1 August 2016

Ascential plc

Successful first half, growing revenue and profit and reducing debt in line with plan

Interim results for the six months ended 30 June 2016

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 its 2016 interim results for the six-month period ended 30 June 2016.

Highlights

- Results in line with our expectations.
- Another period of strong revenue growth in our seasonally-stronger first half, with good performance from our top five products
    - Revenue up 13.5% on a reported basis to £202.5m (2015: £178.4m)
    - Revenue up 8.8% on an Organic* basis
    - Revenue up 10.1% on an Organic* basis excluding planned declines in print advertising.
- Adjusted EBITDA* of £67.3m (2015: £55.4m) with expansion of margin to 33.2% (2015: 31.1%).
- Strong growth in operating profit
    - Reported operating profit up 39.3% to £39.7m (2015: £28.5m)
    - Adjusted operating profit* up 27.7% to £59.9m (2015: £46.9m)
- Continued strong cash generation and de-leveraging in line with plan with closing leverage ratio at 1.9x Adjusted EBITDA, down from 2.5x at IPO.
- Adjusted, Proforma earnings per share* of 9.3p (2015: 8.2p).
- Maiden dividend of 1.5 pence per share.
- Group expectations for 2016 unchanged.

*See page 3 for definitions of non-IFRS measures

Duncan Painter, Chief Executive Officer, commented:

"We have delivered a successful first half result in line with our expectations for this seasonally-stronger period. The performance of our top five products, including Cannes Lions and the launch of Money20/20 Europe, was particularly encouraging.

Based on the level of our forward bookings we are confident that we will achieve our full year expectations. Whilst economic uncertainty has been increased by the UK's decision to leave the European Union, our currency mix, market-leading brands, low dependency on advertising and our majority international customer base, provide us a level of protection against this risk."

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Ascential will host an analyst presentation at 10.30am on 1 August 2016 at the offices of Numis Securities at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT. A live webcast of the results presentation will be made available via the Ascential website www.ascential.com.

Financial highlights

	Six months ended 30 June 2016 £'m	2015 £'m	Growth Reported %	Organic[1] %
Revenue				
Exhibitions & Festivals	119.1	97.1	22.6%	15.3%
Information Services	83.4	81.3	2.6%	0.7%
	202.5	**178.4**	**13.5%**	**8.8%**
Adjusted EBITDA[2]				
Exhibitions & Festivals	53.5	42.0	27.4%	14.5%
Margin	*44.9%*	*43.3%*		
Information Services	20.1	17.9	12.3%	5.9%
Margin	*24.1%*	*22.0%*		
Central costs	(6.3)	(4.5)		
	67.3	**55.4**	**21.5%**	**10.1%**
Group Margin	*33.2%*	*31.1%*		
Adjusted operating profit[3]	59.9	46.9	27.7%	
Operating profit	39.7	28.5	39.3%	
Profit / (loss) before tax	10.3	(0.8)		
Free cash flow[4]	58.7	49.4		
Free cash flow conversion	*87%*	*89%*		
Net debt	(193.9)	(378.3)		
Leverage	*1.9x*	*4.4x*		
	Per share	Per share		
Adjusted, diluted Proforma EPS[5]	9.3p	8.2p		
Dividend	1.5p	-		

1 "Organic" growth is calculated to provide a more meaningful analysis of underlying performance. The following adjustments are made: (a) constant currency (restating 2015 at 2016 exchange rates), (b) event timing differences between periods (if any) (c) excluding the part-year impact of acquisitions and disposals.

2 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.

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

4 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.

5 Proforma EPS reflects the number of shares in issue on the completion of the Company's IPO, rather than those in issue at the point the newly-incorporated Company acquired the business operations four days earlier.

Operational highlights

Exhibitions & Festivals

- Strong Organic revenue growth of 15.3% to £119.1m.
- Adjusted EBITDA grew 14.5% to £53.5m on an Organic basis.
- Adjusted EBITDA margin of 44.9% (2015: 43.3%) reflects a positive currency impact.
- Top product performance:
    - **Cannes Lions** grew revenue 17% (at constant currency), attracting over 10,000 paying delegates (up 5%) and over 43,000 entries (up 8%), including strong growth from the third year of Lions Health and second year of Lions Innovation.
    - The launch of **Money20/20 Europe** produced revenue of £7.7m, attracting more than 2,300 paying delegates to Copenhagen.
    - **Spring Fair** grew revenue by 3% including the positive benefits from the introduction of location-based pricing.

Information Services

- Organic revenue growth of 0.7% to £83.4m, or 3.2% excluding the ongoing structural decline in print advertising. Print advertising now represents less than 3% of Group revenues over the last 12 months down from more than 4% at June 2015.
- Adjusted EBITDA grew 5.9% on an Organic basis to £20.1m
- Adjusted EBITDA margin increased from 22.0% to 24.1% reflecting operating leverage supported by a positive currency impact which partially offset the decline associated with the planned reduction in print advertising.
- Top product performance:
    - **WGSN** grew its revenues by 6% and billings by 5% (at constant currency) despite recessionary headwinds in the Latin American business. Retention rates expanded from 90% in H1 2015 to 92% in H1 2016.
    - **Groundsure** grew its revenues by 14% and performed well. It benefited from a strong UK property market, boosted in the first quarter by volumes driven by changes to stamp duty regulations.

Operating review

We are very pleased to report a successful first half, growing revenue, forward bookings, profit and cash flows and reducing debt in line with our plans.

Track record of growth, high margins and good cash generation

We delivered a good operating performance in our seasonally stronger first half with an 8.8% Organic growth in revenue to £202.5m and a 10.1% Organic growth in Adjusted EBITDA to £67.3m with an expansion in margin from 31.1% in the first half last year to 33.2% this half. We also continued to generate good cash flow with free cash flow of £58.7m (2015: £49.4m) representing free cash conversion of 87% (2015: 89%).

Focused portfolio of market-leading products

We operate a focused portfolio of 31 product lines, 22 of which hold the number one position in their respective markets. We also focus most of our resources and time on our top products namely WGSN and Groundsure, in Information Services, and Cannes Lions, Spring and Autumn Fair and Money20/20 in Exhibitions & Festivals.

We believe that our focus of management time on market-leading products is a key driver of our growth. As expected, the contribution from our top five products represents an increasing proportion of the Company's revenues. In the 12 months to 30 June 2016[1] they represented 56% of revenue and 71% of Adjusted EBITDA.

Clear organic growth strategy

We have continued to deploy multiple initiatives for growth across our products with a clear aim of firstly retaining existing customers and then increasing both the number of customers[2] that do business with us (up 8% this half) and average revenue per customer (up 4%). Our first half growth initiatives, built on those deployed over recent years, included the launch of new digital products (such as the upgraded version of WGSN INstock), geo-cloning of Exhibitions & Festivals (such as Money20/20 Europe) and show extensions (such as Lions Entertainment).

Diversified and recurring revenue streams

Revenue by type

The Company benefits from diverse revenue streams, the majority of which have recurring characteristics, giving us strong visibility over the expected 2016 full year outturn. Whilst Subscription revenue streams are a critical component of our revenues at 30%, the most significant change over the last year has been an increase in events revenues as a proportion of Group revenue, to 58% in the 12 months to 30 June 2016 up from 55% for the year to 31 December 2015. Print advertising by contrast has, as planned, reduced to less than 3% of Group revenue in the 12 months to 30 June 2016, down from 4% in the prior period with an accelerating decline of 34% in the first half compared to a 26% decline in the prior year.

1 Because of the marked seasonality between H1 and H2, LTM June 2016 numbers are used to remove distortions arising from the seasonality between halves.

2 Customer volumes and average revenue per customer are measured for Exhibitions & Festivals and the subscription products within Information Services.

Revenue by geography

Ascential is a growing global company. Our highest growth products serve a global customer base and our share of revenue from overseas customers increased again in the first half of 2016. Now just 45% of our annual revenues come from customers based in the UK (2015: 48%). Despite recessionary headwinds in South America, and Brazil in particular, the performance of Money20/20, WGSN and Cannes Lions has increased the proportion of revenues from the Americas to 22% with customers from Asia Pacific, Middle East and Africa and other Europe contributing 10%, 7% and 16% respectively.

Portfolio management

We regularly adjust and optimise our portfolio of products and continue to assess both potential disposals of lower growth elements of our portfolio (such as our recent sale of Naidex) as well as a range of bolt-on acquisition opportunities.

Management

Effective 1 August, the two operating companies in the Exhibitions & Festivals segment will be combined under the leadership of Philip Thomas, formerly CEO of the Lions Festivals operating company. Mark Shashoua, formerly CEO of i2i Events, has now left the Company to pursue other opportunities with our sincere thanks for his achievements. We are delighted that Jose Papa, currently CEO of WGSN, has accepted the leadership of the Cannes Lions product and that Kevin Silk, currently COO of WGSN, will assume the leadership of WGSN.

Our Strategy Director, Michael Lisowski, has been instrumental in driving our strategy for the last four years and we are now asking him to expand his role to become the Chief Operating Officer for Ascential covering proposition and product development, customer insight and research. We see this as a critical investment in skills and capabilities to assist our product teams to continue our growth and also raise the bar on the quality and ambition of the products we create.

These changes illustrate the strength and depth of our management team and we are delighted that our succession planning has allowed us to be able to promote from within the Company.

Outlook

Based on the level of our forward bookings we are confident that we will achieve our full year expectations. Whilst economic uncertainty has been increased by the UK's decision to leave the European Union, our currency mix, market-leading brands, low dependency on advertising and our majority international customer base, provide us a level of protection against this risk.

Segmental review

Exhibitions & Festivals

The Exhibitions & Festivals segment continued its strong performance in the first half of 2016 with Organic growth in revenues of 15.3% and Adjusted EBITDA of 14.5% to £119.1m (2015: £97.1m) and £53.5m (2015: £42.0m) respectively. The segment has considerable foreign currency exposure with Cannes Lions, CWIEME and Money20/20 Europe revenues denominated primarily in euro. For this reason reported revenues grew by 22.6% and Adjusted EBITDA by 27.4% with currency effects also benefitting margins.

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 growth in its core week-long event with over 10,000 paying delegates (up 5%) and 43,000 entries (up 8%). Entries for 18 out of the top 24 awards categories grew with notable increases in awards associated with the Festival's three specialist streams: Lions Health, Lions Innovation and Lions Entertainment. Revenues increased to £52.9m (H1 2015: £41.0m) up 17% on a constant currency basis. The growth in delegate volumes is particularly pleasing given the recession in Brazil, our third largest market, showing the continued global appeal of the product.

One of the product's main growth planks is the launch of show extensions in response to changes in the Branded Communications industry and the interests of our core customer base. The first of these show extensions was Lions Health which has grown by over 70% to deliver £2.4m of revenue in this its third year. Lions Innovation also showed strong growth in year two and Lions Entertainment had a successful launch year. The show extensions delivered almost £6m of revenue between them.

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 2016 was solid with revenues up 3% to £23.4m (H1 2015: £22.7m) driven by the introduction of location-based pricing at Spring Fair 2015 (benefitting the 2016 show) offset by exhibitor volume declines. Re-booking rates on-site and subsequently have been strong and underpin our expectations for the 2017 show.

Money20/20
Money20/20 USA 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. In April 2016 we held the inaugural European edition in Copenhagen which attracted over 2,300 paying delegates, more than 400 industry-leading speakers and 200 sponsors and delivered inaugural revenues of £7.7m as well as a substantial stand space re-book on-site for 2017's edition.

Other Exhibitions & Festivals product performance
Beyond the top three products in this segment, revenues at our smaller products were broadly flat in aggregate. Bett London had another year of strong growth but experienced recession-driven declines in Brazil while Bett Middle East launched well in Abu Dhabi welcoming attendees from 35 countries. CWIEME Berlin 2016 also grew well benefiting from the launch of location-based pricing at its 2015 edition. WRC left Europe for the first time in its 10-year history and moved to Dubai where nearly 1,400 retail industry leaders from around the world gathered. As well as a change in venue, we moved the WRC product from the Autumn to the Spring in line with the preferences of the customer base. Offsetting these

areas of growth and as expected, current year revenues from the exporter introduction services we provide to UK Trade and Investment declined as the department underwent a restructuring.

Industry awards
To be acknowledged by our peers is a great source of pride and industry awards are always hard-fought. At the recent AEO Excellence Awards we were delighted that Money20/20 won in three categories: the Innovation Award, Best Marketing Campaign and, for the second year in a row, Best Tradeshow Exhibition Overseas. At the Conference Awards in July, Bett topped the podium in the Best Conference Series category, and Money20/20 took the Best Marketing Award and Overseas Conference of the Year Award.

Information Services

The Information Services segment had a mixed half with revenues growing by 0.7% on an Organic basis to £83.4m (2015: £81.3m). The two largest businesses, WGSN and Groundsure, both grew well at 6% and 14% respectively (our pure-play digital products growing in combination by 6.3%) but this was offset by continued weakness in our Middle East business, MEED, and the managed decline in print advertising revenues. Growth excluding the planned decline in print advertising was 3.2%.

Adjusted EBITDA of £20.1m for the half (2015: £17.9m) showed an Organic growth of 5.9%. Margins expanded from 22.0% to 24.1% reflecting strong operating leverage in the digital businesses with positive currency impact partially offsetting print advertising declines.

WGSN
WGSN is the leading global supplier of trend forecasts, market intelligence and insight to the fashion industry and other businesses in design-led consumer markets. It is the Company's largest product by revenue and represents 38% of the revenues of the Information Services segment. In the first half of 2016, WGSN grew revenues by 6% on an Organic basis to £32.1m and grew its subscription billings by 5% with strong growth in North America and Asia Pacific offsetting declines in Latin America driven by Brazil's economic situation.

Auto-renewal subscription contracts and processes give 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. This approach continued to drive billings and support renewal rates of 92% up from 90% in the first half of 2015 and upsell initiatives have started to show success with the average customer now taking 1.15 products up from 1.09 a year ago.

WGSN also had two major product launches in March 2016: first the single integrated platform which makes all of WGSN's various products visible to customers through a single platform and second a major refresh of its range management product WGSN INstock. The WGSN Futures summits in London, Sydney, Melbourne and Auckland welcomed over 1,000 clients and prospects and featured many industry leading speakers. This innovative event series is a key part of WGSN's online to offline strategy to bring the WGSN brand, and its experts, to life. Finally, in April 2016, the first of WGSN's Chinese joint ventures with CTIC started trading which marked a major milestone towards growing and developing the Chinese market for WGSN's products.

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. Revenues for the first half of 2016 were £7.8m (2015: £6.8m), up 14% year-on-year.

The product continued to benefit from a strong UK property market in the first half, boosted in the first quarter by volumes driven by changes to stamp duty regulations for second homes and buy to let landlords which came into effect in April 2016. Whilst the ability of Groundsure to gain share is an attractive characteristic and provides reassurance for its longer term outlook, it is one part of our business that could be affected by the economic uncertainty created by the UK's decision to leave the European Union and we are monitoring sales performance closely.

Other Information Services product performance
WGSN and Groundsure are pure-play digital products and, together with Glenigan, Planet Retail and DeHavilland, grew by 6.3% in the first half to represent approximately 60% of the Information Services segment.

The other products in the Information Services segment are "subscription-led" and derive roughly one-third of their revenues from each of subscriptions, advertising and events. Revenues for these products declined by £2.4m in the first half with UK print advertising revenues making up £1.8m and MEED making up £0.8m of the decline. We continue to pursue two main strategies for these products:

- *Corporate subscription model:* In line with market demand, accelerate the shift in subscribers to our subscription-led products from individuals to corporates (now 36% (2015: 31%)) 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 customer-focused digital-only business we turned off the ability for new subscribers to purchase a print based version of our product in Nursing Times and have implemented further premium pricing for print versions at other products. Print advertising revenue for the first half reduced to £3.6m, an accelerated reduction of 34% over the rate of decline in 2015. Print advertising now represents less than 3% (2015: 4%) of Group revenues and is planned to continue to reduce at similar rates over the next few years.

Industry awards
Our gold award winning products in this part of the business continue to be Retail Week (the PPA's "Business Media Brand of the Year") which sits at the very heart of the UK retail industry, Glenigan (the PPA's "Digital Innovation of the Year" – the award that was won by HSJ Intelligence in 2015) and Nursing Times, which won "Website of the Year" at the British Media Awards.

Financial Review

Overview

The Group's first half is traditionally the stronger half as it includes the Group's largest Exhibitions & Festivals products including Spring Fair, Bett, CWIEME and Cannes Lions and in 2015 the first half generated 56% (2014: 57%) of the Group's annual revenue and 61% (2014: 64%) of its annual Adjusted EBITDA.

The results for the first half are set out in the consolidated profit and loss statement and show revenue of £202.5m (2015: £178.4m) and Adjusted EBITDA of £67.3m (2015: £55.4m) with the Group delivering Organic growth in revenues of 8.8% and in Adjusted EBITDA of 10.1%. The Group also delivered good cash flow in the half with free cash flow of £58.7m (2015: £49.4m) a conversion of 87% (2015: 89%).

IFRS and adjusted performance measures

A reconciliation between Adjusted and IFRS profit and loss measures is provided on the face of the Income Statement with the adjustments being described in more detail in Note 4. The Group uses adjusted figures as additional performance measures to assist readers of the accounts in understanding underlying performance. This is particularly important when reviewing results of periods prior to the IPO when the Group's capital structure included significant shareholder debt and higher levels of external debt leverage.

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.

Revenue

Reported revenues in the first half of 2016 grew to £202.5m from £178.4m in the equivalent period in 2015, a reported increase of £24.1m or 13.5%.

However, direct comparability was affected by the disposal of the MBI business in January 2015, the acquisition of RetailNet Group in June 2015 and by movements in exchange rates between the two periods. Comparability is also affected by timing differences in certain events, such as WRC which was held in September in 2015 and April in 2016, which would have increased prior year reported revenues by a net £1.7m had they been held in the same period as the 2016 events. Adjusting for these factors Organic revenue growth was 8.8% with Exhibitions & Festivals growing by 15.3% and Information Services growing by 0.7%.

Year-on-year Organic revenue growth	H116	2015
Exhibitions & Festivals	+15.3%	+13.1%
Information Services	+0.7%	+ 0.5%
Group	+8.8%	+6.1%

Adjusted EBITDA

Adjusted EBITDA (which excludes exceptional items and share-based payments) increased to £67.3m from £55.4m an increase of £11.9m or 21.5% on a reported basis and an expansion in Adjusted EBITDA margin of 2.1 percentage points to 33.2%.

However, the growth in Adjusted EBITDA was impacted by the disposal of MBI, the acquisition of RNG and foreign currency translation, and timing differences in certain events which would have increased prior year Adjusted EBITDA by a net £0.9m had they been held in the same period as the 2016 events. Adjusting for these factors, Group Organic Adjusted EBITDA growth of £6.2m includes £6.8m from Exhibitions & Festivals and £1.0m from Information Services offset by an increase in Central costs of £1.6m relating to PLC costs and one-off leadership change expenses. On an Organic basis, Group Adjusted EBITDA grew at 10.1%, with Exhibitions & Festivals growing at 14.5% and Information Services growing at 5.9%.

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the euro and US dollar against pounds sterling and sterling had weakened substantially against both the US dollar and euro compared to 2015 as can be seen in the table below:

Currency	**Weighted average rate**			**Closing rate**		
	H116	**H115**	**2015**	**H116**	**H115**	**2015**
Euro	1.26	1.40	1.40	1.20	1.41	1.36
US dollar	1.44	1.53	1.53	1.32	1.57	1.48

The Group's foreign currency earnings mix is weighted to euros in the first half and dollars in the second half because of the timings in the first half of Cannes Lions, Money20/20 Europe and CWIEME Berlin, with Money20/20 USA being held in the second half.

When comparing the first halves of 2015 and 2016, changes in currency exchange rates had a favourable impact of £5.1m on Group revenue and £4.6m on Group Adjusted EBITDA. On a segmental basis, the impact of changes in foreign currency exchange rates was as follows:

- *Exhibitions & Festivals:* £4.3m favourable impact on revenue and £3.9m favourable impact on Adjusted EBITDA.
- *Information Services:* £0.8m favourable impact on revenue and £0.7m favourable impact on Adjusted EBITDA.

Share-based payments

The first half charge for share-based payments of £0.7m incorporates the Share Incentive Plan and the Performance Share Plan. In addition there was a small charge for the pre-IPO Long Term Incentive Plan ("LTIP"). Under the LTIP shares were generally 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 £0.1m.

Further details are set out in Note 14.

Exceptional items

The following table sets out the exceptional items that have been excluded from Adjusted EBITDA. Further details are given in Note 4. The Group considers that separately identifying such items improves comparability of the financial results.

Exceptional items (£'m)	2016	2015
Acquisition-related contingent employment costs	1.7	2.7
IPO expenditure	3.4	-
Expenses related to acquisition and disposal activities	-	0.8
Acquisition integration costs	-	0.1
Expenses of previous holding company structure	0.1	-
Total exceptional items	**5.2**	**3.6**

Net finance costs

The Group's net finance expense for the half year was £29.3m (H115: £34.1m). The non-recurring costs of the shareholder debt that existed prior to the IPO of £5.3m (H115 £21.4m) and the write off of unamortised loan arrangement fees that occurred on refinancing of £10.7m (H115 £4.3m) have been treated as adjusting items.

Despite the substantially reduced interest charge driven by the Group's lower leverage post-IPO, the resultant adjusted net finance expense was £13.3m, up from £8.4m due to foreign exchange losses as can be seen in the summary table below:

Adjusted net finance expense (£'m)	2016	2015
Net interest payable on external net debt (including derivatives)	6.3	12.4
Amortisation of loan arrangement fees	0.7	1.6
Foreign exchange loss (gain) on net debt (including derivatives)	5.2	(6.6)
Other finance charges	1.1	1.0
	13.3	**8.4**

Taxation

The Group's reported tax charge for the first half was £2.2m being an effective tax rate of 21% compared to a tax credit of £2.8m in the comparative period which was heavily influenced by the recognition of off-balance sheet tax losses through a large deferred tax credit. The Group's adjusted tax charge (after adjusting for the tax effect of adjusting items such as the amortisation of acquired intangibles) for the first half was £9.2m or an effective tax rate of 20% compared to a charge of £5.7m in the comparative period.

Capital structure and the IPO refinancing

On 12 February 2016, and in order to achieve an opening leverage ratio of c.2.5x, the Group refinanced its borrowing facilities 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 the Group used the new term loan facilities to repay all amounts under the Group's existing senior facilities and to cancel certain related hedging arrangements. The facilities mature in February 2021, have an initial rate of interest of 2.25% over LIBOR and are subject to 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. Arrangement fees of £5.3m were incurred and will be amortised over the term of the facility.

The Group's leverage ratio reduced to 1.9x at 30 June 2016. The Group's leverage target is 1.5-2.0x to allow a healthy mix of dividends (targeting 30% of net income) and cash for investment in bolt-on acquisitions.

Cash flow

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

Six months ended June (£'m)	**2016**	**2015**
Adjusted operating profit	**59.9**	**46.9**
Depreciation and amortisation of tangible fixed assets and software intangibles	7.4	8.5
Adjusted EBITDA	**67.3**	**55.4**
Working capital movements before exceptional items	(1.4)	0.5
Cash generated from operations before exceptional operating items	**65.9**	**55.9**
Capital expenditure	(6.9)	(5.7)
Tax paid	(0.3)	(0.8)
Free cash flow[1]	**58.7**	**49.4**
% Free cash flow conversion	*87%*	*89%*
Exceptional costs paid	(3.5)	(4.5)
Acquisition consideration paid	(7.9)	(19.2)
Disposal proceeds received	0.2	10.6
Cash flow before financing activities	**47.5**	**36.3**
Net interest paid	(16.7)	(24.3)
Proceeds from shares issued net of expenses	189.1	0.2
Debt (repayments) / drawdown	(189.4)	3.1
Net cash flow	**30.5**	**15.3**
Opening cash balance	**44.4**	**21.7**
FX movements	6.8	0.2
Closing cash balance	**81.7**	**37.2**
External borrowings	(280.9)	(419.1)
Capitalised arrangement fees	4.9	12.2
Derivative financial instruments	0.4	(8.6)
Net Debt	**(193.9)**	**(378.3)**

A major feature of the Group's cash flow in the first half of 2016 was the IPO which generated net proceeds in the half of £189.1m, which was used to reduce the Group's indebtedness. Capex remained at similar levels to the prior period at £6.9m up from £5.7m 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 £0.3m (2015: £0.8m) benefiting from the utilisation of historic tax losses in both the UK and US.

The Group therefore generated free cash flow of £58.7m in the first half, an increase of 18.8% on the £49.4m generated in the comparative period in 2015 maintaining strong free cash flow conversion of 87% (2015: 89%) which was used to fund interest payments, acquisition costs and exceptional items with the balance further reducing net indebtedness.

1 **Free cash flow is defined as IFRS net cash generated from operating activities before cash flows from exceptional operating items, less acquisition of software and property, plant and equipment. Free cash flow conversion is this measure of free cash flow divided by Adjusted EBITDA.**

Acquisitions and disposals

The Group did not make any acquisitions or disposals in the first half of 2016 but paid deferred consideration of £7.9m relating to acquisitions made in 2014 and prior - primarily Money20/20 for which further payments are expected to be made in February 2017 and February 2018.

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 £2.6m is deferred and payable in 2018. The business contributed £1.7m of revenue and £0.2m of Adjusted EBITDA to the Group's first half 2016 results. Also in the prior year, 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.

Earnings per share

Earnings per share has been presented on both a statutory and Proforma basis. The Proforma basis takes into account the number of shares in issue on IPO and is therefore more relevant to shareholders of the Group.

Adjusted diluted Proforma EPS of 9.3 pence per share is 13% ahead of the 8.2 pence per share recorded for the same period in 2015 and total diluted Proforma EPS of 2.0 pence per share is substantially ahead of the 0.5 pence per share for the first half of 2015.

Capital reduction

Ascential plc was incorporated in January 2016 and became the ultimate holding company of the Group in February 2016. Following the IPO, for the purpose of creating distributable reserves the Company completed a reduction of its share capital, whereby;

(i) the entire amount standing to the credit of the Company's share premium account was cancelled;
(ii) 876,266,690 deferred shares (which were allotted and issued on 7 June 2016 by way of a bonus issue for the purpose of capitalising the Company's capital reserve) were cancelled; and
(iii) the nominal value of each issued ordinary share in the capital of the Company was reduced from £0.10 to £0.01 each.

Following the reduction of capital, the issued share capital of the Company consists of 400,542,500 ordinary shares of £0.01 each. The distributable reserves created by the reduction of capital amount to approximately £476.2m.

Dividends

The Board's dividend policy is to target an annual dividend of approximately 30% of net income payable one-third following interim results and two-thirds following final results. Accordingly, the Board has recommended a maiden interim dividend of 1.5 pence per share which will be payable on 4 November 2016 to ordinary shareholders registered as of the close of business on 7 October 2016.

Principal risks and uncertainties

The principal risks and uncertainties that could affect the position, performance or prospects of the Group remain unchanged from those set out in the 2015 annual report (available on the Company's website at www.ascential.com), although the nature of these risks continues to evolve and the probability of a risk crystallising can change. A summary of these principal risk factors is as follows:

Macroeconomic and geopolitical conditions
Economic uncertainty or downturns in markets may reduce customer demand. Political and regulatory changes, such as those that may arise following the UK's decision to leave the European Union, may disrupt patterns of trade, impose operating inefficiencies, and may also significantly affect the Group's tax position.

Currency fluctuations
The Group generates a significant proportion of its earnings in non-sterling currencies, particularly the euro and dollar, and debt funding reflects the currency mix of cash generation. The Group's reported results and financial position are therefore sensitive to movements in exchange rates.

Customer end-market development
Changes in customer end-markets could increase competition, reduce customer spend, make the Group's products less relevant to customer needs, or otherwise affect the Group's competitiveness and/or profitability.

Reputation and performance of top brands
The Group generates a high proportion of revenues and Adjusted EBITDA from its top products, and so a significant decline in the reputation, relevance or performance of the Group's top products could materially and adversely affect the Group's business.

Acquisitions
Growth through acquisitions entails various risks, including the ability to identify acquisition candidates, to achieve the expected benefits, to integrate acquired businesses with our existing portfolio, and to retain staff and preserve sources of competitive advantage.

Geographic expansion
Expanding into higher growth geographic markets presents management, logistical and compliance challenges. Inadequate plans or poor execution in addressing these challenges may damage the Group's growth prospects and reputation.

Technological change
The Group's products depend on custom-designed technology platforms, and the Group also develops IT systems to support its own internal operations. Poor quality implementation, delivery delays, or failure to deliver the expected benefits could therefore adversely affect business performance. In addition customer-facing platforms may be rendered obsolete by newer technologies.

Loss of event venue or inability to travel
The Group's events are held at specific locations which may be unavailable for use through damage, or may become available only on uneconomic terms. In addition, travel disruption or safety risks from a variety of causes such as natural disasters, risk of disease, civil disorder, political instability, and terrorism may prevent both customers and our own staff from reaching the event location, or lead to customers being unwilling to travel.

Taxation
The Group is subject to many different forms of taxation in many different jurisdictions. Tax law and administration is complex, and tax authorities may challenge the Group's application of tax law, potentially leading to lengthy and costly disputes and material tax charges.

Cautionary Statement

Certain statements in this interim management report constitute, or may be deemed to constitute, forward looking statements (including beliefs or opinions). Any statement in this interim management report 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 interim management report, whether as a result of new information, future events or otherwise.

Nothing in this interim management report should be construed as a profit forecast. This interim management report 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.

Responsibility Statement

We confirm that to the best of our knowledge:

a. the Condensed set of Consolidated Financial Statements has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union;

b. the interim management report includes a fair review of the following information as required by DTR 4.2.7R;
   i. an indication of important events that have occurred during the first six months of the financial year, and their impact on the Condensed set of Consolidated Financial Statements; and
   ii. a description of the principal risks and uncertainties for the remaining six months of the year.

c. the interim management report includes the following information as required by DTR 4.2.8R:
   i. related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group in that period; and
   ii. any changes in the related party transactions described in the 2015 Annual Report that could have material effect on the financial position or performance of the Group in the current period.

By order of the Board

Duncan Painter	Mandy Gradden
Chief Executive Officer	Chief Financial Officer

1 August 2016

Independent Review Report to Ascential plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 which comprises Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and the related explanatory notes. 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 condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

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 DTR of the UK FCA.

As disclosed in Note 1, annual financial statements of the group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

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 UK. 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 condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

John Bennett
For and on behalf of KPMG LLP
Chartered Accountants
London, United Kingdom

1 August 2016

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Condensed Consolidated Income Statement

(£ million)	Note	Six months to 30 June 2016 Unaudited Adjusted Results	Six months to 30 June 2016 Unaudited Adjusting Items	Six months to 30 June 2016 Unaudited Total	Six months to 30 June 2015 Unaudited Adjusted Results	Six months to 30 June 2015 Unaudited Adjusting Items	Six months to 30 June 2015 Unaudited Total	Year to 31 December 2015 Unaudited Adjusted Results	Year to 31 December 2015 Unaudited Adjusting Items	Year to 31 December 2015 Unaudited Total
Revenue		202.5	–	202.5	178.4	–	178.4	319.1	–	319.1
Cost of sales		(71.9)	–	(71.9)	(61.4)	–	(61.4)	(112.0)	–	(112.0)
Sales, marketing and administrative expenses		(70.7)	(20.2)	(90.9)	(70.1)	(18.4)	(88.5)	(133.7)	(41.1)	(174.8)
Operating profit		**59.9**	**(20.2)**	**39.7**	**46.9**	**(18.4)**	**28.5**	**73.4**	**(41.1)**	**32.3**
Adjusted earnings before interest, tax, depreciation and amortisation, exceptional items, and share-based payments (Adjusted EBITDA)		67.3	–	67.3	55.4	–	55.4	90.9	–	90.9
Depreciation and amortisation		(7.4)	(14.3)	(21.7)	(8.5)	(14.8)	(23.3)	(17.5)	(29.5)	(47.0)
Exceptional items	4	–	(5.2)	(5.2)	–	(3.6)	(3.6)	–	(11.1)	(11.1)
Share-based payments	14	–	(0.7)	(0.7)	–	–	–	–	(0.5)	(0.5)
Operating profit		**59.9**	**(20.2)**	**39.7**	**46.9**	**(18.4)**	**28.5**	**73.4**	**(41.1)**	**32.3**
Gain on disposal	7	–	–	–	–	4.8	4.8	–	4.8	4.8
Share of loss in equity-accounted investee, net of tax		(0.1)	–	(0.1)	–	–	–	–	–	–
Finance costs	8	(21.6)	(16.0)	(37.6)	(22.0)	(25.7)	(47.7)	(33.0)	(48.2)	(81.2)
Finance income	8	8.3	–	8.3	13.6	–	13.6	8.5	–	8.5
Profit / (loss) before taxation		**46.5**	**(36.2)**	**10.3**	**38.5**	**(39.3)**	**(0.8)**	**48.9**	**(84.5)**	**(35.6)**
Taxation	9	(9.2)	7.0	(2.2)	(5.7)	8.5	2.8	(6.7)	17.0	10.3
Retained profit / (loss) for the period		**37.3**	**(29.2)**	**8.1**	**32.8**	**(30.8)**	**2.0**	**42.2**	**(67.5)**	**(25.3)**
Other comprehensive income										
Items that may be reclassified subsequently to profit or loss:										
Foreign exchange translation differences recognised in equity		(7.5)	–	(7.5)	3.2	–	3.2	(2.7)	–	(2.7)
Total comprehensive income for the period		**29.8**	**(29.2)**	0.6	**36.0**	**(30.8)**	**5.2**	**39.5**	**(67.5)**	**(28.0)**
Attributable to:										
Equity holders of the parent		29.8	(29.2)	0.6	36.0	(30.8)	5.2	39.5	(67.5)	(28.0)
Proforma earnings per share (pence)										
- Basic	5	9.3	(7.3)	2.0	8.2	(7.7)	0.5	10.5	(16.9)	(6.3)
- Diluted	5	9.3	(7.3)	2.0	8.2	(7.7)	0.5	10.5	(16.9)	(6.3)
Earnings per share (pence)										
- Basic	5	11.5	(9.0)	2.5	42.5	(39.9)	2.6	54.0	(86.4)	(32.4)
- Diluted	5	11.5	(9.0)	2.5	42.5	(39.9)	2.6	54.0	(86.4)	(32.4)

All results relate to continuing operations. Adjusting items are detailed in Note 4. Proforma earnings per share reflects the number of shares in issue on Initial Public Offering as further described in Note 5.

Condensed Consolidated Statement of Financial Position

(£ million)	Note	30 June 2016 Unaudited	30 June 2015 Unaudited	31 December 2015 Unaudited
Assets				
Non-current assets				
Intangible assets		663.1	667.9	658.7
Property, plant and equipment		8.4	12.0	10.2
Investments		0.4	0.6	0.7
Other receivables		0.6	–	–
Derivative financial assets	10	0.1	0.8	0.6
Deferred tax assets	12	41.8	37.2	40.2
		714.4	**718.5**	**710.4**
Current assets				
Inventories		13.5	11.1	17.6
Trade and other receivables		67.2	64.4	65.3
Derivative financial assets	10	0.3	0.5	0.4
Cash and cash equivalents	10	81.7	37.2	44.4
		162.7	**113.2**	**127.7**
Liabilities				
Current liabilities				
Trade and other payables		172.7	163.8	173.9
External borrowings	10	–	4.4	2.4
Provisions		2.8	3.1	2.3
Current tax liabilities		9.1	6.7	5.2
Derivative financial liabilities	10	–	–	0.4
		184.6	**178.0**	**184.2**
Non-current liabilities				
External borrowings	10	276.0	402.5	423.2
Shareholder debt	11	–	414.3	436.7
Provisions		0.2	0.2	0.2
Deferred tax liabilities	12	39.3	44.9	40.7
Derivative financial liabilities	10	–	9.9	1.7
Other non-current liabilities		14.9	17.9	20.6
		330.4	**889.7**	**923.1**
Net assets / (liabilities)		**362.1**	**(236.0)**	**(269.2)**
Capital and reserves				
Share capital	13	4.0	7.9	7.9
Merger reserve		9.2	9.2	9.2
Group restructure reserve		157.9	–	–
Translation reserve		(14.3)	(0.9)	(6.8)
Retained earnings		205.3	(252.2)	(279.5)
Total equity		**362.1**	**(236.0)**	**(269.2)**

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Condensed Consolidated Statement of Changes in Equity

(£ million)	Share capital[(i)]	Share premium	Merger reserve[(i)]	Capital reserve	Group restructure reserve	Translation reserve	Retained earnings	Total
At 1 January 2015 Unaudited	**7.7**	**–**	**9.2**	–	**–**	**(4.1)**	**(254.2)**	**(241.4)**
Profit for the period	–	–	–	–	–	–	2.0	2.0
Foreign exchange translation differences recognised in equity	–	–	–	–	–	3.2	–	3.2
Issue of shares[(ii)]	0.2	–	–	–	–	–	–	0.2
At 30 June 2015 Unaudited	**7.9**	**–**	**9.2**	–	**–**	**(0.9)**	**(252.2)**	**(236.0)**
Loss for the period	–	–	–	–	–	–	(27.3)	(27.3)
Foreign exchange translation differences recognised in equity	–	–	–	–	–	(5.9)	–	(5.9)
At 31 December 2015 Unaudited	**7.9**	**–**	**9.2**	–	**–**	**(6.8)**	**(279.5)**	**(269.2)**
Profit for the period	–	–	–	–	–	–	8.1	8.1
Foreign exchange translation differences recognised in equity	–	–	–	–	–	(7.5)	–	(7.5)
Share-based payments	–	–	–	–	–	–	0.6	0.6
Group restructure[(iii)]	22.1	252.9	–	8.8	157.9	–	–	441.7
Issue of shares[(iv)]	10.0	190.0	–	–	–	–	–	200.0
Share issue costs[(iv)]	–	(11.6)	–	–	–	–	–	(11.6)
Issue of shares[(v)]	0.1	–	–	–	–	–	(0.1)	–
Capital reduction[(vi)]	(36.1)	(431.3)	–	(8.8)	–	–	476.2	–
At 30 June 2016 Unaudited	**4.0**	**–**	**9.2**	–	**157.9**	**(14.3)**	**205.3**	**362.1**

(i) Share capital and merger reserve at 30 June 2015 and 31 December 2015 reflect the statutory share capital and merger reserve of Ascential plc on 8 February 2016, when a restructure of the Group took place. Refer to Note 1 for further details.

(ii) The £0.2 million issue of shares relates to shares issued under management incentive plans in the six months to 30 June 2015.

(iii) The restructure of the Group between 8 and 12 February 2016 resulted in the Company issuing 300,000,000 ordinary £0.10 shares to become the ultimate parent of the Group, and to convert existing shareholder debt to equity. This resulted in the recognition of £252.9 million in share premium, £8.8m in the capital reserve and £157.9 million in a group restructure reserve. Refer to Note 1 for further details.

(iv) At IPO 100,000,000 additional ordinary £0.10 shares were allotted and issued at a price of £2.00 per share, representing a premium of £1.90 per share. £11.6 million of share issue costs were incurred. The premium was recorded in the Company's share premium account.

(v) On 8 March 2016, 542,500 ordinary £0.10 shares were issued to employees under the Share Incentive Plan ("SIP"). Refer to Note 14 for further details.

(vi) On 8 June 2016, the Company completed a reduction of its share capital, whereby its nominal share capital was reduced to approximately £4.0 million, the amount standing to the share premium account was cancelled, and 876,266,690 deferred shares of £0.01 each which were issued by way of a bonus issue on 7 June 2016 for the purpose of capitalising the Company's capital reserve were cancelled. These steps resulted in distributable reserves of approximately £476.2 million. Refer to Note 1 for further details.

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Condensed Consolidated Statement of Cash Flows

(£ million)	Note	Six months to 30 June 2016 Unaudited	Six months to 30 June 2015 Unaudited	Year to 31 December 2015 Unaudited
Cash flow from operating activities				
Profit before taxation		10.3	(0.8)	(35.6)
Adjustments for:				
Amortisation of intangible assets acquired through business combinations	4	14.3	14.8	29.5
Amortisation of software intangible fixed assets		5.5	6.5	12.9
Depreciation of tangible fixed assets		1.8	2.0	4.6
Gain on disposal	7	-	(4.8)	(4.8)
Acquisition-related contingent employment costs	4	1.7	2.7	5.5
Share-based payments	14	0.6	-	-
Share of loss in equity-accounted investee, net of tax		0.1	-	-
Finance costs	8	37.6	47.7	81.2
Finance income	8	(8.3)	(13.6)	(8.5)
		63.6	54.5	84.8
Changes in:				
Inventories		4.5	3.5	(3.0)
Receivables		(3.2)	(11.7)	(12.6)
Payables, net of interest payable		(3.0)	5.1	11.5
Provisions		0.5	—	(0.8)
Cash generated from operations		**62.4**	**51.4**	**79.9**

Cash generated from operations before exceptional operating items		65.9	55.9	92.0
Cash flows from exceptional operating items		(3.5)	(4.5)	(12.1)
Cash generated from operations		**62.4**	**51.4**	**79.9**

Income tax paid		(0.3)	(0.8)	(1.2)
Net cash generated from operating activities		**62.1**	**50.6**	**78.7**
Cash flow from investing activities				
Acquisition of business, net of cash acquired		(7.9)	(19.2)	(19.6)
Acquisition of investments		—	—	(0.1)
Acquisition of software and property, plant and equipment		(6.9)	(5.7)	(10.9)
Disposal of business operations and investments	7	0.2	10.6	10.6
Net cash used in investing activities		**(14.6)**	**(14.3)**	**(20.0)**
Cash flow from financing activities				
Proceeds from external borrowings	10	265.2	440.7	440.7
Repayment of external borrowings	10	(454.6)	(437.1)	(439.3)
Repayment of Shareholder debt		—	(0.5)	(0.5)
Proceeds from issue of shares		200.0	0.2	0.2
Transaction costs related to issue of shares		(10.9)	—	—
Interest paid		(16.7)	(24.3)	(37.9)
Net cash used in financing activities		**(17.0)**	**(21.0)**	**(36.8)**
Net increase in cash and cash equivalents		**30.5**	**15.3**	**21.9**
Cash and cash equivalents at the beginning of the period		44.4	21.7	21.7
Effect of exchange rate fluctuations		6.8	0.2	0.8
Cash and cash equivalents at the end of the period		**81.7**	**37.2**	**44.4**

Notes to the Condensed Consolidated Interim Financial Statements

1. Principal accounting policies

Basis of preparation
Ascential plc (the "Company") is a company incorporated in the United Kingdom and its registered office is The Prow, 1 Wilder Walk, London W1B 5AP. These non-statutory condensed consolidated interim financial statements ("interim financial statements") as at and for the six months ended 30 June 2016 comprise the Company and its subsidiaries (together referred to as "the Group"). Information relating to the financial year ended 31 December 2015 has been prepared and presented in accordance with the reverse acquisition principles discussed below.

On 12 February 2016, the Company's 400,000,000 ordinary shares were admitted to unconditional trading on the London Stock Exchange and to the premium listing segment of the Official List of the Financial Conduct Authority (the "IPO"). In preparation for the IPO, the Group was restructured between 8 and 12 February 2016. The restructure has impacted a number of the primary financial statements and notes for the periods presented in these interim financial statements.

The steps to restructure the Group had the effect of the Company being inserted above Eden 2 & Cie S.C.A., which was the ultimate parent of Ascential Holdings Limited, head of the Operating Group presented in the prospectus dated 12 February 2016. For the consolidated financial statements of the Group, prepared under IFRS, the principles of reverse acquisition accounting under IFRS 3 "Business Combinations" have been applied.

In applying the principles of reverse acquisition accounting, the consolidated financial statements have been presented as a continuation of the Eden 2 & Cie S.C.A. business and the Group is presented as if the Company had always owned the Group. The consolidated reserves of the Group reflect the statutory share capital and share premium of the Company as if it had always existed, adjusted for movements in the underlying Eden 2 & Cie S.C.A. share capital and reserves until the share for share exchange.

The Company was formed on 4 January 2016 and, as such, its first set of statutory accounts will be for the year to 31 December 2016. The Company has not, therefore, prepared statutory accounts for the year ended 31 December 2015. Neither Eden 2 & Cie S.C.A. nor the Company have previously prepared financial statements in accordance with International Financial Reporting Standards ("IFRS"). The Company's first full set of IFRS statutory consolidated financial statements will be for the year ended 31 December 2016. In preparing those consolidated financial statements, the Company will measure the assets and liabilities of Ascential Holdings Limited on the same basis as in the prospectus dated 12 February 2016, as well as measure the assets and liabilities of Eden 2 & Cie S.C.A. on an IFRS basis. The full set of IFRS accounting policies applied by the Company is included in Note 1 to these non-statutory interim financial statements.

These non-statutory interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. These consolidated financial statements are unaudited and they do not include all of the information required for full annual financial statements. They should be read in conjunction with the audited non-statutory consolidated financial statements of Ascential Holdings Limited and its subsidiaries as at and for the year ended 31 December 2015, prepared in accordance with IFRS issued by the International Accounting Standards Board and International Financial Reporting Interpretations Committee's interpretations as adopted by the European Union ("EU").

The IPO restructure
The key steps in the restructure were:

- On 8 February 2016, the Company became the ultimate parent undertaking of the Group by acquiring the entire issued share capital of and voting beneficiary certificates in Eden 2 & Cie S.C.A., via a share for share exchange. All the ordinary shares in Eden 2 & Cie S.C.A. were exchanged for 77,215,918 ordinary £0.10 shares and 1,824,766 F ordinary £0.10 shares issued by the Company. The Company also acquired preference shares held by management and other shareholders in exchange for £175.5

million of new preference shares issued by the Company. Preferred Equity Certificates ("PECs") held by shareholders were also exchanged for £100.4 million of new PECs issued by the Company.

- On 9 February 2016, a shareholder transferred its shareholder loan receivable to the Company in exchange for £165.5 million of new PECs issued by the Company.

- On 12 February 2016, the Company's F ordinary shares and new preference shares were converted into 89,665,977 ordinary £0.10 shares and the new PECs were capitalised through the issue of 133,118,105 ordinary £0.10 shares, thereby retiring all Shareholder debt.

- On 12 February 2016, the Company issued 100,000,000 ordinary £0.10 shares at an offer price of £2.00, generating proceeds of £200 million and bringing the total number of ordinary shares to 400,000,000. 50,000 of these ordinary £0.10 shares were issued outside of the underwriting agreements in place for the IPO, but for the purpose of these financial statements these shares and their proceeds are presented as part of the IPO.

The impact on the comparatives in the primary consolidated financial statements is as follows:

- Share capital and share premium reflect the capital structure of the Company on 8 February 2016, being the date, part way through the restructure, on which the Company became the ultimate holding company of the Group. Preference shares and PECs in issue at that date are classified as debt instruments and so are not included in equity.

- A merger reserve is recognised, reflecting the difference between the share capital and share premium of the Company on 8 February 2016, and the share capital, share premium and non-distributable reserves of Eden 2 & Cie S.C.A. as at the same date.

The acquisition of preference shares in Eden 2 & Cie S.C.A. was accounted for under the provisions of CA s615 whereby the shares issued by Ascential plc were recorded at nominal value of £17.5 million. The preference shares in Eden 2 & Cie S.C.A. were a financial asset recorded at their fair value of £175.4 million. This exchange gives rise to an unrealised gain of £157.9 million which is recorded as a separate "group restructure" reserve within total equity.

On 8 June 2016, the Company completed a reduction of its share capital, as contemplated in the IPO prospectus, whereby (i) the entire amount standing to the credit of the Company's share premium account was cancelled, (ii) 876,266,690 deferred shares (which were issued by way of a bonus issue for the purpose of capitalising the Company's capital reserve) were cancelled, and (iii) the nominal value of each issued ordinary share in the capital of the Company was reduced from £0.10 to £0.01 each. The distributable reserves created by the reduction of capital amount to approximately £476.2 million.

Basis of measurement
The non-statutory consolidated 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 periods presented.

Going concern basis of accounting
On 8 February 2016, the Company became the ultimate parent undertaking of the Group. On 12 February 2016, the Company's 400,000,000 ordinary shares were admitted to unconditional trading on the main market of the London Stock Exchange on 12 February 2016 and to the Official List of the Financial Conduct Authority. The gross proceeds raised by the IPO were £200 million.

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

On 12 February 2016, the Company 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 the Company 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 these non-statutory financial statements.

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 consolidated financial statements should be prepared on a going concern basis.

Functional and presentation currency
The non-statutory consolidated financial statements are presented in pounds sterling, which is the Company's functional currency, and have been rounded to the nearest hundred thousand except where otherwise indicated.

Critical accounting assumptions and judgements
The preparation of financial statements under IFRS requires the use of certain critical accounting assumptions, and requires management to exercise its judgement and to make estimates in the process of applying the Group's accounting policies. The areas requiring a higher degree of judgement, or areas where assumptions and estimates are significant to the consolidated financial statements are discussed below.

(a) Use of estimates
The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates, particularly for acquisition-related contingent consideration and acquisition-related contingent employment cost where the amounts payable are contingent on the future results of the acquired business.

(b) Business combinations
Accounting for a business on acquisition requires an assessment of the existence and fair value of separable intangible assets at the date of acquisition. These fair values are based on assumptions regarding the expected future cash flows attributable to the separable intangible assets at the point of acquisition. If subsequent actual and forecast performance indicates these cash flows are adverse to the estimates used, an impairment may be triggered at that point, or a reduction in useful economic life may be required.

(c) Intangible assets
The Group uses forecast cash flow information and estimates of future growth to both value acquired intangible assets and goodwill and to assess whether goodwill and intangible assets are impaired, and to determine the useful economic lives of its intangible assets. If the results of operations in a future period are adverse to the estimates used for impairment testing, an impairment may be triggered at that point, or a reduction in useful economic life may be required.

(d) Income taxes
In recognising income tax assets and liabilities estimates have to be made of the likely outcome of decisions by tax authorities on transactions and events whose treatment for tax purposes is uncertain. In recognising deferred tax assets in respect of unused tax losses, judgement is required to establish the expected availability of losses and the likely timing and level of future taxable profits.

Principal accounting policies
The following summarises the principal accounting policies adopted by the Directors, which have been adopted consistently:

(a) Basis of consolidation
The Group non-statutory financial statements consolidate the accounts of Ascential plc and its subsidiary undertakings. A subsidiary is an entity (including special purpose entities) over which the Group has the power to direct the relevant activities, exposure to variable returns from its involvement with the investee and there is a link between power and returns. The results of each subsidiary are included from the date that control transferred to the Group and are adjusted to align accounting policies with the Group's accounting policies. Subsidiaries are no longer consolidated from the date that control ceases. All intercompany balances and transactions are eliminated in full.

(b) Foreign currency translation
The functional currency of subsidiaries, associates and joint ventures is the currency of the primary economic environment in which they operate. Transactions in foreign currencies are initially recorded at the functional currency rate applicable at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange in force at the reporting date.

All differences are taken to the consolidated profit and loss statement except for those on foreign currency borrowings that provide a hedge against an investment in a foreign entity. These are taken directly to equity until the disposal of the investment, at which time they are recognised in the consolidated profit and loss statement. Tax charges and credits attributable to exchange differences on those borrowings are also dealt with in equity. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the date of the initial transaction.

As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into pounds sterling at the rate of exchange applicable at the reporting date and their consolidated profit and loss statements are translated at the average exchange rates for the period. The exchange differences arising from the retranslation of foreign operations are taken directly to a separate component of equity. On disposal of a foreign operation, the cumulative amount recognised in equity relating to that operation is recognised in the consolidated profit and loss statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(c) Investments in associates and joint ventures
An associate is an entity over which the Group is in a position to exercise significant influence but not control, generally accompanying a shareholding of between 20% to 50% of the voting rights. A joint venture is an entity over which the Group exercises joint control, usually through a contractual arrangement. The Group's investments in associates and joint ventures are recognised using the equity method of accounting.

Investments in associates and joint ventures are initially recognised at cost and thereafter are carried in the consolidated statement of financial position at cost less any impairment in value. The consolidated profit and loss statement reflects the Group's share of an associate or joint venture's profit after tax. Where the Group's share of losses in an associate or joint venture exceeds its investment, the Group ceases to recognise further losses unless an obligation exists for the Group to fund the losses. Where a change in net assets has been recognised directly in the associate or joint venture's equity, the Group recognises its share of those changes in the statement of changes in equity when applicable.

Adjustments are made to align the accounting policies of the associate or joint venture with the Group's and to eliminate the Group's share of unrealised gains and losses on transactions between the Group and its associates and joint ventures.

(d) Investments
Investments are held at cost less provision for impairment. Initial recognition of investments is at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed.

(e) Business combinations and intangible assets

Acquisitions are accounted for using the purchase method of accounting. The cost of an acquisition is the cash paid together with the fair value of other assets given, equity instruments issued and liabilities incurred or assumed.

Any contingent consideration is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, is recognised either in the profit and loss account or in other comprehensive income, in accordance with IAS 39. Any amounts payable by the Group directly contingent on the continuing employment of the vendors are treated as remuneration and recognised as an expense in the profit and loss account. Deferred and contingent consideration amounts payable after more than 12 months have been discounted to present value.

Costs directly attributable to acquisitions are expensed as exceptional items. The acquired identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of net assets assumed is recorded as goodwill.

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment either annually or more frequently if events or changes in circumstances indicate a possible decline in the carrying value. Impairment is determined by comparing the recoverable amount of the cash-generating unit or group of cash-generating units ("CGU") which are expected to benefit from the acquisition in which the goodwill arose, to the carrying value of the CGU. The recoverable amount is the greater of an asset's value-in-use and its fair value less costs to sell. Value-in-use is calculated by discounting the future cash flows expected to be derived from the asset or group of assets in a cash-generating unit at the Group's cost of capital, adjusted for risk in a specific market if relevant. The discount and growth rates used in the value-in-use calculations are disclosed in Note 11 of the non-statutory financial statements. Where the recoverable amount is less than the carrying value, the goodwill is considered impaired and is written down through the consolidated profit and loss statement to its recoverable amount. The carrying amount of goodwill allocated to a cash-generating unit is taken into account when determining the gain or loss on the disposal of the unit or operation within it.

Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition. Intangible assets purchased separately are capitalised at cost. After initial recognition, all intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible fixed assets which have been assigned a finite life are amortised and tested for impairment if events or changes in circumstances indicate that the carrying value may have declined. This is done on a similar basis to the testing of goodwill, either for individual assets or at the level of a cash-generating unit. Useful lives are examined every year and adjustments are made, where applicable, on a prospective basis. Amortisation is charged on assets with finite lives on a systematic basis over the asset's useful life, which in all cases is a maximum period of 30 years.

Where an intangible asset has been assigned an indefinite useful life, it is not amortised and is reviewed for impairment either annually or more frequently if events or changes in circumstances indicate a possible decline in the carrying value.

Purchases of software or direct costs relating to internal development of software are capitalised and amortised over their anticipated useful lives. Capitalisation of these costs ceases no later than the point at which the software is substantially complete and ready for its intended use. The useful life of software ranges from three to seven years.

Website development costs relating to websites which are revenue generating are capitalised and amortised over three to five years. Development costs relating to websites which are not revenue generating are taken immediately to the consolidated profit and loss statement.

(f) Property, plant and equipment
Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated in such a way as to write-off the cost of an asset, less its residual value, on a straight-line basis over its estimated useful life as follows:

- short leasehold property – over the period of the lease; and
- office equipment – two to five years.

Estimated useful lives and residual values are reviewed at each reporting date. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate these values may not be recoverable. If there is an indication that impairment does exist the carrying values are compared to the estimated recoverable amounts of the assets concerned. The recoverable amount is the greater of an asset's value-in-use and its fair value less the cost of selling it. Value-in-use is calculated by discounting the future cash flows expected to be derived from the asset. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the consolidated profit and loss statement.

An item of property, plant or equipment is written off either on disposal or when there is no expected future economic benefit from its continued use. Any gain or loss on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated profit and loss statement in the year the item is derecognised.

(g) Inventories
Inventories are stated at the lower of cost and net realisable value. Cost represents purchase cost, including attributable overheads, and is determined using a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Costs relating to future exhibitions, festivals and congresses are deferred within inventories at the lower of cost or net realisable value. These costs are charged to the consolidated profit and loss statement when the exhibition takes place.

(h) Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Specific provisions are made and charged to the consolidated profit and loss statement when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms. Collective provisions are made based on estimated losses inherent within receivables, based on the overall level of receivables past due. These provisions are developed over time based on the review of aged debt, the type of debt and experience.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the consolidated profit and loss statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated profit and loss statement.

(i) Cash and cash equivalents
Cash and cash equivalents includes cash, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less. For the purpose of the consolidated cash flow statement, cash and cash equivalents are as defined, net of outstanding bank overdrafts.

(j) Assets held for sale
Where the Group expects to recover the carrying amount of a group of assets through a sale transaction rather than through continuing use, and a sale is considered to be highly probable at the reporting date, the assets are classified as held for sale and measured at the lower of cost and fair value less costs to sell. No depreciation or amortisation is charged in respect of non-current assets classified as held for sale.

(k) Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated profit and loss statement over the period of the borrowings using the effective interest method, with the exception of debt repurchases which are recognised in the consolidated profit and loss statement in the year of the repurchase.

(l) Derivatives and other financial instruments
Derivatives, including currency options and swaps, forward exchange contracts, and interest rate swaps and caps, are initially recognised and subsequently measured at fair value at each reporting date. Derivatives that do not qualify for hedge accounting are classified as a separate asset or liability. The fair value is determined by using market data and the use of established estimation techniques such as discounted cash flow and option valuation models. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged as described below. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the consolidated profit and loss statement as they arise.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities. Further details of derivative financial instruments are disclosed in Note 20.

(m) Hedging Activities
The Group's operations and funding give rise to foreign exchange risk and interest rate risk. The Group may structure its borrowings or utilise derivative financial instruments to manage the economic impact of these risks. The Group does not use derivative contracts for speculative purposes.

The Group may also formally designate certain derivatives or borrowings as hedging instruments and will at the point of inception document the relationship between the hedge instrument and hedged item, together with the risk management objective and strategy for undertaking the hedging transaction. In addition, at inception and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Hedge instruments are accounted for as either:

- hedges of a change of fair value of recognised assets and liabilities or firm commitments (fair value hedges);

- hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

- hedges of a net investment in a foreign operation (net investment hedge).

Fair value hedges
Changes in the fair value of fair value hedge instruments are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk, with these changes in fair value being recognised in the line of the consolidated profit and loss statement relating to the hedged item.

Cash flow hedge
The effective portion of changes in the fair value of cash flow hedges is recognised in other comprehensive income. The gains or losses relating to the ineffective portion are recognised immediately in the consolidated profit and loss statement. The cumulative amount recognised in other comprehensive income is reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss in the same line of the consolidated profit and loss statement as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the cumulative amount recognised in other comprehensive income is transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedges of net investment in foreign operations
The effective portion of changes in the fair value of hedges of net investment in foreign operations is recognised in other comprehensive income and accumulated in the foreign currency translation reserve. The gains or losses relating to the ineffective portion are recognised immediately in the consolidated profit and loss statement. Gains and losses on the hedging instrument accumulated in the foreign currency translation reserve are reclassified to profit or loss when the hedged item is disposed of.

Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gains or losses on the hedging instrument recognised in equity are retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the consolidated profit and loss statement in the period.

(n) Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised only when it is virtually certain. The expense relating to any provision is presented in the consolidated profit and loss statement net of any reimbursement. If the time value of money has a material effect on quantifying the provision, the provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance charge.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

(o) Leases
Assets held by the Group under leases which transfer to the Group substantially all of the risks and rewards of the ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's consolidated statement of financial position. Operating lease payments are recognised as an expense in the consolidated profit and loss statement on a straight-line basis over the lease term. The benefit of any lease incentives is recognised as a reduction in rental expense on a straight-line basis over the life of the lease.

(p) Revenue
Revenue for goods sold is recognised when the significant risks and rewards of ownership have been transferred to a third party. Revenue for services provided is recognised at the point when it is probable that the economic benefits will flow to the Group and when the amount of revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received, net of discounts, customs duties and sales taxes. Revenue is only recognised for barter transactions which are considered dissimilar to each other in nature, and a corresponding amount is included in operating costs.

The following recognition criteria also apply in specific cases:

Exhibition, festival, congress and conference and awards show income is recognised when the event takes place. Data and online subscription revenues are recognised in the consolidated profit and loss statement evenly over the life of the subscription. Magazine subscriptions and advertising revenues are recognised according to the dispatch date of the publication. A provision is deducted from circulation revenue for expected returns, and is adjusted for actual returns when this is known. Pre-paid subscription and event revenues are shown as deferred income and released to the consolidated profit and loss statement in accordance with the revenue recognition criteria above.

(q) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under cash bonus schemes if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

(iii) Share-based payments

Equity-settled awards are valued at the grant date, and the difference between the grant date fair value and the consideration paid by the employee is charged as an expense in the consolidated profit and loss statement spread over the vesting period. The credit side of the entry is recorded in equity. Cash-settled awards are revalued at each reporting date with the fair value of the award charged to the profit and loss account over the vesting period and the credit side of the entry recognised as a liability.

(r) Pension and other post-employment benefits

The Group operates defined contribution pension scheme in certain countries. Contributions payable are charged to the consolidated profit and loss statement and included in staff costs as an operating expense as incurred.

(s) Adjusted EBITDA and exceptional items

The consolidated non-statutory financial statements include Adjusted EBITDA as a measure of profitability in order to provide a better understanding of the trading performance of the Group. Adjusted EBITDA is a non-IFRS measure, defined as the Group's operating profit before expensing depreciation of tangible fixed assets and amortisation of software, exceptional items, amortisation of acquired intangible assets, impairment of tangible fixed assets and software intangibles and share-based payments.

The Group defines exceptional items as costs incurred by the Group in acquisitions & disposals, integration, non-recurring business restructuring and capital restructuring. These are disclosed separately to provide additional useful information to the users of the non-statutory financial statements.

(t) Finance costs and income

Finance costs are recognised on an effective yield basis. Finance income is recognised on the accruals basis.

(u) Income tax

The Group is primarily subject to corporation tax in the UK, the US, Brazil and China, and judgement and estimates of future profitability are required to determine the Group's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the consolidated profit and loss statement, unless the tax relates to an item charged to equity, in which case the changes in tax estimates on those items will be reflected in equity.

Income tax on the profit or loss for the period comprises current tax and deferred tax. Income tax is recognised in the consolidated profit and loss statement, except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is tax payable based on taxable profits for the period, using tax rates that have been enacted or substantively enacted at the reporting date along with any adjustment relating to tax payable in previous years. Taxable profit differs from net profit in the consolidated profit and loss statement in that income or expense items that are taxable or deductible in other years are excluded, as are items that are never taxable or deductible. Current tax assets relate to payments on account not yet allocated against current tax liabilities or to refunds due from tax authorities on overpayments in respect of prior years.

Using the liability method, deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for the following temporary differences:

- goodwill that is not deductible for tax purposes; and
- the initial recognition of assets or liabilities in a transaction that is not a business combination and which will affect neither accounting nor taxable profit.

Deferred tax assets are recognised to the extent that it is probable that sufficient future taxable profits will be available to allow all or part of the deferred tax asset to be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year in which the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. The deferred tax assets and liabilities are only offset where they relate to the same taxing authority and the Group has a legal right to offset.

2. Revenue seasonality

The Group's results of operations are impacted by seasonality.

Information Services primarily generates subscription revenue which are recognised rateably over the life of the subscription contract. The conferences and awards element of Information Services relates to multiple events spread throughout the year. Consequently there is less seasonal fluctuation in the revenue of this reportable segment.

Revenue in Exhibitions & Festivals is recognised when an event is actually held. Exhibitions & Festivals revenue is therefore seasonal, with revenue typically reaching its highest levels during the first half of each calendar year when some of the Group's largest events take place.

The following table shows the percentage of the Group's revenue and Adjusted EBITDA by half year in 2015:

Year ended 31 December 2015	**Revenue**	**Adjusted EBITDA**
First half	55.9%	60.9%
Second half	44.1%	39.1%

3. Operating segments

The Group has two reportable segments under IFRS 8 Operating 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 exhibitions, 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)	**Exhibitions & Festivals**	**Information Services**	**Group**	**Total**
Six months ended 30 June 2016 Unaudited				
Revenue	119.1	83.4	–	202.5
Adjusted EBITDA	53.5	20.1	(6.3)	67.3
Depreciation and amortisation of tangible fixed assets and software intangibles	(1.2)	(3.6)	(2.6)	(7.4)
Adjusted operating profit / (loss)	52.3	16.5	(8.9)	59.9
Amortisation and impairment of intangible assets acquired through business combinations				(14.3)
Exceptional items				(5.2)
Share-based payments				(0.7)
Operating profit				39.7
Share of loss in equity-accounted investee, net of tax				(0.1)
Net finance costs				(29.3)
Profit before tax				**10.3**
Total assets				**877.1**

Exceptional items of £5.2 million include £1.7 million attributable to Exhibitions & Festivals.

(£ million) Six months ended 30 June 2015 Unaudited	Exhibitions & Festivals	Information Services	Group	Total
Revenue	97.1	81.3	–	178.4
Adjusted EBITDA	42.0	17.9	(4.5)	55.4
Depreciation and amortisation of tangible fixed assets and software intangibles	(0.9)	(3.2)	(4.4)	(8.5)
Adjusted operating profit / (loss)	41.1	14.7	(8.9)	46.9
Amortisation and impairment of intangible assets acquired through business combinations				(14.8)
Exceptional items				(3.6)
Operating profit				28.5
Gain on disposal				4.8
Net finance costs				(34.1)
Loss before tax				**(0.8)**
Total assets				**831.7**

Exceptional items of £3.6 million include £2.9 million and £0.8 million which are attributable to Exhibitions & Festivals and Information Services respectively.

(£ million) Year ended 31 December 2015 Unaudited	Exhibitions & Festivals	Information Services	Group	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				(11.1)
Share-based payments				(0.5)
Operating profit				32.3
Gain on disposal				4.8
Net finance costs				(72.7)
Loss before tax				**(35.6)**
Total assets				**838.1**

Exceptional items of £11.1 million include £5.7 million and £3.3 million which are attributable to Exhibitions & Festivals and Information Services respectively.

4. Adjusting items

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other financial statements. The Board believes that reporting adjusted results and adjusted earnings per share (Note 5) provides additional useful information to the users of the financial statements. The following charges / (credits) were presented as adjusting items:

(£ million)	Six months to 30 June 2016 Unaudited	Six months to 30 June 2015 Unaudited	Year to 31 December 2015 Unaudited
Exceptional items:			
Acquisition-related contingent employment costs	1.7	2.7	5.5
Expenses related to acquisition and disposal activities	–	0.8	0.9
Acquisition integration costs	–	0.1	0.9
IPO expenditure	3.4	–	1.7
Business restructuring	–	–	1.7
Professional fees relating to capital restructuring	–	–	0.3
Expenses of previous holding company structure	0.1	–	0.1
Exceptional items	5.2	3.6	11.1
Amortisation of intangible assets acquired through business combinations	14.3	14.8	29.5
Share-based payments	0.7	–	0.5
Gain on disposal	–	(4.8)	(4.8)
Finance costs	16.0	25.7	48.2
Total	**36.2**	**39.3**	**84.5**
Tax credit related to adjusting items	(7.0)	(8.5)	(17.0)
	29.2	**30.8**	**67.5**

The principal adjustments made are in respect of:

- Acquisition-related contingent employment costs – relating 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 the six months to 30 June 2016 this expense amounted to £1.7 million (£2.7 million in the six months to 30 June 2015 and £5.5 million for the year to 31 December 2015).

- Expenses related to acquisitions and disposals – the Group recognised an exceptional expense related to acquisition and disposal activities of £0.8 million in the six months to 30 June 2015 and £0.9 million for the year to 31 December 2015. In the prior periods a further charge of £0.1 million for the six months to 30 June 2015 and £0.9 million for the year to 31 December 2015 was incurred relating to post-acquisition integration costs. These principally related to the acquisition of RetailNet Group ("RNG").

- IPO expenditure - exceptional costs relating to the IPO of £3.4 million were expensed in the six months to 30 June 2016 (£nil in the six months to 30 June 2015 and £1.7 million in the year to 31 December 2015).

- Business restructuring - exceptional costs of £1.7 million were incurred during the second half of 2015 as a result of the creation of the Plexus operating company from the combination of EMAP, MEED, 4C Group and Planet Retail.

- Share-based payments – Refer to Note 14 for further details.

- Gain on disposal – in the comparative periods the Group made a gain when it sold MBI on 30 January 2015 (Note 7).

- Finance costs – the Group incurred interest on the Shareholder debt that was subsequently converted into equity as part of the restructure. In the six months to 30 June 2016, this amounted to £5.3 million (£21.4 million in the six months to 30 June 2015 and £43.9 million for the year to 31 December 2015). The Group refinanced its external debt as part of the IPO process incurring £10.7 million in the six months to 30 June 2016 relating to the accelerated amortisation of debt fees. A previous refinancing of external debt led to a charge of £4.3 million in accelerated amortisation of debt fees and break costs in the six months to 30 June 2015.

5. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

For the purpose of proforma earnings per share for the six months to 30 June 2015 and year to 31 December 2015, the weighted average number of ordinary shares is stated as if the IPO completed on 12 February 2016 had occurred at the beginning of the 2015 financial year. For the purpose of statutory earnings per share, the weighted average number of ordinary shares is stated as if only the group restructure steps completed on 8 February 2016 had occurred at the beginning of 2015. Refer to Note 1 for further details.

	Six months to 30 June 2016 Unaudited			Six months to 30 June 2015 Unaudited			Year to 31 December 2015 Unaudited		
	Adjusted Results	Adjusting Items	Total	Adjusted Results	Adjusting Items	Total	Adjusted Results	Adjusting Items	Total
Profit attributable to equity shareholders of the Parent (£ million)	37.3	(29.2)	8.1	32.8	(30.8)	2.0	42.2	(67.5)	(25.3)
Proforma earnings per share									
Basic weighted average number of shares (million)	400.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0	400.0
Dilutive potential ordinary shares (million)	0.3	0.3	0.3	–	–	–	–	–	–
Diluted weighted average number of shares (million)	400.3	400.3	400.3	400.0	400.0	400.0	400.0	400.0	400.0
Basic earnings per share (pence)	9.3	(7.3)	2.0	8.2	(7.7)	0.5	10.5	(16.9)	(6.3)
Diluted earnings per share (pence)	9.3	(7.3)	2.0	8.2	(7.7)	0.5	10.5	(16.9)	(6.3)
Earnings per share									
Basic weighted average number of shares (million)	325.4	325.4	325.4	77.3	77.3	77.3	78.2	78.2	78.2
Dilutive potential ordinary shares (million)	0.3	0.3	0.3	–	–	–	–	–	–
Diluted weighted average number of shares (million)	325.7	325.7	325.7	77.3	77.3	77.3	78.2	78.2	78.2
Basic earnings per share (pence)	11.5	(9.0)	2.5	42.5	(39.9)	2.6	54.0	(86.4)	(32.4)
Diluted earnings per share (pence)	11.5	(9.0)	2.5	42.5	(39.9)	2.6	54.0	(86.4)	(32.4)

6. Business combinations

2015 – acquisition of RetailNet Group, LLC

On 22 June 2015, the Group acquired 100% of the shares in RetailNet Group, LLC, an unlisted company based in the US whose primary activity is the provision of forecasting and analytics, consulting and executive education services across the retail, fast-moving consumer goods, professional services and technology sectors.

(a) Identifiable assets acquired and liabilities assumed

The fair values of the identifiable assets purchased and liabilities assumed of RNG as at the date of acquisition were as follows:

(£ million)	Book value	Fair value
Brands, Customer Relationships and Databases	–	2.8
Trade and other receivables	0.8	0.8
Cash	0.6	0.6
Trade and other payables	(0.2)	(0.2)
Deferred income	(1.1)	(1.1)
Total identifiable net assets at fair value	**0.1**	**2.9**
Initial cash consideration relating to business combination		3.1
Deferred consideration payable in 2018		2.6
Total consideration		**5.7**
Goodwill on acquisition		**2.8**

The goodwill is attributable mainly to the workforce and anticipated future growth in the customer base of the acquired business.

If new information obtained within one year from the acquisition date, about facts and circumstances that existed at the acquisition date, identifies adjustments to the above amounts or any additional provisions that existed at the acquisition date, then the acquisition accounting will be revised.

(b) Acquisition-related costs

The Group incurred acquisition-related costs of £0.5 million related to external legal fees and due diligence costs. These costs have been included within exceptional items in the consolidated profit and loss statement for the year ended 31 December 2015.

(c) Results contribution in the year ended 31 December 2015

From the date of acquisition, RNG contributed £1.8 million revenue and a profit before tax from continuing operations of £0.4 million to the Group in the year ended 31 December 2015. If the combination had taken place at the beginning of 2015, revenue from continuing operations would have been £3.5 million and the profit before tax from continuing operations for the Group would have been £0.6 million. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of the acquisition would have been the same if the acquisition occurred on 1 January 2015.

7. Disposal of business operations

2015 – disposal of Media Business Insight Limited ("MBI")

On 30 January 2015, the Group sold MBI. Up to the date of disposal, MBI contributed £0.7 million of revenue and £0.0 million to the profit before tax from continuing operations of the Group for the year ended 31 December 2015. The consolidated profit and loss statement does not present the disposed operation separately from continuing operations. The gain on disposal was £4.8 million.

Effect of disposal on the financial position of the Group

(£ million)	2015
Consideration received, satisfied in cash	11.0
Cash and cash equivalents disposed of	(0.2)
Gross cash inflow	10.8
Transaction costs	(0.2)
Net cash inflow	**10.6**
Goodwill	(4.5)
Brands, Customer Relationships and Databases	(2.9)
Tangible fixed assets	(0.4)
Trade and other receivables	(2.2)
Trade and other payables	1.1
Deferred income	2.6
Deferred tax liability on disposed intangibles	0.5
Net assets and liabilities disposed	**(5.8)**
Gain on disposal	**4.8**

8. Finance costs and finance income

(£ million)	Six months to 30 June 2016 Unaudited	Six months to 30 June 2015 Unaudited	Year to 31 December 2015 Unaudited
Interest payable on external borrowings	(6.2)	(14.4)	(28.3)
Foreign exchange loss on borrowings	(13.4)	–	–
Amortisation of loan arrangement fees	(0.7)	(1.6)	(2.4)
Fair value loss on derivatives	(0.2)	(5.0)	–
Other finance charges	(1.1)	(1.0)	(2.3)
Finance costs – Adjusted results	**(21.6)**	**(22.0)**	**(33.0)**
Interest payable on Shareholder debt	(5.3)	(21.4)	(43.9)
Break fees and write-off of loan arrangement fees on debt refinancing	(10.7)	(4.3)	(4.3)
Finance costs - Adjusting items	**(16.0)**	**(25.7)**	**(48.2)**
Finance costs	**(37.6)**	**(47.7)**	**(81.2)**
Interest on bank deposits	0.1	–	0.1
Foreign exchange gain on borrowings	–	11.1	3.4
Foreign exchange gain on cash and cash equivalents	5.5	0.5	0.8
Fair value gain on derivatives	2.7	2.0	4.2
Finance income	**8.3**	**13.6**	**8.5**
Net finance costs	**(29.3)**	**(34.1)**	**(72.7)**

9. Tax on profit on ordinary activities

The tax charged / (credited) in the consolidated profit and loss statement is analysed as follows:

(£ million)	Six months to 30 June 2016 Unaudited	Six months to 30 June 2015 Unaudited	Year to 31 December 2015 Unaudited
Current tax			
UK corporation tax			
Current tax charge on income for the period	1.5	1.2	–
Adjustments in respect of prior years	–	–	0.2
Foreign tax			
Current tax charge on income for the period	2.7	2.0	2.0
Adjustments in respect of prior years	–	–	0.2
Total current tax charge	**4.2**	**3.2**	**2.4**
Deferred tax			
Current period	(2.0)	(5.8)	(10.4)
Adjustments in respect of prior years	–	–	(0.9)
Impact of rate changes on opening deferred tax balances	–	(0.2)	(1.4)
Total deferred tax charge / (credit)	**(2.0)**	**(6.0)**	**(12.7)**
Total tax charge / (credit)	**2.2**	**(2.8)**	**(10.3)**

The tax charge for the six months to 30 June 2016 has been accrued using an average effective tax rate on adjusted profit of 19.9%, based on the estimated weighted average tax rate on adjusted profit for the year ended 31 December 2016, and the tax attributable to adjusting items. (June 2015: 14.8%, based on the actual weighted average tax rate on adjusted profit for the year ended 31 December 2015)

10. External net debt

(£ million)	Cash	Short-term deposits	Interest rate swaps	Interest rate cap	Cross currency swaps	External Borrowings	External net debt
At 1 January 2015 Unaudited	**20.5**	**1.2**	**(2.8)**	**–**	**–**	**(425.3)**	**(406.4)**
Exchange differences	0.3	(0.1)	–	–	–	16.3	16.5
External debt drawdown	440.7	–	–	–	–	(440.7)	–
External debt repayment	(437.1)	–	–	–	–	437.1	–
Shareholder debt repayment	(0.5)	–	–	–	–	–	(0.5)
Fair value movements	–	–	1.4	0.6	(5.0)	–	(3.0)
Non-cash movements	–	–	(1.8)	–	(0.3)	(7.6)	(9.7)
Net cash movement	2.7	9.5	3.2	0.7	(4.6)	13.3	24.8
At 30 June 2015 Unaudited	**26.6**	**10.6**	**–**	**1.3**	**(9.9)**	**(406.9)**	**(378.3)**
Exchange differences	0.6	–	–	–	–	(20.1)	(19.5)
External debt repayment	(2.2)	–	–	–	–	2.2	–
Fair value movements	–	–	–	(0.3)	7.5	–	7.2
Non-cash movements	–	–	–	–	(0.2)	(0.8)	(1.0)
Net cash movement	10.2	(1.4)	–	–	0.5	–	9.3
At 31 December 2015 Unaudited	**35.2**	**9.2**	**–**	**1.0**	**(2.1)**	**(425.6)**	**(382.3)**
Exchange differences	5.3	1.6	–	–	–	(34.4)	(27.5)
External debt repayment	(454.6)	–	–	–	–	454.6	–
External debt drawdown	265.2	–	–	–	–	(265.2)	–
Fair value movements	–	–	–	(0.2)	2.7	–	2.5
Non-cash movements	–	–	–	(0.4)	–	(11.0)	(11.4)
Net cash movement	211.6	8.2	–	–	(0.6)	5.6	224.8
At 30 June 2016 Unaudited	**62.7**	**19.0**	–	**0.4**	–	**(276.0)**	**(193.9)**

In April 2015, the Group completed a refinancing of its borrowings to improve terms and extend maturities. The existing facilities 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.

On 12 February 2016, the Company raised gross proceeds of £200 million as a result of the IPO. It also entered into the New Facilities Agreement at IPO, which comprise new term loan facilities of £66 million, €171 million and $96 million which mature in February 2021 and a revolving credit facility of £95 million. The New Facilities Agreement is available to the Company and certain of its subsidiaries. The Company used the proceeds of the IPO, the funds from 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.

The Group's borrowings at 30 June 2016 were £66 million, $96 million and €171 million (30 June 2015: $323 million and €300 million, 31 December 2015: $321 million and €299 million) and are shown net of unamortised issue costs. The carrying amounts of borrowings approximate their fair value.

The Group had interest rate caps at 30 June 2016 of £0.4 million of which £0.1 million is included within non-current asset (30 June 2015: £1.3 million of which £0.8 million was included within non-current assets, 31 December 2015: £1.0 million of which £0.6 million was included within non-current assets). The interest rate caps are used to cap an element of the Group's external borrowings which all bear interest at floating rate. As at 30 June 2016, the total notional amount of outstanding interest rate caps to which the Group is committed is £190.8 million (30 June 2015: £233.1 million, 31 December 2015: £231.2 million).

The Group had £nil cross-currency swaps at 30 June 2016 (30 June 2015: £9.9 million included within non-current liabilities, 31 December 2015: £2.1 million of which £1.7 million was included within non-current liabilities). The cross-currency swaps were used to maintain an appropriate currency mix of the Group's borrowings reflecting the Group's mix of underlying cash flows.

11. Shareholder debt

As at 30 June 2015 and 31 December 2015, the Group had Shareholder debt amounting to £414.3 million and £436.7 million respectively. The debt consists of:

- Preference shares;
- Preferred equity certificates ("PECs"); and
- Shareholder loans.

Dividends and interests were accrued on these preference shares, PECs and loans at rates ranging from 11% to 15% per annum.

In February 2016 as part of the restructure, the Shareholder debt was converted into 220,959,316 new ordinary £0.10 shares by the Company. Refer to Note 1 for further details.

12. Deferred tax

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

(£ million)	Tax losses	Depreciation vs. tax allowances	Other temporary differences	Intangible assets	Total
At 1 January 2015 Unaudited	**26.0**	**9.6**	**0.1**	**(60.6)**	**(24.9)**
Credit to the consolidated profit and loss statement for the period	(1.0)	2.5	1.4	2.9	5.8
Impact of rate changes	(0.6)	(0.7)	–	1.5	0.2
Acquisitions	–	–	–	10.7	10.7
Disposals	–	(0.1)	–	0.6	0.5
At 30 June 2015 Unaudited	**24.4**	**11.3**	**1.5**	**(44.9)**	**(7.7)**
Credit to the consolidated profit and loss statement for the period	(0.3)	0.7	1.6	2.6	4.6
Adjustments in respect of prior years	(0.1)	(0.1)	1.1	–	0.9
Impact of rate changes	(0.1)	(0.2)	–	1.5	1.2
Foreign exchange movements	0.7	(0.1)	(0.2)	0.1	0.5
At 31 December 2015 Unaudited	**24.6**	**11.6**	**4.0**	**(40.7)**	**(0.5)**
Credit to the consolidated profit and loss statement for the period	(0.9)	(0.4)	0.6	2.7	2.0
Foreign exchange movements	1.8	–	0.5	(1.3)	1.0
At 30 June 2016 Unaudited	**25.5**	**11.2**	**5.1**	**(39.3)**	**2.5**

13. Share capital

(£ million)	30 June 2016 Unaudited	30 June 2015 Unaudited	31 December 2015 Unaudited
Ordinary shares of £0.01 each	4.0	–	–
Ordinary shares of £0.1 each	–	7.7	7.7
"F" Ordinary shares of £0.1 each	–	0.2	0.2
	4.0	**7.9**	**7.9**

Share capital at 30 June 2015 and 31 December 2015 reflects the statutory share capital of Ascential plc on 8 February 2016, when a restructure of the Group took place. Refer to Note 1 for further details.

14. Share-based payments

(a) Description of share-based payment arrangements

i. **Share Incentive Plan**
On 11 January 2016, the Group established the Employee Share Incentive Plan and International Employee Free Share Plan (collectively known as the "SIP") which enables employees to acquire shares of the Company, subject to service conditions. On 10 March 2016, the Group made an award of 542,500 free shares, a conditional award of 211,500 shares and the cash equivalent of a conditional award of 10,000 shares to qualifying UK and international employees. The awarded free shares are held by a trustee on behalf of UK employees for a holding period of three years, while the conditional award and cash equivalent will vest with international employees after three years.

ii. **Performance Share Plan**
On 11 January 2016, the Group established the Executive Performance Share Plan ("PSP"), under which key management personnel and other senior employees are granted options to acquire shares, conditional awards of shares or a cash alternative, subject to service and performance conditions. Executive Directors are further subject to holding period for their shares upon vesting. On 21 March 2016, the Group made a grant of 2,095,790 options under the PSP. 25% of the options are subject to a Total Shareholder Return ("TSR") market performance condition and the remaining 75% is subject to an Earnings before Interest, Tax and Amortisation ("EBITA") non-market performance condition.

iii. **Long Term Incentive Plan**
A number of the Group's senior managers became shareholders of the previous ultimate parent undertaking, Eden 2 & Cie S.C.A., during 2014 and early 2015 under a Long Term Incentive Plan ("LTIP"). The continued ownership of these shares was subject to certain "good" and "bad" leaver provisions, which was linked to their continued employment by the Group. As such, the shares were deemed to constitute an equity settled share-based payment scheme. The shares were exchanged for ordinary £0.10 shares in the Company as part of the IPO restructure (see Note 1). For legal and administrative reasons, certain participants outside the UK and the US received their LTIP in cash-settled phantom awards.

(b) Measurement of fair values

The fair value of the SIP has been measured using the Black-Scholes model, while the PSP has been measured using a stochastic model. A Chaffe model (an at-market put option variance of the Black-Scholes model) has been used for the PSP awards subjective to a holding period. Non-market performance conditions were not taken into account in measuring fair values. The inputs used in the measurement of the fair values at grant date were as follows:

	SIP	PSP	PSP (subject to holding period)
Share price at grant date	236.25p	232.00p	232.00p
Exercise price	Nil	Nil	232.00p
Expected life	3 years	3 years	2 years
Risk-free interest rate	N/A	0.49%	0.88%
Expected volatility	N/A	20.00%	20.00%
Expected dividend yield	0.00%	0.00%	0.00%
Fair value at grant date	236.25p	TSR options - 163.82p EBITA options - 232.00p	TSR options - 146.95p EBITA options - 208.11p

Expected volatility is usually calculated over the period of time commensurate with the remainder of the performance period immediately prior to the date of the grant. Since the Company has only recently listed in February 2016, a proxy volatility figure has been applied. The expected terms represent the term until vesting of the shares and options, as well as the holding period from the date of vesting.

(c) Expense recognised in profit and loss

£0.2 million and £0.4 million share-based payment expense have been recognised in the profit and loss for the SIP and PSP respectively in the six months to 30 June 2016. For cash-settled phantom awards under the LTIP, £0.1 million charge has been recognised in the profit and loss in the six month to June 2016 and £0.5 million was recognised in the year to 31 December 2015. All of these charges are disclosed as Adjusting items (Note 4).

No expense has been recognised for shares granted under the LTIP as the consideration received for the shares by Eden 2 & Cie S.C.A. was equal to, or greater than, the fair value of the shares at the vesting date.

15. Related parties

(a) Parent and ultimate controlling party

As part of a restructure of the Group between 8 to 12 February 2016, Ascential plc became the ultimate parent undertaking of the Group by acquiring the entire issued share capital of and voting beneficiary certificates in Eden 2 & Cie S.C.A., via a share for share exchange.

(b) Transactions with related parties

i. Shareholder debt

During the six months to 30 June 2016, the Group recognised an interest expense of £3.4 million in respect of Shareholder debt payable to funds advised by Apax Partners LLP ("Apax") (six months to 30 June 2015: £13.1 million, 12 months to 31 December 2015: £27.2 million). The Shareholder debt was converted into equity during the restructure of the Group in February 2016, refer to Note 1 and Note 11 for further details (30 June 2015: £257.1 million, 31 December 2015: £271.2 million)

During the six months to 30 June 2016, the Group recognised an interest expense of £1.9 million in respect of Shareholder debt payable to Guardian Media Group plc ("GMG") (six months to 30 June 2015: £8.0 million, 12 months to 31 December 2015: £16.3 million). The Shareholder debt was also converted into equity during the restructure of the Group in February 2016 (30 June 2015: £154.5 million, 31 December 2015: £162.7 million).

ii. Equity holding

At 30 June 2016, funds advised by Apax own, in aggregate 149,347,637 ordinary £0.01 shares in the Company, representing 37.3% of the total issued share capital of the Company (30 June and 31 December 2015: 856,397 ordinary £0.04 shares in Eden 2 & Cie S.C.A., being 51.1%). GMG plc owns

89,620,723 ordinary £0.01 shares, representing 22.4% of issued shares (30 June and 31 December 2015: 351,599 ordinary £0.04 shares in Eden 2 & Cie S.C.A., being 21.0%).

iii. Other transactions

In the six months to 30 June 2016, the Group incurred £79,258 of costs which Apax had incurred and recharged to Apax Europe VII GP Co. Limited, which were subsequently recharged to the Group (six months to 30 June 2015: £82,387, 12 months to 31 December 2015: £250,877).

In addition, GMG plc acts as the UK representative for and is a sponsorship customer of Cannes Lions. In the six months to 30 June 2016, the Group recognised £108,330 of revenue from GMG (six months to 30 June 2015 and 12 months to 31 December 2015: £94,577). There were no other related party transactions throughout the year.

16. Events after the reporting period

There were no reportable events after 30 June 2016.