14 March 2016

Ascential plc

Audited results for Ascential Holdings Limited for the year ended 31 December 2015

London: Ascential plc (LSE: ASC.L), the international, business-to-business, media company with a focused portfolio of market-leading events and information services products, today announces the 2015 results of Ascential Holdings Limited, acquired by Ascential plc prior to its listing on the London Stock Exchange in February 2016.

Group Highlights

- 2015 results in line with Group expectations
- Another good year of organic revenue growth with revenues up 6.1% (2014: 7.0%) on an Organic basis to £319.1m
- Strong Organic Adjusted EBITDA growth of 14.0% to £90.9m with expansion of margin to 28.5% (2014: 27.3%)
- Reported operating profit growth of 43.4% to £32.4m
- Continued strong cash generation with free cash flow after tax and capex of £79.9m (2014: £68.3m) a free cash flow conversion of 88% (2014: 80%)
- Successful completion in February 2016 of the Initial Public Offering ("IPO") of the Group and listing on the premium segment of the London Stock Exchange with net proceeds of £183m applied to reduce the Group's leverage to c. 2.5x 2015 Adjusted EBITDA
- Group expectations for 2016 unchanged

Duncan Painter, Chief Executive Officer, commented:

"2015 was another strong year for Ascential and we grew both revenues and profits driven by our focus on our top products, customer retention and growing customer volumes.

The new financial year has started well. Since the year end, Spring Fair, Bett UK and Pure Spring have taken place and performed in line with our expectations and preparations for Money20/20 Europe in April continue to progress well. While still early in 2016, we are encouraged by the current level of forward bookings and are confident of another good year of growth for the Group."

Contacts

Ascential plc		
Duncan Painter	Chief Executive Officer	+44 (0)20 7516 5000
Mandy Gradden	Chief Financial Officer	
Media enquiries		
Edward Bridges	FTI Consulting	+44 (0)20 3727 1000
Chris Lane	FTI Consulting	

Ascential will host a presentation for analysts at 9.00am on 14 March 2016 at the offices of FTI Consulting at 200 Aldersgate Street, London EC1A 4HD.

Financial Highlights[1]

	Year ended 31 December		Growth	
	2015 £m	**2014 £m**	**Reported %**	**Organic[2] %**
Revenue				
Exhibitions & Festivals	150.4	138.8	8.4%	13.1%
Information Services	168.7	173.9	(3.0%)	0.5%
	319.1	**312.7**	**2.1%**	**6.1%**
Adjusted EBITDA[3]				
Exhibitions & Festivals	56.9	55.3	2.8%	10.5%
Margin	*37.8%*	*39.9%*		
Information Services	42.8	38.9	10.0%	15.4%
Margin	*25.4%*	*22.4%*		
Central costs	(8.8)	(8.9)		
	90.9	**85.3**	**6.6%**	**14.0%**
Group Margin	*28.5%*	*27.3%*		
Adjusted operating profit[4]	**73.4**	**67.2**	**9.2%**	
Operating profit	**32.4**	**22.6**	**43.4%**	
Profit / (loss) before tax	**8.4**	**(5.4)**		
Free cash flow[5]	**79.9**	**68.3**		
Free cash flow conversion	*88%*	*80%*		
Net debt	**(383.7)**	**(408.3)**		
Leverage	*4.2x*	*4.8x*		

[1] The financial information above and throughout this document is for Ascential Holdings Limited ("AHL"). On 8 February 2016, Ascential plc acquired AHL and subsequently listed on the London Stock Exchange. The acquisition was a group reconstruction that will be accounted for as a continuation of AHL. Accordingly, references to "Group" relate to the AHL group up to 8 February 2016, and the Ascential plc group thereafter.

[2] "Organic" growth is calculated to provide a more meaningful analysis of underlying performance. The following adjustments are made: (a) constant currency (restating FY14 at FY15 exchange rates), (b) event timing differences between periods (if any) (c) excluding the part-year impact of acquisitions and disposals. In the full years 2014 and 2015 there were no event timing differences.

[3] Adjusted EBITDA is IFRS operating profit before expensing (a) depreciation of tangible fixed assets and amortisation of software, (b) exceptional items, (c) amortisation of acquired intangible assets (d) impairment of tangible fixed assets and software intangibles and (e) share-based payments.

[4] Adjusted operating profit is IFRS operating profit before expensing (a) exceptional items, (b) amortisation of acquired intangible assets (c) impairment of tangible fixed assets and software intangibles and (d) share-based payments.

[5] Free cash flow is cash generated from operations before exceptional items, less capital expenditure and tax paid. Free cash flow conversion is this measure of free cash flow divided by Adjusted EBITDA.

Operating and financial highlights

Exhibitions & Festivals

- Strong Organic revenue growth of 13% to £150.4m.

- Adjusted EBITDA of £56.9m grew 11% on an Organic basis, a margin of 38% (2014: 40%) reflecting currency impacts and investment in the 2016 launch event of Money20/20 Europe.

- Top product performance:

  - Cannes Lions grew revenue 18% (at constant currency), attracting over 9,500 delegates and 40,000 entries, including strong growth of the second year of Lions Health as well as the launch of Lions Innovation.

  - The Money20/20 United States show, grew revenue by 38% (at constant currency), attracting almost 9,000 delegates to Las Vegas.

  - Spring and Autumn Fair grew revenue by 10% reflecting the impact of a number of initiatives (re-edit, re-book, and, at Autumn Fair, the introduction of location-based pricing).

Information Services

- Organic revenue growth of 0.5% to £168.7m, or 3% excluding the ongoing structural decline in print advertising. Print advertising is now less than 4% of Group revenues in 2015 down from 6% in 2014.

- Adjusted EBITDA of £42.8m, an Organic growth of 15% and an expansion in margin from 22% to 25% due in large part to efficiencies in WGSN arising from the launch of the single, combined WGSN and Stylesight product in 2014 offset by the decline in print advertising.

- Continued portfolio management with the disposal of Media Business Insight in January 2015 and acquisition of RetailNet Group in June 2015.

- Top product performance:

  - WGSN grew its revenues by 3% (at constant currency) with annual, but H2-weighted, billings growth of 6% underpinning confidence in 2016 revenue. Renewal rates expanded from 89% in 2014 to 92% in 2015.

  - Groundsure grew its revenues by 13% as it continued to gain market share in both the residential and commercial property markets.

Chief Executive's Review

I am delighted to present the Group's results for 2015. The year was a strong one and culminated in the successful IPO of the Group shortly after the year end.

Track record of growth, high margins and good cash generation
We delivered a strong operating performance in 2015 with a 6% Organic growth in revenue to £319.1m and a 14% Organic growth in Adjusted EBITDA to £90.9m with an expansion in margin from 27.3% in 2014 to 28.5% in 2015. We continued to generate good cash flow with free cash flow of £79.9m (2014: £68.3m) representing free cash conversion of 88% (2014: 80%).

Focused portfolio of market-leading products
We operate a focused portfolio of just 32 product lines, 23 of which hold the number one position in their respective markets. We believe that our focus of management time on market-leading products is a key driver of our growth.

We also focus most of our resources and time on our top products. All five of 2014's top products performed well in 2015 but Groundsure grew faster than our leading education technology event, Bett, and entered the top five product list in 2015. The top products in 2015 were:

- In Information Services: WGSN and Groundsure
- In Exhibitions & Festivals: Cannes Lions, Spring and Autumn Fair and Money20/20.

Our top five products represented 53% of the Group's 2015 revenue (2014: 49%) and 64% of its Adjusted EBITDA (2014: 58%). Further details on the performance of each of the top products is given in the segmental analysis below.

Clear organic growth strategy
We have continued to deploy multiple initiatives for growth across our products with a clear aim of increasing both volumes of customers[6] (up 3% in 2015) and average revenue per customer (up 5% in 2015).

The growth initiatives we deployed in 2015 included the launch of new digital products (such as Retail Week Prospect), the embedding of auto-renewal across our subscriptions customers, geo-cloning of exhibitions (such as CWIEME Istanbul) and show extensions (such as Lions Innovation). These are each described in more detail in the segmental review below.

Diversified and recurring revenue streams
Revenue by type
The Group benefits from diverse revenue streams the majority of which have recurring characteristics. The most significant change over the last year has been an increase in events as a proportion of Group revenue, to 55% (2014: 53%), despite considerable currency headwinds for our largest event, Cannes Lions. Print advertising, by contrast, has reduced to just 4% (2014: 6%) of Group revenue.

[6] Customer volumes and average revenue per customer are measured for Exhibitions & Festivals and the subscription products within Information Services

Revenue by geography

Continuing the theme of prior years, our share of revenue from overseas markets increased again in 2015 and now just 48% of revenues come from customers based in the UK (2014: 52%). The performance of Money20/20, WGSN and Cannes Lions has increased the revenues from the Americas to 21% with Asia Pacific, Middle East and Africa and other Europe contributing 9%, 6% and 15% respectively.

Disciplined operational approach

The foundation of our growth is, and will continue to be, our focus on customer retention – there is no better way to judge the quality of our products than to measure how many customers choose to renew their contracts with us each year and we spend considerable time reviewing those customers who do churn. Retention rates have grown considerably across our top products and this key measure is also supplemented through the year by Net Promoter Scores and product usage statistics, both of which are growing well across the board.

We continued to adjust and optimise our portfolio of products. During 2015 we acquired RetailNet Group, a forecasting and analytics business in the retail space for a consideration of £5.1m (net of cash acquired). This acquisition strengthens our Planet Retail offering by adding dedicated US coverage, expansion of the combined products to provide further forecasting capabilities and new US clients. We also disposed of Media Business Insight (consisting of Screen International, Broadcast, shots and BRAD) to funds advised by Mobeus Equity Partners.

Outlook

The new financial year has started well. Since the year end, Spring Fair, Bett UK and Pure Spring have taken place and performed in line with our expectations. Preparations for Money20/20 Europe in April also continue to progress well. While still early in 2016, we are encouraged by the current level of forward bookings and are confident of another good year of growth for the Group.

Strategic priorities for 2016

Our strategy and priorities for 2016 are unchanged. Our growth plans will continue to be focussed on customer retention and our top 5 product expansion plans.

We are 100% focused on enabling further success for our customers so that we may continue ours. We will continue to find new ways to satisfy, retain and grow our customers through investment in product features and extensions, new product development and initiatives such as auto-renewal, onsite rebooking and location-based pricing. We are excited by the opportunities for 2016.

Duncan Painter
14 March 2016

Segmental Review

Exhibitions & Festivals

The Exhibitions & Festivals segment performed extremely well in 2015 with Organic growth in revenues and Adjusted EBITDA of 13% and 11% to £150.4m (2014: £138.8m) and £56.9m (2014: £55.3m) respectively. The segment has considerable foreign currency exposure with Cannes Lions and CWIEME revenues denominated primarily in euro and Money20/20 in US dollars, while the majority of the segment's cost base is denominated in Pounds Sterling. For this reason reported revenues grew by 8% and Adjusted EBITDA by 3%.

The business made good progress against its key growth initiatives in 2015:

- *Pre-book/re-book:* We continued to roll out pre-book and re-book of all exhibition space targeting to achieve a 70% onsite re-book and we delivered our first on-site rebook of the exhibition space at Money20/20 US. The strengthening pre-book and re-book performance gives good visibility for business planning, strong working capital characteristics and frees up the sales force for the balance of the year to concentrate on improved customer service, new business and supporting customer demand for extending their product purchases.

- *Location-based pricing:* We benefited from the 2014 launch of location-based stand pricing (where we differentiate our pricing based on position in hall and type of stand design) at Autumn Fair, and launched location-based pricing at Spring Fair 2015 and CWIEME Berlin 2015 (both coming into effect in 2016 revenues). We are rolling out location-based pricing at Bett 2016 (for 2017).

- *Show editing:* We undertook major re-edits at Spring Fair 2015 and benefited from the moves of the Home and Kitchen and Dining sections within the venue which optimised space and footfall in line with customer demand.

- *Show Extensions:* Our show extensions programme which takes existing event products to new geographies based on customer demand delivered the successful launch of CWIEME Istanbul. Exhibitors from 18 countries showcased their latest products and technologies with almost 70% already re-booked for the 2016 event. Istanbul is the fourth show extension in the CWIEME exhibition series and joins Berlin, Chicago and Shanghai.

- *Product development:* We launched Lions Innovation for the data and technology specialists in the creative communications industry to run in parallel with the main Cannes Lions festival for Creativity in Cannes.

Cannes Lions

Cannes Lions, held each June, is the world's largest and most widely recognised festival for creativity in the branded communications industry. It saw another year of good growth in its core week-long event with over 9,500 paying delegates and 40,000 entries from over 90 countries, further cementing its position as the "must attend" and "must enter" festival for the branded communications industry. Revenues increased to £42.5m (2014: £41.0m) up 18% on a constant currency basis.

In addition, 2015 saw the successful launch of the Lions Innovation festival extending participation to new customer groups within the technology-led segments of the industry. This follows the launch of Lions Health in 2014, which experienced strong growth in delegates, entries and revenues in its second year in 2015.

Spring and Autumn Fair
Spring Fair is the UK's largest trade exhibition and is held at the NEC in Birmingham. It is the clear market leader in the UK's gift and homewares exhibitions market.

Performance in 2015 was very strong with revenues up 10% to £33.1m (2014: £30.1m), driven by (i) the introduction of location-based pricing at Autumn Fair 2014 (benefitting the 2015 show) and (ii) a major show re-edit at Spring Fair 2015 enhancing footfall and revenues from the Home, Kitchen and Dining segments. Location-based pricing was introduced at Spring Fair 2015 for the 2016 show.

Money20/20
Money20/20 is the leading US congress in the payments and financial services innovation sector, focusing on the evolution of payments and financial services through mobile, retail, marketing services, data and technology, and is held each autumn in Las Vegas.

Money20/20 US saw another year of strong growth in delegates, exhibitors, speakers and revenues in its second year of operation within the Group. Paying delegates reached 8,900 (2014: 6,900), confirming its leading position in the market. Revenues for the year were £18.7m (2014: £12.7m), up 38% on an Organic basis. Preparations are progressing well for the European product extension event to be held in Copenhagen in April 2016.

Information Services

The Information Services segment delivered good growth in profitability in 2015 growing its Adjusted EBITDA by 15% on an Organic basis to £42.8m (2014: £38.9m). It also expanded margins to 25% (2014: 22%) driven mainly by the successful integration of WGSN and Stylesight in 2014. The year was more mixed in terms of revenue which grew by 0.5% on an Organic basis to £168.7m (2014 £173.9m). Groundsure had strong revenue growth but this was offset by weakness in our Middle East business MEED and the continuing decline in print advertising revenues. Growth excluding the planned decline in print advertising was 3.5%.

We made good progress against our key growth initiatives in Information Services:

- *Renewal rates:* Increased billings for our subscription products by a blended 6% and increased renewal rates from 87% to 90%.

- *Product development:* Launched four new, high-value, digital products to sell to our existing subscriber base (WGSN StyleTrial, Retail Week Prospect, Planet Retail Shopology and Nursing Times Learning).

- *Auto-renewal:* Rolled out auto-renewal contract terms across all our subscription products giving our customers a simple way to continue to enjoy our products while delivering standard price increases and freeing up the account managers in our sales teams from routine renewal administration.

- *Geographic expansion:* Entered into an agreement to launch three joint ventures with our Chinese partner CTIC to expand the number of customers in China who buy WGSN products and to co-develop a new colour product.

- *Corporate subscription model:* Accelerated the shift in subscribers to our subscription-led products from individuals to corporate subscriptions (now 31% (2014: 20%) of subscribers in our subscription-led products) delivering benefits in terms of improved renewal rates, reduced cost to serve and improved product mix in favour of digital.

- *Transition to digital:* As part of our migration to a digital-only business we turned off the ability for new subscribers to purchase a print based version of our product in Nursing Times and Retail Week. Print advertising revenue for our continuing products reduced from £15.1m to £11.6m a reduction of 23%. Print advertising now represents 4% (2014: 6%) of Group revenues and is planned to continue to reduce at similar rates over the next few years.

We continued to actively manage the portfolio with the sale of MBI in January 2015 and the acquisition of RetailNet Group in June 2015. We also brought the leadership of EMAP, 4C and Planet Retail together under the Plexus brand as we pursued our strategy to accelerate the migration of print customers to digital and/or events revenue streams.

WGSN

WGSN is the global leading product for market intelligence, insight and trend forecasts to the fashion industry and to businesses in design-led consumer markets. It is the Group's largest product by revenue and represents 36% of the revenues of the Information Services segment. WGSN grew revenues by 3% on an Organic basis to £60.5m. However, having completed its integration with Stylesight in 2014, WGSN returned to strong billings growth in 2015 achieving 6% for the year as a whole.

WGSN continued to develop its suite of new and existing digital products, with the imminent launch of the single integrated platform which makes all of WGSN's various products visible to customers through a single platform to be followed by a major refresh of its range management product - WGSN INstock.

WGSN also expanded its geographical reach through agreeing a joint venture with CTIC in China. CTIC was established by the Chinese government to develop and promote the Chinese domestic and international fashion industry. This JV will become effective in 2016 and will seek to extend the customer base of WGSN in China. In addition WGSN has also entered in a further JV with CTIC to develop a new colour management product.

Groundsure

Groundsure is a market-leading provider of environmental risk data to solicitors, conveyancers, architects, lenders and other participants in the UK residential and commercial property industry. It has a highly developed ecommerce ordering platform, detailed archive and well established reseller relationships. The business continued to benefit from a strengthening UK property market. In its key residential market, Groundsure was able to grow revenues during 2015 significantly ahead of the underlying growth rate for UK housing transactions. Revenues for 2015 were £14.2m (2014: £12.6m), up 13% year-on-year.

Financial Review

Overview

These results for 2015 are for Ascential Holdings Limited, head of the Group acquired by Ascential plc prior its listing on the London Stock Exchange in February 2016. In early February 2016, the Group underwent a pre-IPO reorganisation as part of which Ascential plc was incorporated and acquired the Group.

The results for the year are set out in the consolidated profit and loss statement and show revenue of £319.1m (2014: £312.7m) and Adjusted EBITDA of £90.9m (2014: £85.3m) with the Group delivering Organic growth in revenues of 6% and in Adjusted EBITDA of 14%. The Group also delivered strong cash flow in 2015 with free cash flow of £79.9m (2014: £68.3m) a conversion of 88% (2014: 80%). A summary of the operational performance of the Group is given in the table below.

£'million	Exhibitions & Festivals	Information Services	Central costs	Total Group
2015				
Revenue	150.4	168.7	—	319.1
Adjusted EBITDA	56.9	42.8	(8.8)	90.9
Adjusted EBITDA margin	*37.8%*	*25.4%*		*28.5%*
Depreciation and amortisation of tangible fixed assets and software intangibles	(2.2)	(7.1)	(8.2)	(17.5)
Adjusted operating profit	54.7	35.7	(17.0)	73.4
2014				
Revenue	138.8	173.9	—	312.7
Adjusted EBITDA	55.3	38.9	(8.9)	85.3
Adjusted EBITDA margin	*39.9%*	*22.4%*		*27.3%*
Depreciation and amortisation of tangible fixed assets and software intangibles	(1.9)	(6.8)	(9.4)	(18.1)
Adjusted operating profit	53.4	32.1	(18.3)	67.2

IFRS and adjusted performance measures

The table below provides a reconciliation between Adjusted and IFRS profit and loss measures. The Group uses adjusted figures as additional performance measures to assist readers of the accounts in understanding the underlying performance of the Group.

Adjusted operating profit excludes the amortisation of acquired intangibles, impairment, exceptional items and share-based payments. Adjusted Profit before tax excludes these items, together with any gains or losses on disposal of businesses, and one-off items within net finance costs. The Adjusted taxation charge excludes the tax effect of the above items. Adjusted EBITDA is Adjusted operating profit before expensing depreciation. The commentary below on Cash Flow sets out how Adjusted operating profit and the adjusted measure of cash generation Free Cash Flow reconcile to IFRS reported Net Cash Flow.

(£' million)	2015 Adjusted results	2015 Adjustments	2015 IFRS results	2014 Adjusted results	2014 Adjustments	2014 IFRS results
Revenue	319.1	-	319.1	312.7	-	312.7
Costs	(228.2)	-	(228.2)	(227.4)	-	(227.4)
Adjusted EBITDA	**90.9**	**-**	**90.9**	**85.3**	**-**	**85.3**
Depreciation, amortisation and impairment	(17.5)	(29.5)	(47.0)	(18.1)	(26.6)	(44.7)
Exceptional items	-	(11.0)	(11.0)	-	(18.0)	(18.0)
Share-based payments	-	(0.5)	(0.5)	-	-	-
Operating profit	**73.4**	**(41.0)**	**32.4**	**67.2**	**(44.6)**	**22.6**
Gain on disposal	-	4.8	4.8	-	-	0.0
Net finance costs	(24.5)	(4.3)	(28.8)	(28.0)	-	(28.0)
Profit/(loss) before tax	**48.9**	**(40.5)**	**8.4**	**39.2**	**(44.6)**	**(5.4)**
Taxation	(6.7)	14.4	7.7	12.1	13.1	25.2
Profit after tax	**42.2**	**(26.1)**	**16.1**	**51.3**	**(31.5)**	**19.8**

In order to provide a clear picture of our underlying performance, the Group also provides the following measure of Organic revenue growth which excludes the impact of acquisitions and disposals and movements in foreign exchange rates.

Year-on-year Organic revenue growth	**2015**	**2014**
Exhibitions & Festivals	+13.1%	+9.0%
Information Services	+ 0.5%	+5.4%
Group	+6.1%	+7.0%

Revenue

Reported revenues in 2015 grew to £319.1m (2014: £312.7m), an increase of £6.4m. However, direct comparability was affected by the disposal of the MBI business in January 2015 (contributing £0.7m of revenue in 2015 and £11.1m in 2014), the acquisition of RetailNet Group in June 2015 (contributing £1.8m of revenue in 2015) and by movements in exchange rates between the two years (amounting to the £2.9m adverse impact as mentioned below).

Adjusted EBITDA

Adjusted EBITDA (which excludes exceptional items and share-based payments) increased to £90.9m (2014: £85.3m) an increase of £5.6m on a reported basis and an expansion in Adjusted EBITDA margin of 1.2 percentage points to 28.5%.

The £5.6m growth in Adjusted EBITDA was impacted by the disposal of MBI (£2.6m reduction), the acquisition of RNG (£0.4m addition) and foreign currency translation (£3.3m adverse). Group Organic growth of £11.1m includes £5.4m from Exhibitions & Festivals and £5.6m from Information Services. On an Organic basis Group Adjusted EBITDA grew at 14.0%, with Exhibitions & Festivals growing at 10.5% and Information Services growing at 15.4%.

Foreign currency translation impact
The Group's reported performance is sensitive to movements in both the euro and US dollar against pounds sterling.

In 2015 the Group received approximately 20% (2014: 21%) of its revenue, incurred 9% (2014: 10%) of its costs and generated 49% (2014: 50%) of its Adjusted EBITDA in euros. Each 1% movement in the euro to pounds sterling exchange rate has a circa £0.6m (2014: £0.6m) impact on revenue and a circa £0.4m (2014: £0.4m) impact on Adjusted EBITDA.

In 2015 the Group received approximately 20% (2014: 19%) of its revenue, incurred 17% (2014: 16%) of its costs and generated 30% (2014: 26%) of its Adjusted EBITDA in US dollars. Each 1% movement in the US dollar to pounds sterling exchange rate has a circa £0.7m (2014: £0.6m) impact on revenue and a circa £0.3m (2014: £0.2m) impact on Adjusted EBITDA.

The weighted average and closing exchange rates for euros and US dollars were as follows:

	Weighted average rate		**Closing rate**	
	2015	**2014**	**2015**	**2014**
Euro	1.40	1.22	1.36	1.28
US dollar	1.53	1.64	1.48	1.56

When comparing 2014 and 2015, changes in currency exchange rates had an adverse impact of £2.9m (0.9%) on Group revenue and £3.3m (3.7%) adverse impact on Group Adjusted EBITDA. On a segmental basis, the impact of changes in foreign currency exchange rates was as follows:

- *Exhibitions & Festivals:* £5.7m (3.8%) adverse impact on revenue and £3.8m (6.8%) adverse impact on Adjusted EBITDA.
- *Information Services:* £2.8m (1.6%) favourable impact on revenue and £0.4m (0.9%) favourable impact on Adjusted EBITDA.

Amortisation and impairment
Amortisation of intangible assets acquired through business combinations was £29.5m in 2015 (2014: £25.8m) with the increase of £3.7m primarily due to a full year's amortisation charge in respect of Money 20/20 acquired in August 2014. The Group undertakes a periodic review of the carrying value of its intangible assets and as a result of this review there was no impairment recognised in the year relating to intangible assets acquired through business combinations (2014: £nil) or to software or tangible fixed assets (2014: £0.8m).

Share-based payments
The Group had established a Long Term Incentive Plan ("LTIP") to provide certain senior management with equity participation in the future prospects and performance of the Group. Shares were acquired at market value by participants and therefore no share-based payments charge was incurred. However, for legal and administrative reasons certain participants outside the UK and the US received their LTIP in cash-settled phantom awards giving rise to a share-based payments charge of £0.5m.

Exceptional items

The following table sets out the exceptional items incurred by the Group that have been excluded from the Adjusted EBITDA. The Group considers that separately identifying such items improves comparability of the financial results.

(£ million)	2015	2014
Acquisition-related contingent employment costs	5.5	1.8
Expenses related to acquisition and disposal activities	0.9	2.8
Acquisition integration costs	0.9	7.3
IPO expenditure	1.7	—
Business restructuring	1.7	0.3
Professional fees on capital restructuring	0.3	3.6
Financing and restructuring	—	1.2
Other exceptional items	—	1.0
Total exceptional items	**11.0**	**18.0**

The acquisition-related contingent employment costs relate to the acquisition of Money20/20 in August 2014. Under the sale and purchase agreement an element of the deferred consideration is contingent on both (i) the results of the business in 2015-17 and (ii) the continued employment of certain of the vendors. In accordance with IFRS, this element of the deferred consideration is treated as an expense recognised over the service lives of those vendors. In 2015 this expense amounted to £5.5m for the full 12 months (2014: £1.8m for a four month period) and further expense of £3.0m and £1.4m is expected in 2016 and 2017 respectively.

Exceptional costs relating to the IPO of £1.7m were incurred in 2015, with the remainder of the IPO-related cost of approximately £15m expected to be incurred in 2016 either as further exceptional items or as an offset against the share premium account.

Exceptional costs of £1.7m were also incurred in 2015 as a result of the creation of the Plexus operating company from the combination of EMAP, MEED, 4C Group and Planet Retail. The Group incurred exceptional costs related to acquisition and disposal activity of £0.9m (2014: £2.8m) in 2015, with a further charge of £0.9m (2014: £7.3m) related to post-acquisition integration costs. These principally relate to the acquisition of RetailNet Group.

Net finance costs

The Group's net finance expense for the year was £28.8m (2014: £28.0m).

The net interest expense on the Group's net borrowings was £28.2m (2014: £32.6m) with the reduction driven by the reduced rate of interest payable following the Group's April 2015 refinancing. However, the refinancing also resulted in £4.3m (2014: £nil) of break fees and write-off of loan arrangement fees in addition to the regular amortisation of such fees of £2.4m (2014: £3.0m). Other finance charges which includes the fair value unwind of deferred consideration were £2.3m (2014: £1.2m), driven by the addition of Money20/20 in August 2014. Fair value gains on derivative financial instruments were £4.2m (2014: £5.9m), mainly on instruments that do not form part of the Group's financing structure following the IPO. Finally, net foreign exchange gains on cash and borrowings recognised in the income statement were £4.2m (2014: £2.9m).

Taxation

The Group's reported tax charge for 2015 amounted to a credit of £7.7m (2014: £25.2m credit) being a current tax charge of £5.0m (2014: £6.2m) and a deferred tax credit of £12.7m (2014: £31.4m). The large deferred tax credit mainly relates to the recognition of the tax value of losses incurred by the Group in previous years in both the UK and the US.

The Group's Adjusted tax charge (after adjusting for the tax effect of adjusting items such as the amortisation of acquired intangibles) amounted to a charge of £6.7m (an effective tax rate on Adjusted profit before tax of 14%).

Cash flow

The Group's cash flow statement and net debt position can be summarised as follows:

(£ million)	**2015**	**2014**
Adjusted operating profit	**73.4**	**67.2**
Depreciation and amortisation of tangible fixed assets and software intangibles	17.5	18.1
Adjusted EBITDA	**90.9**	**85.3**
Working capital movements	1.1	(4.5)
Operating cash flow	**92.0**	**80.8**
Capital expenditure	(10.9)	(11.3)
Tax paid	(1.2)	(1.2)
Free cash flow	**79.9**	**68.3**
% Free cash flow conversion	*88%*	*80%*
Exceptional costs paid	(11.9)	(14.8)
Acquisition consideration paid	(19.7)	(26.6)
Disposal proceeds received	10.6	1.3
Cash flow before financing activities	**58.9**	**28.2**
Net interest paid	(37.9)	(26.6)
Debt drawdown / (repayments)	1.4	(11.2)
Net cash flow	**22.4**	**(9.6)**
Opening cash balance	**19.8**	**29.6**
FX movements	0.8	(0.2)
Closing cash balance	**43.0**	**19.8**
Borrowings	(436.1)	(429.2)
Capitalised arrangement fees	10.5	3.9
Derivative financial instruments	(1.1)	(2.8)
Net Debt	**(383.7)**	**(408.3)**

The Group generated operating cash flow of £92.0m (2014: £80.8m) an increase of 14%, primarily due to the strong operational performance of the business and a return to a small working capital inflow in the year of £1.1m (compared to the £4.5m outflow in 2014 caused by the timing of the Money20/20 acquisition and event).

Capex remained broadly flat at £10.9m (2014: £11.3m) reflecting the well-invested nature of the business following the Group's Transformation Programme of 2012/13. Cash tax was a small cash outflow of £1.2m (2014: £1.2m) and benefitted from the utilisation of historic tax losses in the UK and US. The Group therefore generated free cash flow of £79.9m (2014: £68.3m) an increase of 17%, which was used to fund interest payments, acquisition costs and exceptional items with the balance reducing net indebtedness.

Capital structure

In the first half of the year Group undertook a refinancing of its borrowings to improve terms and extend maturities. The refinancing was completed in April 2015 and the new facilities comprised US$323m and €300m term loan maturing in April 2022 and a £75m revolving credit facility maturing in April 2021.

Subsequently, on 12 February 2016, and in order to achieve an opening leverage ratio of c.2.5x, the Group refinanced again and entered into new post-IPO term loan facilities of £66m, €171m and $96m as well as a revolving credit facility of £95m. Together with the net proceeds of the IPO of £183m, and existing cash resources, the Group used these new term loan facilities to repay all amounts under the Group's existing senior facilities and to cancel certain related hedging arrangements. The new post-IPO bank facilities mature in February 2021 and have an initial rate of interest of 2.25% over LIBOR. The facilities include a net leverage ratio covenant of 4.5x which is measured at December 2016 and then semi-annually thereafter. The covenant ratio falls to 4.0x in December 2017.

Acquisitions and disposals

In June 2015 the Group acquired RetailNet Group, a US-based provider of forecasting and analytics, consulting and executive education services to the retail sector for total consideration of £5.7m of which £3.1m was paid in the year and £2.6m is deferred and payable in 2018. The Group incurred £0.5m of professional fees on the acquisition which it recorded as an exceptional cost and the business contributed £1.8m of revenue and £0.4m of Adjusted EBITDA to the Group's 2015 results.

The Group sold MBI in January 2015 for £11.0m generating a profit on disposal of £4.8m. MBI therefore contributed only £0.7m of revenue and £0.1m of Adjusted EBITDA to the Group's 2015 result.

Finally, in 2015 the Group paid £17.1m of deferred consideration relating to Money20/20 and Educar.

Dividends

Ascential plc was incorporated in January 2016 and, as indicated at the time of the IPO, expects to pay its first dividend in respect of the 2016 financial results with one-third paid in November 2016 and two-thirds paid in May 2017. The Board is targeting a pay-out ratio of 30% of Adjusted profit after tax.

Mandy Gradden
14 March 2016

Consolidated Profit and Loss Statement and Other Comprehensive Income
For the year ended 31 December 2015

(£ million)	Note	2015	2014
Revenue	2	319.1	312.7
Cost of sales		(112.0)	(106.2)
Sales, marketing and administrative expenses		(174.7)	(183.9)
Operating profit		**32.4**	**22.6**

Adjusted earnings before interest, tax, exceptional items, share-based payments, depreciation and amortisation (Adjusted EBITDA)	2	90.9	85.3
Depreciation, amortisation and impairment	3	(47.0)	(44.7)
Exceptional items	3	(11.0)	(18.0)
Share-based payments	3	(0.5)	—
Operating profit		**32.4**	**22.6**

Gain on disposals		4.8	—
Finance costs	4	(37.3)	(37.2)
Finance income	4	8.5	9.2
Profit / (loss) before taxation		**8.4**	**(5.4)**
Taxation	5	7.7	25.2
Retained profit for the year		**16.1**	**19.8**

Other comprehensive income

Items that may be reclassified subsequently to profit or loss:

Foreign exchange translation differences recognised in equity		(2.7)	4.1
Total comprehensive income for the year		**13.4**	**23.9**
Attributable to:			
Equity holders of the parent		13.4	23.9

Consolidated Statement of Financial Position
As at 31 December 2015

(£ million)	Note	2015	2014
Assets			
Non-current assets			
Intangible assets		658.7	683.3
Property, plant and equipment		10.2	12.5
Investments		0.7	0.6
Derivative financial assets		0.6	—
Deferred tax assets	7	40.2	35.7
		710.4	**732.1**
Current assets			
Assets classified as held for sale		—	9.9
Inventories		17.6	14.6
Trade and other receivables		65.3	51.9
Derivative financial assets		0.4	—
Cash and cash equivalents		43.0	19.8
		126.3	**96.2**
Liabilities			
Current liabilities			
Liabilities associated with assets held for sale		—	3.6
Trade and other payables		195.3	192.0
Borrowings	6	2.4	15.1
Provisions		2.3	3.1
Derivative financial liabilities		0.4	2.8
		200.4	**216.6**
Non-current liabilities			
Borrowings	6	423.2	410.2
Provisions		0.2	0.2
Deferred tax liabilities	7	40.7	49.9
Derivative financial liabilities		1.7	—
Other non-current liabilities		20.6	14.9
		486.4	**475.2**
Net assets		**149.9**	**136.5**
Capital and reserves			
Share capital		543.7	543.7
Translation reserve		(6.8)	(4.1)
Retained earnings		(387.0)	(403.1)
Shareholders' funds		**149.9**	**136.5**

Consolidated Statement of Changes in Equity

For the year ended 31 December 2015

(£ million)	Share capital	Translation reserve	Retained earnings	Total
At 1 January 2014	**543.7**	**(8.2)**	**(422.9)**	**112.6**
Profit for the year	—	—	19.8	19.8
Foreign exchange translation differences recognised in equity	—	4.1	—	4.1
At 1 January 2015	**543.7**	**(4.1)**	**(403.1)**	**136.5**
Profit for the year	—	—	16.1	16.1
Foreign exchange translation differences recognised in equity	—	(2.7)	—	(2.7)
At 31 December 2015	**543.7**	**(6.8)**	**(387.0)**	**149.9**

Consolidated Statement of Cash Flows
For the year ended 31 December 2015

(£ million)	Note	2015	2014
Cash flow from operating activities			
Profit/(loss) before taxation		8.4	(5.4)
Adjustments for:			
Amortisation of intangible assets acquired through business combinations		29.5	25.8
Amortisation of software intangible fixed assets		12.9	13.4
Impairment of software intangible fixed assets		—	0.4
Depreciation of tangible fixed assets		4.6	4.7
Impairment of tangible fixed assets		—	0.4
Gain on disposals		(4.8)	—
Acquisition-related contingent employment costs	3	5.5	1.8
Finance costs	4	37.3	37.2
Finance income	4	(8.5)	(9.2)
		84.9	69.1
Changes in:			
Inventories		(3.0)	0.4
Receivables		(12.6)	(3.4)
Payables, net of interest payable		11.6	(0.9)
Provisions		(0.8)	0.8
Cash generated from operations		80.1	66.0
Cash generated from operations before exceptional operating items		92.0	80.8
Cash flows from exceptional operating items		(11.9)	(14.8)
Cash generated from operations		80.1	66.0
Income tax paid		(1.2)	(1.2)
Net cash generated from operating activities		**78.9**	**64.8**
Cash flow from investing activities			
Acquisition of business, net of cash acquired		(19.6)	(26.6)
Acquisition of investments		(0.1)	—
Acquisition of software and property, plant and equipment		(10.9)	(11.3)
Disposal of business operations		10.6	1.3
Net cash used in investing activities		**(20.0)**	**(36.6)**
Cash flow from financing activities			
Proceeds from borrowings		440.7	15.0
Repayment of borrowings		(439.3)	(26.2)
Interest paid		(37.9)	(26.6)
Net cash used in financing activities		**(36.5)**	**(37.8)**
Net increase/(decrease) in cash and cash equivalents		**22.4**	**(9.6)**
Cash and cash equivalents at the beginning of the year		19.8	29.6
Effect of exchange rate fluctuations on cash and bank overdrafts		0.8	(0.2)
Cash and cash equivalents at the end of the year		**43.0**	**19.8**

1. Principal accounting policies

General information

The consolidated non-statutory financial information, presented in this condensed form, has been extracted from the audited 2015 Ascential Holdings Limited non-statutory financial statements. The non-statutory financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), however these results in isolation do not contain sufficient information to comply with IFRS.

Basis of measurement

The consolidated non-statutory financial statements have been prepared on the historical cost basis with the exception of financial instruments which are stated in accordance with IAS 39 Financial Instruments: Recognition and Measurement. Accounting policies have been applied consistently to both years presented. Where applicable, certain comparative amounts have been reclassified to conform to the current year's presentation.

Going concern basis of accounting

On 8 February 2016 Ascential plc became the ultimate parent undertaking of Ascential Holdings Limited. Ascential plc was admitted to trade on the main market for the listing securities on the London Stock Exchange on 12 February 2016 and the associated Offer for Shares raised gross proceeds of £200 million. Further details are in Note 8 which also details the new term loan facilities that were entered into on 12 February 2016 and made available to Ascential plc and certain of its subsidiaries. The Group's forecasts, impact assessment of various downside scenarios, and senior debt and interest repayments falling due, show that the Group is expected to be able to operate within the level of its current facilities and meet its covenant requirements for a period of at least 12 months from the date of approval of this financial information.

After reviewing the above, taking into account current and future developments and principal risks and uncertainties, and making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly they are satisfied that the non-statutory financial information should be prepared on a going concern basis.

2. Operating segments

The Group has voluntarily complied with IFRS 8 Operating Segments. The Group has two reportable segments. In addition, there is a Group corporate function providing finance, management and IT services to the Group's reportable segments. The reportable segments offer different products and services, and are managed separately because they require different capabilities, technology and marketing strategies. For each of the reportable segments, the Board (the chief operating decision maker) reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- Exhibitions & Festivals: organiser of market-leading tradeshows, congresses and festivals.

- Information Services: produces intelligence, analysis and forecasting tools, subscription content including real-time online resources, live events and awards, across a number of industry sectors including fashion, retail, property, construction and politics.

Information regarding the results of each reportable segment is included below. Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted

EBITDA less depreciation costs and amortisation in respect of software intangibles, without allocation of central Group costs. This is the measure included in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain reportable segments relative to other comparable entities.

(£ million) **Year ended 31 December 2015**	**Exhibitions & Festivals**	**Information Services**	**Central Costs**	**Total**
Revenue	150.4	168.7	—	319.1
Adjusted EBITDA	56.9	42.8	(8.8)	90.9
Depreciation and amortisation of tangible fixed assets and software intangibles	(2.2)	(7.1)	(8.2)	(17.5)
Adjusted operating profit/ (loss)	54.7	35.7	(17.0)	73.4
Amortisation and impairment of intangible assets acquired through business combinations				(29.5)
Exceptional items				(11.0)
Share-based payments				(0.5)
Operating profit				32.4
Gain on disposals				4.8
Net finance costs				(28.8)
Profit before tax				**8.4**
Total assets				**836.7**

(£ million) **Year ended 31 December 2014**	**Exhibitions & Festivals**	**Information Services**	**Central Costs**	**Total**
Revenue	138.8	173.9	—	312.7
Adjusted EBITDA	55.3	38.9	(8.9)	85.3
Depreciation and amortisation of tangible fixed assets and software intangibles	(1.9)	(6.8)	(9.4)	(18.1)
Adjusted operating profit/ (loss)	53.4	32.1	(18.3)	67.2
Amortisation and impairment of intangible assets acquired through business combinations				(25.8)
Impairment of tangible fixed assets and software intangibles				(0.8)
Exceptional items				(18.0)
Operating profit				22.6
Net finance costs				(28.0)
Loss before tax				**(5.4)**
Total assets				**828.3**

Exceptional items of £11.0 million include £5.7 million and £3.3 million which are attributable to Exhibitions & Festivals and Information Services respectively (2014: £18.0 million, £9.8 million, £2.9 million). Finance costs and finance income are not allocated to segments, as these types of activity are driven by the Group corporate function. An analysis of the Group's non-current assets (excluding deferred tax and financial instruments) by geographical location is as follows:

(£ million)	2015	2014
United Kingdom	418.6	450.9
United States and Canada	118.1	108.3
Rest of the world	132.9	137.2
Total	**669.6**	**696.4**

3. Operating costs by nature

(£ million)	2015	2014
Staff costs	104.8	106.1
Operating lease rentals	6.9	6.8
Other expenses	116.5	114.5
Operating costs before depreciation, amortisation, impairment, exceptional items and share- based payments	228.2	227.4
Depreciation and software amortisation	17.5	18.1
Impairment of tangible fixed assets and software intangibles	-	0.8
Amortisation of intangible assets acquired through business combinations	29.5	25.8
Depreciation, amortisation and impairment	47.0	44.7
Share-based payments	0.5	—
Exceptional items:		
Acquisition-related contingent employment costs	5.5	1.8
Expenses related to acquisition and disposal activities	0.9	2.8
Acquisition integration costs	0.9	7.3
IPO expenditure	1.7	—
Business restructuring	1.7	0.3
Professional fees relating to capital restructuring	0.3	3.6
Financing and restructuring	—	1.2
Other exceptional items	—	1.0
Exceptional items	11.0	18.0
Total	**286.7**	**290.1**

Exceptional items are not a defined term under IFRS, so may not be comparable to similar terminology used in other financial information. The Board believes that reporting results in this way provides additional useful information to the users of the consolidated financial information.

The acquisition-related contingent employment costs relate to the acquisition of Money20/20 in 2014. Under the sale and purchase agreement an element of the deferred consideration is contingent on both (i) the results of the business in 2015-17 and (ii) the continued employment of certain of the vendors. In accordance with IFRS, this element of the deferred consideration is treated as an expense and expensed over the service lives of those vendors. In 2015 this expense amounted to £5.5 million for the full 12 months (2014: £1.8 million for a four month period).

Exceptional costs relating to the IPO of £1.7 million were expensed in 2015, with the remainder of the IPO-related cost expected to be expensed in 2016 either as a further exceptional item or as an offset against the share premium reserve.

Exceptional costs of £1.7 million were also incurred in 2015 as a result of the creation of the Plexus operating company from the combination of EMAP, MEED, 4C Group and Planet Retail. The Group incurred exceptional costs related to acquisition and disposal activity of £0.9 million (2014: £2.8 million) in 2015, with a further charge of £0.9 million (2014: £7.3 million) related to post-acquisition integration costs. These principally relate to the acquisition of RetailNet Group.

4. Finance costs and finance income

(£ million)	**2015**	**2014**
Interest payable on borrowings	(28.3)	(32.8)
Foreign exchange loss on cash and cash equivalents	—	(0.2)
Amortisation of loan arrangement fees	(2.4)	(3.0)
Break fees and write-off of loan arrangement fees on debt refinancing	(4.3)	—
Other finance charges	(2.3)	(1.2)
Finance costs	**(37.3)**	**(37.2)**
Interest on bank deposits	0.1	0.2
Foreign exchange gain on borrowings	3.4	3.1
Foreign exchange gain on cash and cash equivalents	0.8	—
Fair value gain on derivatives	4.2	5.9
Finance income	**8.5**	**9.2**
Net finance costs	**(28.8)**	**(28.0)**

5. Tax on profit on ordinary activities

The tax credited in the consolidated profit and loss statement is analysed as follows:

(£ million)	**2015**	**2014**
Current tax		
UK corporation tax		
Current tax charge on income for the year at 20.25% (2014: 21.5%)	2.8	2.7
Adjustments in respect of prior years	0.2	0.4
Foreign tax		
Current tax charge on income for the year	1.8	3.0
Adjustments in respect of prior years	0.2	0.1
Total current tax charge	**5.0**	**6.2**
Deferred tax		
Current year	(10.4)	(27.4)
Adjustments in respect of prior years	(0.9)	(4.0)
Impact of rate changes on opening deferred tax balances	(1.4)	—
Total deferred tax credit	**(12.7)**	**(31.4)**
Total tax credit	**(7.7)**	**(25.2)**

The difference between tax as credited in the consolidated profit and loss statement and tax at the UK standard rate is explained below:

(£ million)	**2015**	**2014**
Profit/(loss) before tax	8.4	(5.4)
Expected tax charge/(credit) at the UK standard rate of 20.25% (2014: 21.5%)	**1.7**	**(1.2)**
Principal differences		
Impact of rate changes	(1.5)	0.2
Impact of higher overseas tax rates	(0.5)	(0.2)
Utilisation and recognition of previously unrecognised tax losses	(5.8)	(22.3)
Other non-deductible items	0.9	2.5
Non-taxable exchange gains and losses	(1.0)	(0.7)
Non-taxable disposal gains	(1.0)	—
Adjustments in respect of prior years	(0.5)	(3.5)
Difference	**(9.4)**	**(24.0)**
Total tax credit for the year	**(7.7)**	**(25.2)**

On 1st April 2015 the UK corporation tax rate reduced from 21% to 20%, resulting in a statutory UK corporation tax rate for the year of 20.25%. The Group's effective tax rate is lower than the UK's statutory tax rate in the main due to the recognition of previously unrecognised tax US losses as a result of increasing certainty over future taxable profits against which these tax assets can be recovered.

Factors that may affect future tax charges:

The 2015 Autumn Statement announcement included a proposal to reduce the main rate of UK corporation tax from 20% to 19% and 18% from 1 April 2017 and 1 April 2020 respectively. As these reductions were substantively enacted, by the consolidated statement of financial position date, the deferred tax assets and liabilities have been measured at the reduced rates applicable when the assets and liabilities are forecast to reverse. The rate of writing down allowances on the main pool of plant and machinery and on the special rate pool remain unchanged at 18% and 8% respectively.

6. Borrowings

The maturity profile of the Group's borrowings, all of which are secured loans, was as follows:

(£ million)	2015	2014
Current – within one year	2.4	15.1
Non-current:		
- In the second year	2.4	10.4
- Two to five years	7.2	399.8
- After more than five years	413.6	—
Non-current	423.2	410.2
Total borrowings	**425.6**	**425.3**

The Group's borrowings at 31 December 2015 were in US dollars: $321 million and euros: €299 million (2014: pounds sterling: £198 million, US dollars: $155 million and euros: €169 million) and are shown net of unamortised issue costs. The carrying amounts of borrowings approximate their fair value.

Each 1% movement in the euro to pounds sterling exchange rate had a circa £2.2 million impact on the carrying value of borrowings. Each 1% movement in the US dollar to pounds sterling exchange rate had a circa £2.2 million impact on the carrying value of borrowings, offset by a circa £1.1 million impact on the carrying value of derivative financial instruments in respect of cross-currency swaps.

In April 2014, the Group completed a currency redenomination of some of its senior term debt. In total, £60.0 million of pounds sterling debt was redenominated into €72.2 million of euro debt.

In January 2015, the Group raised an additional £15.0 million of short-term debt consisting of a £6.0 million pounds sterling term loan and a £9.0 million multi-currency revolving credit. The term on each of these facilities was 6 months. The facility was repaid and cancelled in April 2015.

In April 2015, the Group completed a refinancing of its borrowings to improve terms and extend maturities. The existing senior, mezzanine and facilities and short-term debt facilities referred to above were repaid in full and new facilities put in place comprising a $323 million and a €300 million term loan maturing in April 2022 and a £75 million revolving credit facility maturing in April 2021.

The effective annual interest rate at 31 December 2015 was 6.0% (2014: 6.29%).

On 12 February 2016, Ascential plc entered into new term loan facilities of £66 million, €171 million and $96 million and a revolving credit facility of £95 million (“New Facilities Agreement”), which were made available to Ascential plc and certain of its subsidiaries.

7. Deferred tax

The major deferred tax assets and liabilities recognised by the Group, and the movements in the year, are set out below:

(£ million)	Tax losses	Depreciation vs. tax allowances	Other temporary differences	Intangible assets	Total
At 1 January 2014	7.3	5.5	(0.1)	(57.8)	(45.1)
Credit to the consolidated profit and loss statement for the year	18.3	3.2	—	5.9	27.4
Adjustments in respect of prior years	—	1.1	0.1	2.8	4.0
Foreign exchange movements	0.4	—	—	(0.8)	(0.4)
Other	—	(0.2)	0.1	—	(0.1)
At 31 December 2014	26.0	9.6	0.1	(49.9)	(14.2)
Credit to the consolidated profit and loss statement for the year	(1.3)	3.2	3.0	5.5	10.4
Adjustments in respect of prior years	(0.1)	(0.1)	1.1	—	0.9
Impact of rate changes	(0.7)	(0.9)	—	3.0	1.4
Foreign exchange movements	0.7	(0.1)	(0.2)	0.1	0.5
Disposals	—	(0.1)	—	0.6	0.5
At 31 December 2015	**24.6**	**11.6**	**4.0**	**(40.7)**	**(0.5)**

The following is the analysis of the deferred tax balances for the consolidated statement of financial position purposes:

(£ million)	2015	2014
Deferred tax assets – non-current	40.2	35.7
Deferred tax liabilities – non-current	(40.7)	(49.9)
Total	**(0.5)**	**(14.2)**

At 31 December 2015, the Group has net deferred tax assets provided across the categories set out above totalling £0.5 million (2014: £14.2 million liability), of which £2.3 million is payable to the Group (2014: £0.6 million) within one year and £1.8 million (2014: £25.5 million) payable by the Group after more than one year. The reduction in the net liability position in the year arises from the increased level of recognition of tax assets in respect of tax losses as well as the continued amortisation of intangible assets and the associated deferred tax liability.

The Group has trading tax losses in the US totalling £94.7 million carried forward at 31 December 2015 (2014: £105.0 million). It has been agreed with the US tax authorities that these losses are available for offset against taxable profits. However, it is expected that these losses will be subject to change of ownership restrictions following the listing of Ascential plc as described in Note 8. A deferred tax asset of £11.5 million (2014: £9.6 million) has been recognised which represents the expected recoverable value of losses taking into account the expected impact of these restrictions. The restriction of losses is dependent on the valuation of the US business which will need to be agreed with the US tax authorities and, as such, is uncertain. The deferred tax asset recognised is based on management's best estimate of the valuation.

The Group has not recognised a deferred tax asset on US capital losses at 31 December 2015 totalling £164.9 million (2014: £178.4 million) which have varying expiry dates from 2016 to 2025.

The Group has trading and non-trading tax losses in the UK totalling £68.3 million carried forward at 31 December 2015 (2014: £82.7 million) which are likely to be fully utilised. Therefore a deferred tax asset of £13.1 million (2014: £16.3 million) has been recognised in respect of the full amount of these losses.

The Group has not recognised a deferred tax asset on UK capital losses at 31 December 2015 totalling £146.3 million (2014: £146.0 million) which can be carried forward indefinitely.

No deferred tax liability is recognised on the unremitted earnings for overseas subsidiaries and joint ventures as any remittances would not give rise to tax payable in the foreseeable future.

8. Events after the reporting period

Since 31 December 2015 the following events have taken place:

On 8 February 2016 Ascential plc became the ultimate parent undertaking of the Group by acquiring the entire issued share capital of and certain voting beneficiary certificates (having no economic monetary value) in, Eden 2 & Cie S.C.A., (which was the ultimate parent of Ascential Holdings Ltd), other than the one unlimited share of negligible value held by Eden 2 S.a.r.l., and the entire issued share capital of Eden 2 S.a.r.l. On 12 February 2016 Ascential plc was admitted to trade on the main market for the listing securities on the London Stock Exchange and the associated Offer for Shares (the “Offer”) raised gross proceeds of £200 million.

On 12 February 2016, Ascential plc used proceeds of the Offer, together with the new bank facilities under the New Facilities Agreement and existing available cash to repay all amounts outstanding under the Group’s existing senior facilities agreement and to cancel certain hedging arrangements. In addition, Ascential plc used the proceeds of the Offer to redeem in full certain instruments held on behalf of certain current and former employees (which instruments were cancelled).

On 12 February 2016, Ascential plc entered into new term loan facilities of £66 million, €171 million and $96 million and a revolving credit facility of £95 million (“New Facilities Agreement”), which were made available to Ascential plc and certain of its subsidiaries.

There were no other reportable events after 31 December 2015.

9. Company details and ultimate parent undertaking

The Company is registered in the Cayman Islands as a limited company. Its registered office is Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.

As at 31 December 2015 Hazel Acquisition 1 Limited was the Company's parent undertaking and Eden 2 & Cie S.C.A. was regarded by the Directors as the Company's ultimate parent undertaking and ultimate controlling party. This was a joint venture between the Apax Europe VII Fund, which is advised by Apax Partners LLP, incorporated in England and Wales, and Guardian Media Group plc, incorporated in England and Wales. All the ordinary shares of Guardian Media Group plc were owned by The Scott Trust Limited.

Hazel Acquisition 1 Limited is established in the Cayman Islands, and Eden 2 & Cie S.C.A. was established in Luxembourg. No Group accounts have been prepared for these companies or for any other intermediate holding company.

10. Basis of preparation

Investors in Ascential plc and holders of Ascential plc's shares may have limited or no recourse against the independent auditors of Ascential Holdings Limited.

Investors in Ascential plc and holders of Ascential plc's shares should understand that, consistent with guidance issued by the ICAEW (the Institute of Chartered Accountants in England and Wales), the independent auditors' report relating to financial information of Ascential Holdings Limited ("the Company") included elsewhere in this publication states that:

"The report has been prepared for the Company solely in response to a request from the Company for an opinion from independent auditors on the truth and fairness of the non-statutory financial statements; that the audit work has been undertaken so that the independent auditors might state to the Company those matters which the independent auditors have been engaged to state to the Company in the report and for no other purpose; that the report was designed to meet the agreed requirements of the Company determined by the Company's needs at the time; that the report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against the independent auditors other than the Company for any purpose or in any context; that any party other than the Company who obtains access to the report or a copy and chooses to rely on the report (or any part of it) will do so at its own risk; and that to the fullest extent permitted by law, the independent auditors will accept no responsibility or liability in respect of their audit work, the report, or the opinions they have formed, to any other party."

In the context of this publication, the independent auditors have reconfirmed to us that they do not intend their duty of care in respect of their audit to extend to any party, such as investors in Ascential plc and holders of Ascential plc's shares, other than to the Company.

The auditors' report on the non-statutory financial statements of Ascential Holdings Limited for the year ended 31 December 2015 can be accessed in due course at www.Ascential.com. Their report was (i) unqualified and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

Cautionary Statement

This announcement does not constitute an invitation to underwrite, subscribe for, or otherwise acquire, dispose of any Ascential plc shares or other securities nor should it form the basis of or be relied on in connection with any contract or commitment whatsoever. It does not constitute a recommendation regarding any securities. Past performance, including the price at which the Ascential plc's securities have been bought or sold in the past, is no guide to future performance and persons needing advice should consult an independent financial advisor.

Certain statements in this announcement constitute, or may be deemed to constitute, forward looking statements (including beliefs or opinions). Any statement in this announcement that is not a statement of historical fact including, without limitation those regarding the Group's future expectations, operations, financial performance, financial condition and business is a forward looking statement. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this results announcement. As a result you are cautioned not to place reliance on such forward looking statements. Except as is required by the Listing Rules, Disclosure and Transparency Rules and applicable laws, no undertaking is given to update the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise.

Nothing in this announcement should be construed as a profit forecast. This announcement has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Ascential plc and its subsidiary undertakings when viewed as a whole.