plant and equipment		**0.3**	0.4
Amortisation of software	**7**	**1.1**	1.0
Share based payments		**0.2**	0.2
Adjusted EBITDA		**2.9**	1.6

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 half-yearly report was approved for issue on 19 February 2013.

This half-yearly 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 2012 were approved by the Board of Directors on 12 September 2012 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 2012, 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 2012.

Seasonality

Due to the seasonal nature of events and exhibitions, higher revenues and operating profits are usually expected in the second half of the year. In the financial year ended 30 June 2012, 41% of revenues and 14% of adjusted EBITDA occurred in the first half with the balance accumulating in the second half.

Notes to the condensed set of financial statements for the six months ended 31 December 2012

1 Segmental reporting

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

The Board of directors 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 31 December 2012	**Business Publishing £m**	**Exhibitions £m**	**Business Information £m**	**Unallocated £m**	**Group £m**
Revenue	14.2	6.5	9.7	-	30.4
Adjusted EBITDA	0.8	0.4	1.7	-	2.9
Depreciation of property, plant and equipment	(0.1)	(0.1)	(0.1)	-	(0.3)
Amortisation of software	(0.5)	(0.1)	(0.5)	-	(1.1)
Amortisation of acquired intangibles	(0.1)	(0.1)	(0.9)	-	(1.1)
Share based payments	-	-	-	(0.2)	(0.2)
Exceptional administrative costs	(2.2)	(0.3)	(1.5)	-	(4.0)
Operating loss	(2.1)	(0.2)	(1.3)	(0.2)	(3.8)
Finance costs	-	-	-	(1.2)	(1.2)
Loss before tax	(2.1)	(0.2)	(1.3)	(1.4)	(5.0)
Taxation	-	-	-	0.6	0.6
Loss for the period attributable to equity shareholders	(2.1)	(0.2)	(1.3)	(0.8)	(4.4)
Segment assets	92.6	31.3	56.0		179.9
Corporate assets	-	-	-	3.6	3.6
Consolidated total assets	92.6	31.3	56.0	3.6	183.5
Segment liabilities	(11.5)	(7.7)	(19.7)	-	(38.9)
Corporate liabilities	-	-	-	(28.1)	(28.1)
Consolidated total liabilities	(11.5)	(7.7)	(19.7)	(28.1)	(67.0)
Other items					
Capital expenditure	1.0	0.1	0.9	-	2.0
Impairment of trade receivables	-	0.1	-	-	0.1

Six months ending 31 December 2011 Restated	**Business**		**Business**		

	Publishing £m	Exhibitions £m	Information £m	Unallocated £m	Group £m
Revenue	16.8	6.0	3.8	-	26.6
Adjusted EBITDA	0.3	0.2	1.1	-	1.6
Depreciation of property, plant and equipment	(0.3)	(0.1)	-	-	(0.4)
Amortisation of software	(0.4)	(0.1)	(0.5)	-	(1.0)
Amortisation of acquired intangibles	(0.2)	(0.1)	-	-	(0.3)
Share based payments	-	-	-	(0.2)	(0.2)
Exceptional administrative costs	(0.8)	-	(0.3)	-	(1.1)
Operating (loss)/profit	(1.4)	(0.1)	0.3	(0.2)	(1.4)
Finance costs	-	-	-	(0.1)	(0.1)
(Loss)/profit before tax	(1.4)	(0.1)	0.3	(0.3)	(1.5)
Taxation	-	-	-	0.2	0.2
(Loss)/profit for the period attributable to equity shareholders	(1.4)	(0.1)	0.3	(0.1)	(1.3)
Segment assets	99.1	32.1	15.3	-	146.5
Corporate assets	-	-	-	2.4	2.4
Consolidated total assets	99.1	32.1	15.3	2.4	148.9
Segment liabilities	(9.3)	(6.8)	(3.3)	-	(19.4)
Corporate liabilities	-	-	-	(8.5)	(8.5)
Consolidated total liabilities	(9.3)	(6.8)	(3.3)	(8.5)	(27.9)
Other items					
Capital expenditure	0.4	0.2	0.6	-	1.2
Impairment of trade receivables	0.1	0.1	-	-	0.2

All segmental results shown above were generated from continuing operations and are unaudited.

Segmental results have been restated for the reallocation of certain brands between segments and the corresponding impact on overhead allocations. The restatement results in an increase of £0.8m in revenue in the Business Information division, and a corresponding decrease in revenue in the Business Publishing division. There is no net impact from the restatement on Adjusted EBITDA or Operating profit.

2 Net operating expenses

	Notes	**Adjusted Results Six months ended 31 December 2012 Unaudited £m**	**Adjusting Items Six months ended 31 December 2012 Unaudited £m**	**Statutory Results Six months ended 31 December 2012 Unaudited £m**	Adjusted Results Six months ended 31 December 2011 Unaudited £m	Adjusting Items Six months ended 31 December 2011 Unaudited £m	Statutory Results Six months ended 31 December 2011 Unaudited £m
Employee benefit expense		**14.5**	**-**	**14.5**	13.2	-	13.2
Depreciation of owned property, plant and equipment		**0.3**	**-**	**0.3**	0.4	-	0.4
Amortisation of intangibles		**1.1**	**1.1**	**2.2**	1.0	0.3	1.3
Exceptional costs	3	**-**	**4.0**	**4.0**	-	1.1	1.1
Operating lease rentals							
Minimum lease payments		**1.3**	**-**	**1.9**	1.2	-	1.2
Subleases		**(0.2)**	**-**	**(0.7)**	(0.3)	-	(0.3)
Repairs and maintenance							

expenditure on property, plant and equipment	**0.1**	**-**	**0.1**	-	-	-
Trade receivables impairment	**0.1**	**-**	**0.1**	0.2	-	0.2
Other operating expenses	**11.8**	**-**	**11.8**	10.9	-	10.9
	29.1	**5.1**	**34.2**	26.6	1.4	28.0

3 Exceptional costs

	Six months ended 31 December 2012 Unaudited £m	Six months ended 31 December 2011 Unaudited £m
Reorganisation costs		
Redundancy costs	1.2	0.4
Acquisition related costs	0.7	0.3
IFRS 3 (R) earn outs	1.5	0.8
Onerous lease provision	0.6	-
Profit on disposal of discontinued activities	-	(0.4)
Total operating exceptional costs	4.0	1.1
Exceptional finance costs	0.6	-
Net exceptional costs	4.6	1.1

The Group has incurred £1.2m of redundancy costs in H1 2013 across the Business Publishing and Exhibitions divisions and in corporate departments.

Centaur Communications Limited acquired the entire share capital of E-consultancy.com Limited on 11 July 2012 (note 12). The related professional fees and stamp duty of £0.7m have been treated as exceptional costs.

Potential earn out payments of £1.5m relating to the acquisitions of IPL, VBR and FEM that are contingent on the further employment of the vendors have been charged to the statement of comprehensive income rather than being treated as a cost of investment in line with IFRS 3 (R).

The charge to the onerous lease provision of £0.6m relates to premises previously occupied by Perfect Information Limited, whose staff transferred to existing Group premises during the period.

The exceptional finance costs of £0.6m relate to the unwinding of the discount applied to the earn out liability recorded in respect of the acquisition of Econsultancy (note 12). In accordance with IFRS 3 (R), as this payment is not contingent on the further employment of the vendors, this liability was recognised as part of the cost of investment at fair value as at the time of the acquisition. In line with IAS 39, a notional interest charge will be recorded throughout the earn out period as the discount unwinds and the fair value of the liability increases.

In the period ended 31 December 2011, the Group incurred £0.4m of redundancy costs across Business Publishing and in its corporate departments. £0.3m of professional fees and stamp duty relating to acquisition activities, £0.8m of potential earn out payments relating to acquisitions that are contingent on the further employment of the vendors, and £0.4m of profit on the disposal of a number of assets from the Group's portfolio.

A full explanation of exceptional costs for the year ending 30 June 2012 is disclosed in the audited 2012 Annual Report.

4 Taxation

	Six months ended 31 December 2012 Unaudited £m	Six months ended 31 December 2011 Unaudited £m
Loss before tax	**(5.0)**	(1.5)
Loss before tax multiplied by standard rate of corporation tax in the UK of 23.75% (31 December 2011: 25.75%)	**(1.2)**	(0.4)

Effects of:		
Expenses not deductible for tax purposes	**0.5**	0.2
Effects of changes in tax rate on deferred tax balances	**0.1**	-
Total taxation credit	**(0.6)**	(0.2)

5 Earnings per share

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

	Six months ended 31 December 2012 Unaudited			Six months ended 31 December 2011 Unaudited		
	Earnings £m	**Weighted average no. of shares millions**	**Per-share amount Pence**	Earnings £m	Weighted average no. of shares millions	Per-share amount Pence
Basic EPS	**(4.4)**	**140.7**	**(3.1)**	(1.3)	139.2	(0.9)
Adjusted EPS						
Earnings attributable to ordinary shareholders	(4.4)	140.7	(3.1)	(1.3)	139.2	(0.9)
Amortisation of acquired intangibles	1.1	-	0.8	0.3	-	0.2
Exceptional operating expenses	4.0	-	2.8			
Exceptional finance costs	0.6	-	0.4	1.1	-	0.8
Tax effect	(0.9)	-	(0.6)	(0.1)	-	(0.1)
Adjusted EPS	**0.4**	**140.7**	**0.3**	-	139.2	-
Effect of dilutive securities						
Options	-	2.3	-	-	-	-
Diluted adjusted EPS	**0.4**	**143.0**	**0.3**	-	-	-

1,767,094 shares held in an employee benefit trust (2011: 1,820,430) and 7,553,594 (2011: 9,294,084) 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, and on adjusted EPS in the prior year, as their conversion to ordinary shares would decrease the loss per share.

6 Goodwill

	31 December 2012 Unaudited £m
Cost at 1 July 2012	147.2
Additions (see note 12)	14.7
Cost at 31 December 2012	161.9
Impairment at 1 July 2012 and 31 December 2012	(25.9)
Net book value	
At 31 December 2012	**136.0**
At 30 June 2012	121.3

Goodwill has arisen on various historical acquisitions. Further details of acquisitions made in the period are set out in note 12.

7 Other intangible assets

	Computer software	**Brands and publishing rights**	**Customer Relationships**	**Websites and content**	**Non-compete arrangements**	**Total**

	£m	£m	£m	£m	£m	£m
At 1 July 2012						
Cost	14.8	5.6	6.0	1.5	0.5	28.4
Accumulated amortisation and impairment	(10.1)	(0.8)	(1.1)	(0.5)	(0.5)	(13.0)
Net book amount	4.7	4.8	4.9	1.0	-	15.4
Six months ended 31 December 2012						
Unaudited						
Opening net book amount	4.7	4.8	4.9	1.0	-	15.4
Additions - business combinations	0.3	-	5.6	3.2	-	9.1
Additions - internally generated	0.1	-	-	-	-	0.1
Additions - separately acquired	1.6	-	-	-	-	1.6
Amortisation charge for the period	(1.1)	(0.1)	(0.6)	(0.4)	-	(2.2)
Closing net book amount	5.6	4.7	9.9	3.8	-	24.0
At 31 December 2012						
Unaudited						
Cost	16.8	5.6	11.6	4.7	0.5	39.2
Accumulated amortisation and impairment	(11.2)	(0.9)	(1.7)	(0.9)	(0.5)	(15.2)
Net book amount	5.6	4.7	9.9	3.8	-	24.0

8 Financial liabilities

	31 December 2012 Unaudited	31 December 2011 Unaudited	30 June 2012 Audited
	£m	£m	£m
Current liabilities			
Revolving credit facility	**-**	6.5	-
Finance lease creditor	**0.2**	0.2	0.2
Arrangement fee in respect of revolving credit facility	(0.2)	-	(0.2)
	-	6.7	-
Non-current liabilities			
Revolving credit facility	**27.1**	-	12.5
Finance lease creditor	**0.2**	0.4	0.3
Arrangement fee in respect of revolving credit facility	**(0.2)**	-	(0.3)
	27.1	0.4	12.5

The following tables detail the Group's remaining financial maturity for its financial liabilities

	Book value	**Fair value**	**Less than 1 year**	**2-5 years**
	£m	**£m**	**£m**	**£m**
At 31 December 2012				
Unaudited				
Non-derivative financial instruments				
Variable interest rate instruments	27.1	27.1	-	27.1
Fixed interest rate instruments	0.4	0.4	0.2	0.2
Non-interest bearing instruments	(0.4)	(0.4)	(0.2)	(0.2)

	27.1	27.1	-	27.1
At 30 June 2012				
Audited				
Non-derivative financial instruments				
Variable interest rate instruments	12.5	12.5	-	12.5
Fixed interest rate instruments	0.5	0.5	0.2	0.3
Non-interest bearing instruments	(0.5)	(0.5)	(0.2)	(0.3)
	12.5	12.5	-	12.5
At 31 December 2011				
Unaudited				
Non-derivative financial instruments				
Variable interest rate instruments	6.5	6.5	6.5	-
Fixed interest rate instruments	0.6	0.6	0.2	0.4
	7.1	7.1	6.7	0.4

9 Provisions

	Onerous lease provision £m	**Deferred consideration £m**	**Total provision £m**
At 1 July 2011	-	1.2	1.2
Arising on acquisition	-	0.9	0.9
Paid during year	-	(0.3)	(0.3)
Finalisation of FEM acquisition accounting	-	(0.8)	(0.8)
Closing balance at 31 December 2011 Unaudited	-	1.0	1.0
Arising on acquisition	-	0.2	0.2
Charged to the statement of comprehensive income	0.3	-	0.3
Closing balance at 30 June 2012 Audited	0.3	1.2	1.5
Arising on acquisition	-	11.6	11.6
Charged to the statement of comprehensive income	0.6	2.1	2.7
Closing balance at 31 December 2012 Unaudited	0.9	14.9	15.8
Current	0.5	1.0	1.5
Non-current	0.4	13.9	14.3
	0.9	14.9	15.8

The provision arising on acquisition during the period relates to deferred consideration payable in respect of the acquisition of E-consultancy.com Limited ("Econsultancy") on 11 July 2012 (see Note 12 for details). This deferred consideration is payable based on 7.5 times Econsultancy's EBITDA for the year ending December 2015, estimated to be approximately £18m at the time of the acquisition which, after discounting, has been initially recognised at a fair value of £11.6m. The Directors believe that this initial estimate remains valid as at the period end and, as a result, have not revised the fair value of the provision during the current period beyond unwinding the initial discounting applicable to the current period.

10 Dividends

A final dividend in relation to the year ended 30 June 2012 of 1.5 pence (2011: 1.3 pence) per 10p ordinary share was paid on 7 December 2012. This amounted to £2,111,760 (2011: £1,808,228).

An interim dividend of 0.825 pence (2011: 0.75 pence) per 10p ordinary share is proposed. This amounts to £1,162,320 (2011: £1,043,201) and will be paid on 12 April 2013 to all shareholders on the register as at 8 March 2013.

11 Cash flow from operating activities

	Six months ended 31 December 2012 Unaudited £m	Six months ended 31 December 2011 Unaudited £m
Loss for the period	**(4.4)**	(1.3)
Adjustments for:		
Tax	**(0.6)**	(0.2)
Depreciation of property, plant and equipment	**0.3**	0.4
Profit on disposal of property, plant and equipment	**-**	(0.4)
IFRS 3 (R) earn out (included in exceptional costs)	**1.5**	0.8
Onerous lease provision (included in exceptional costs)	**0.6**	-
Amortisation of intangible assets	**2.2**	1.3
Interest expense	**0.6**	0.1
IAS 39 notional interest costs (included in exceptional costs)	**0.6**	-
Share based payment charge	**0.2**	0.2
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries):		
Increase in inventories	**(1.3)**	(0.8)
(Increase) / decrease in trade and other receivables	**(0.2)**	2.1
Decrease in trade and other payables	**(0.3)**	(3.2)
Cash used in operating activities	**(0.8)**	(1.0)

12 Business Combinations

The group has developed a process to determine the fair values of assets acquired and liabilities assumed under business combinations, and for the separate identification of intangible assets in accordance with IFRS 3 (Revised) "Business Combinations". This formal process is applied to each acquisition. Until this assessment is complete, the allocation period remains open up to a maximum of 12 months from the relevant acquisition date. As at 31 December 2012 the allocation period for all acquisitions completed since 1 July 2012 remained open and accordingly the fair values presented in respect of acquisitions in the period are provisional.

Subsidiaries acquired

	Date of acquisition	**Proportion of voting equity interest acquired**
E-consultancy.com Limited	11.07.2012	100%

On 11 July 2012, the Group acquired the entire issued share capital of E-consultancy.com Limited ("Econsultancy"). Econsultancy provides information, training and events to digital marketing businesses in the UK, USA, Middle East and Far East. Initial cash consideration of £11.9m was paid on completion of the acquisition, net of a working capital adjustment of £0.1m. Deferred consideration is payable based on 7.5 times the Company's EBITDA for the year ending December 2015, subject to a maximum total consideration (including the initial cash consideration) of £50m. Initial estimates indicate that this deferred consideration payment will be approximately £18m which, after discounting, has been initially recognised at a fair value of £11.6m.

Consideration transferred

	Econsultancy £m
Cash	11.9

Acquisition-related costs amounting to £0.5m have been excluded from the consideration and recognised as an expense in the current period as an exceptional item within the net operating expenses line item on the consolidated statement of comprehensive income (See Note 3).

Assets acquired and liabilities assumed at the acquisition date

The follow table sets out, at the date of acquisition, the carrying value and provisional fair value of the assets and liabilities acquired. All intangible assets were recognised at their respective fair values.

	Carrying values	**Fair value**

	pre-acquisition £m	£m
Econsultancy		
Intangible assets (excluding goodwill)	0.8	9.1
Trade and other receivables	2.1	2.0
Trade and other payables	(2.8)	(2.8)
Cash and cash equivalents	0.5	0.5
Net assets acquired	0.6	8.8

Goodwill arising

	Econsultancy £m
Consideration transferred	11.9
Fair value of deferred consideration	11.6
Less: fair value of net assets acquired	(8.8)
Provisional goodwill	14.7

The goodwill arising on the acquisition has been allocated to Business Information, as that segment is expected to benefit most from the synergies expected of the acquisition. Goodwill is principally attributed to the workforce and anticipated operating synergies.

Impact on the results of the Group

From the date of acquisition to 31 December 2012, the acquisition contributed £4.2m to Revenue and £0.1m to Profit before tax. If the acquisition had been made at the beginning of the period, the results of operations of the Group would not be significantly different from the results as they are reported.

Prior period acquisitions

The fair values of acquired assets and liabilities disclosed in the Annual Report and Accounts for 2012 in respect of the Investment Platforms Limited ("IPL"), Venture Business Research Limited ("VBR") and The Profile Group (UK) Limited ("Profile"), which were disclosed as provisional as at 30 June 2012, were finalised during the six months ending 31 December 2012. No adjustments have been made to the fair values disclosed in the annual financial statements for the year ended 30 June 2012.