31 July 2013

Tarsus Group plc

Record results in first half

Interim results for the six months ended 30 June 2013

Tarsus Group plc ('Tarsus', the 'Group' or 'Company'), the international business-to-business media group, announces its results for the six months ended 30 June 2013.

Financial highlights

Financial highlights – six months to 30 June			
	2013	**2012**	**2011**
Revenue (£'m)	26.0	19.2	19.2
Adjusted profit before tax* (£'m)	3.9	1.8	0.6
Profit/ (loss) before tax (£'m)	0.8	(0.2)	(1.5)
Adjusted EPS* (p)	2.6	1.0	0.1
EPS (p)	(0.9)	(1.0)	(2.3)
Operating Cash Flow (£'m)	8.9	(0.8)	3.1
Interim dividend per share (p)	2.3	2.2	2.1

- Record results for first half of year
- Like-for-like revenue up 8% on 2012 as adjusted for biennials and acquisitions
- Strong underlying revenue growth driving profitability
- Adjusted* profit and EPS up significantly
- Operating cash inflow of £8.9m in period
- Interim dividend up 5% to 2.3p (2012: 2.2p)

Operational highlights

- Quality portfolio driving strong Group performance
- Very strong performance from Emerging Markets with 13% like-for-like revenue growth
  - Turkey like-for-like revenues +13%
  - China like-for-like revenues +20%
  - Dubai like-for-like revenues +6%
- Further brand replications
- Acquisition of 51% of PT Infrastructure Asia completed, providing an important base in Indonesia

Outlook

- Forward bookings currently 12% ahead of 2012
- Labelexpo Europe and the Dubai Airshow both tracking well ahead of previous events
- Focus on accelerating earnings growth

Douglas Emslie, Group Managing Director, said:

"Tarsus has delivered record results for the first six months of the year with good like-for-like revenue growth.

"We are focused on delivering our "Quickening the Pace" strategy and we have got off to a fast start. We continue to add value to our portfolio of market leading events by replicating these brands both domestically and internationally. The pace of brand replications has quickened during the period.

"We have good visibility for the full year, especially from our two largest events - the Dubai Airshow and Labelexpo Europe - and we are confident of a positive full year outcome".

For further information contact:

Tarsus Group plc:

Douglas Emslie, Group Managing Director Dan O'Brien, Group Finance Director	020 8846 2700

College Hill

Adrian Duffield / Kay Larsen	020 7457 2020

The Group will be hosting a presentation to analysts at 11.30am today at the offices of Investec, 2 Gresham Street, London, EC2V 7QP. A webcast of the presentation will be available on Tarsus's website (www.tarsus.com) from 9.30am on 1 August 2013.

Notes

*Reconciliation between reported profits and adjusted profits is included in note 6.
Like-for-like revenues are after adjusting for the impact of acquisitions, disposals, biennials and on a constant currency basis.

Overview

At the start of 2013 Tarsus launched its "Quickening the Pace" strategy. The core focus of Quickening the Pace is to accelerate earnings per share growth. This is being driven by a combination of geographical replications of major brands into fast growth economies; organic growth from the existing portfolio; tight cost control and selective bolt-on acquisitions in the US and Emerging Markets.

The first half of 2013 has seen good progress in a number of areas. Tarsus has successfully driven organic growth in its existing portfolio, led by businesses in Turkey and China. Tarsus has also announced the replication of a number of events and completed the acquisition of a business in Indonesia.

The Group's financial performance continues to benefit from the exposure of its portfolio to the Emerging Markets. Strong underlying revenue growth across the business together with tight cost control continues to drive improving margins.

The Group's Emerging Markets portfolio showed strong like-for-like revenue growth of 13% in the first half of the year with impressive performances from the Chinese and Turkish businesses.

In February 2013 Tarsus acquired 51% of Indonesian exhibition organiser PT Infrastructure Asia ("PTIA"). This acquisition has provided the Group with an important base in the fast growing Indonesian exhibition market.

Financial review

Group revenue for the period was £26.0 million (2012: £19.2 million). Adjusting for acquisitions and biennial shows, the Group achieved underlying like-for-like revenue growth of 8% in the quieter half of the year.

Adjusted profit before tax was £3.9 million (2012: £1.8 million), which reflects strong revenue growth in the portfolio together with improved operational gearing as a result of the move towards higher growth markets. The Group incurred exceptional costs of £0.4 million in respect of completed and pending acquisitions. Profit before tax was £0.8 million (2012: loss £0.2 million).*

Adjusted earnings per share were 2.6p (2012: 1.0p). Basic loss per share was 0.9p (2012: 1.0p).

An interim dividend of 2.3p per share (2012: 2.2p) has been declared and will be paid on 16 January 2014 to Shareholders on the Register on 6 December 2013. The Group will continue to offer a scrip alternative.

Operating cash inflow was £8.9 million (2012: outflow £0.8 million). Net debt at 30 June 2013 was £29.2 million (2012: £19.6 million). The strong operating cash performance was helped by the difference in timing between cash collections and payments for the large biennial events. The main driver of the increase in net debt across the first six months of 2013 was the payment of £18.6 million in respect of recent acquisitions and deferred consideration.

On 28 February 2013 Tarsus announced the acquisition of 51% of *PTIA* in Indonesia for a total estimated consideration of up to £1.8 million payable in cash, financed from existing cash and bank facilities.

Note
*The reconciliation of adjusted profit before tax is shown in note 6.

Operating review

Geographic Analysis

Emerging Markets - strong performance from China and Turkey

USA - continued growth

Europe - stable first half in France with outlook remaining cautious

	Emerging Markets			**US**			**Europe**		
£'m	**2013**	**2012**	**2011**	**2013**	**2012**	**2011**	**2013**	**2012**	**2011**
Revenue	12.3	7.3	5.7	8.3	7.8	6.5	5.5	4.1	7.1
Adjusted Profit before tax	3.3	1.5	0.5	2.6	2.4	2.0	(0.1)	(0.5)	0.1

Emerging markets

The Group's Emerging Markets portfolio saw strong growth with like-for-like growth of 13% across the division.

The Chinese operations saw a 20% like-for-like revenue increase including a notable performance from the *Hope* joint venture, continuing its strong growth. Tarsus' position in China was further strengthened by the strong performance of the first event held by the Group's 50% joint venture, *GZ Auto,* since that acquisition was completed in December 2012.

The Group's Dubai portfolio achieved like-for-like revenue growth of 6%. Tarsus' education event *GESS* performed very well with excellent visitor attendance and revenues up strongly. *Gulf Pack and Print* performed well in a difficult local commercial print market.

In Turkey, the Group's portfolio continued its impressive performance with revenues increasing 13% overall. The largest show in the period was *Asansor* (Elevator event) - the first edition under Tarsus' ownership. This performed excellently with revenues up significantly on its previous edition. *Ideal Home* (Housewares and Gift event) recorded revenue in line with expectations, its growth limited by venue constraints. *Yapi Dekor,* the decorative construction show in Ankara had its first edition under Tarsus' ownership, and performed slightly ahead of pre-acquisition expectations.

The most recent exhibition in Turkey was *REW* (the Recycling, Environment Technologies and Waste Management International Fair) - the third edition under Tarsus' ownership, which again achieved revenue growth in line with management's expectations.

The Group has launched a number of replications of GZ Auto and Zuchex into new territories, drawing on its international experience and geographical expertise, following the acquisitions of these events in recent years.

PTIA, the recently acquired Indonesian exhibition organiser, recorded revenue of £0.1 million in the first half of 2013. PTIA's main exhibition, *IIICE* (Infrastructure event), will be held in November and bookings for the show are tracking in line with expectations.

USA

Revenues across the Group's US operations increased by 6% on a like-for-like basis.

Sales in the Medical division were at record levels with educational products, including those delivered online, continuing to show good growth. Work continues to broaden the market offering of this division's educational products. The medical event held in Orlando in April performed in line with management expectations and this division is seeing a trend for the weighting of its revenues to shift toward the second half of the year.

The February *Off Price* show in Las Vegas was another record event. Bookings for the August edition of the exhibition are ahead of its comparable 2012 iteration.

Europe

Like-for-like sales in France were largely flat in the quieter first half of the year, with continued softness in IT events being partially offset by a strong performance from event shows. With the largest exhibitions taking place in the second half of the year, the Group remains cautious for the full year outlook for France.

Outlook

The Group's "Quickening the Pace" strategy has got off to a fast start. Tarsus is already seeing the benefits with improved financial performance and this is expected to increase as the strategic momentum grows.

Whilst trading is heavily weighted towards the second half, the Group's first half performance augurs well for the full year. The outlook for the second half of 2013 is good with bookings for the Group's two largest shows, the Dubai Airshow and Labelexpo Europe, both well ahead of previous editions. Forward bookings across the portfolio are strong and are currently 12% ahead of 2012 on a like-for-like basis adjusting for acquisitions and biennial events. Management remain confident of an excellent result for 2013.

Neville Buch Douglas Emslie
31 July 2013

INDEPENDENT REVIEW REPORT TO TARSUS GROUP PLC

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 2013 which comprises the Condensed Consolidated Interim Income Statement, Condensed Consolidated Interim statement of Comprehensive Income the Condensed Consolidated Interim Statement of Financial Position, the Condensed Consolidated Interim Statement of Cash Flows, Condensed Consolidated Interim Statement of Changes in Equity and related 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 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. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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 formed.

Directors' responsibilities

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

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting," as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the 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 United Kingdom. A review of interim financial information consists of making inquiries, 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 2013 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

31 July 2013

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Period to 30 June 2013	Period to 30 June 2012
		£'000	£'000
		Unaudited	Unaudited
Revenue	7	26,016	19,157
Share of joint venture		1,294	-
Operating costs		(25,094)	(18,671)
Group operating profit		2,216	486
Finance costs		(1,452)	(648)
Profit/(loss) before taxation		764	(162)
Taxation expense	8	(693)	(71)
Profit/(loss) for the financial year		71	(233)
(Loss) for the financial year attributable to equity shareholders of the parent company		(833)	(865)
Profit for the financial year attributable to non-controlling interests		904	632
		71	(233)

	Note	Period to 30 June 2013	Period to 30 June 2012
Earnings per share (pence)	9		
- basic		(0.9)	(1.0)
- diluted		(0.9)	(0.9)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June

	Period to 30 June 2013	Period to 30 June 2012
	£'000	£'000
	Unaudited	Unaudited
Profit/(loss) for the financial year	71	(233)
Other comprehensive expense recognised directly in equity:		
Cash flow hedge reserve - movement in fair value	338	(9)
Foreign exchange translation differences	3,112	(821)
Other comprehensive expense	3,450	(830)
Total comprehensive income/(expense) for the year	3,521	(1,063)
Attributable to:		
Equity shareholders of the parent company	2,617	(1,818)
Non-controlling interests	904	755
Total comprehensive income/(expense) for the year	3,521	(1,063)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Period to 30 June 2013	Period to 30 June 2012	At 31 December 2012
		£'000	£'000	£'000
		Unaudited	Unaudited	Unaudited
NON-CURRENT ASSETS				
Property, plant and equipment		1,365	1,509	1,424
Intangible assets	10	112,531	98,873	102,592
Investment in Joint Venture		12,365	-	11,058
Other investments		1	1	1
Deferred tax assets		684	728	1,122
		126,946	101,111	116,197
CURRENT ASSETS				
Trade and other receivables		23,735	19,692	22,679
Cash and cash equivalents		8,031	6,260	10,255
		31,766	25,952	32,934
CURRENT LIABILITIES				
Trade and other payables		(18,982)	(13,011)	(32,376)
Deferred income		(31,363)	(24,328)	(25,335)
Other interest bearing loans and borrowings		-	(1,250)	-
Liabilities for current tax		(908)	(1,832)	(2,299)
		(51,253)	(40,421)	(60,010)
NET CURRENT LIABILITIES		(19,487)	(14,469)	(27,076)
TOTAL ASSETS LESS CURRENT LIABILITIES		107,459	86,642	89,121
NON-CURRENT LIABILITIES				
Other payables		(21,534)	(13,688)	(12,645)
Deferred tax liability		(5,354)	(4,600)	(3,929)
Interest bearing loans and borrowings		(38,025)	(24,283)	(25,519)
		(64,913)	(42,571)	(42,093)
NET ASSETS		42,546	44,071	47,028
EQUITY				
Share capital		4,794	4,756	4,772
Share premium account		37,614	37,219	37,484
Other reserves		(3,942)	(6,055)	(7,398)
Retained earnings		765	5,857	9,387
Issued capital and reserves attributable to equity shareholders of the parent		39,231	41,777	44,245
NON-CONTROLLING INTERESTS		3,315	2,294	2,783
TOTAL EQUITY		42,546	44,071	47,028

The financial statements of Tarsus Group plc, registered number 101579 (Jersey), were approved by the board and authorised for issue on 31 July 2013 and signed on its behalf by:

J D Emslie
Group Managing Director

D P O'Brien
Group Finance Director

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Period to 30 June 2013	Period to 30 June 2012
	Unaudited	**Unaudited**
	£'000	**£'000**
Cash flows from operating activities		
Profit for the year	71	(233)
Adjustments for:		
Depreciation	284	278
Amortisation & Impairment	1,911	1,579
Loss on disposal of intangible assets	7	-
Loss/(profit) on disposal of tangible assets	1	(57)
Share option charge	507	162
Taxation charge	693	71
Interest payable	1,452	648
Share of profit from joint ventures	(1,294)	-
Operating cash flow before changes in working capital	3,632	2,448
Decrease/(increase) in trade and other receivables	58	(2,901)
Increase/(decrease) in trade and other payables	5,257	(394)
Cash generated from operations	8,947	(847)
Interest paid	(541)	(862)
Income taxes paid	(1,358)	(987)
Net cash from operating activities	7,048	(2,696)
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	64	44
Acquisition of property, plant & equipment	(268)	(129)
Acquisition of intangible fixed assets	(27)	(445)
Acquisition of subsidiary - cash paid	(372)	(10,461)
Acquisition of subsidiary - cash acquired	4	1,202
Deferred and contingent consideration paid	(18,229)	(2,032)
Net cash outflow from investing activities	(18,828)	(11,821)
Cash flows from financing activities		
Drawdown of borrowings	11,488	3,483
Proceeds from the issue of share capital	145	10,916
Cost of share issue	(38)	(356)
Dividends paid to shareholders in parent company	(2,025)	(1,767)
Dividends paid to non-controlling interests in subsidiaries	(542)	-
Net cash outflow/(inflow) from financing activities	9,028	12,276
Net decrease in cash and cash equivalents	(2,752)	(2,241)
Opening cash and cash equivalents	10,255	8,505
Foreign exchange movements	528	(4)
Closing cash and cash equivalents	8,031	6,260

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent								
	Share Capital Account £000	**Share Premium Reserve £000**	**Reorgan-isation Reserve* £000**	**Capital Redemption Reserve £000**	**Fair Value Reserve £000**	**Foreign Exchange Reserve £000**	**Retained Earnings £000**	**Non-Controlling Interests £000**	**Total £000**
As at 1 January 2013	4,772	37,484	6,013	(443)	(420)	(12,548)	9,387	2,783	**47,028**
Recognised foreign exchange losses for the period	-	-	-	-	-	3,118	(6)	-	**3,112**
Profit for the period:									
– Attributable to equity shareholders	-	-	-	-	-	-	(833)	-	**(833)**
– Attributable to non-controlling interests	-	-	-	-	-	-	-	904	**904**
Cashflow hedge reserve	-	-	-	-	338	-	-	-	**338**
Total comprehensive income (expense) for the period	-	-	-	-	338	3,118	(839)	904	3,521
Scrip dividend	1	45	-	-	-	-	-	-	**46**
New share capital subscribed	21	123	-	-	-	-	-	-	**144**
Cost of shares issued	-	(38)	-	-	-	-	-	-	**(38)**
Share option charge	-	-	-	-	-	-	203	-	**203**
Movement in reserves relating to deferred tax	-	-	-	-	-	-	42	-	**42**
Dividend paid	-	-	-	-	-	-	(2,072)	-	**(2,072)**
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(542)	**(542)**
Written Put options over non-controlling interests	-	-	-	-	-	-	(5,956)	-	**(5,956)**
Non-controlling interests arising on acquisition	-	-	-	-	-	-	-	170	**170**
Net change in shareholders' funds	22	130	-	-	338	3,118	(8,622)	532	**(4,482)**
Period to 30 June 2013	**4,794**	**37,614**	**6,013**	**(443)**	**(82)**	**(9,430)**	**765**	**3,315**	**42,546**

***The reorganisation reserve was created as a result of the Scheme of Arrangement effective from 26 November 2008. Tarsus Group Limited, previously Tarsus Group plc, registered in England and Wales under company number 2000544, entered into a "Share for Share" exchange on a one-for-one basis with Tarsus Group plc, registered in Jersey under company number 101579.**

	Share Capital Account £000	Share Premium Reserve £000	Reorgan-isation Reserve £000	Capital Redemption Reserve £000	Fair Value Reserve £000	Foreign Exchange Reserve £000	Retained Earnings £000	Non-Controlling Interests £000	Total £000
			Attributable to equity holders of the parent						
As at 1 January 2012	4,342	26,884	6,013	(443)	(295)	(10,377)	15,370	912	42,406
Recognised foreign exchange losses for the period	-	-	-	-	-	(944)	-	123	(821)
Profit for the period:									
– Attributable to equity shareholders	-	-	-	-	-	-	(865)	-	(865)
– Attributable to non-controlling	-	-	-	-	-	-	-	-	-
interests	-	-	-	-	-	-	-	632	632
Cashflow hedge	-	-	-	-	(9)	-	-	-	(9)
Total comprehensive income (expense) for the period	-	-	-	-	(9)	(944)	(865)	755	(1,063)
Scrip dividend	1	32	-	-	-	-	-	-	33
New share capital subscribed	413	10,659	-	-	-	-	-	-	11,072
Cost of shares issued	-	(356)	-	-	-	-	-	-	(356)
Share option charge	-	-	-	-	-	-	162	-	162
Movement in reserves relating to deferred tax	-	-	-	-	-	-	(160)	-	(160)
Dividend paid	-	-	-	-	-	-	(1,800)	-	(1,800)
Liability on put option over non-controlling interest	-	-	-	-	-	-	(6,850)	-	(6,850)
Non-controlling interests arising on acquisition	-	-	-	-	-	-	-	627	627
Reduction in non-controlling interests on disposal of subsidiary	-	-	-	-	-	-	-	-	-
Net change in shareholders' funds	414	10,335	-	-	(9)	(944)	(9,513)	1,382	1,665
Period to 30 June 2012	4,756	37,219	6,013	(443)	(304)	(11,321)	5,857	2,294	44,071

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. REPORTING ENTITY

Tarsus Group plc (the "Company") is a company incorporated in Jersey and resident in Ireland. The condensed consolidated financial statements of the Company as at and for the six months ended 30 June 2013 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in jointly controlled entities.

The consolidated financial statements of the Group as at and for the year ended 31 December 2012 are available upon request from the Company Secretary at 17 Upper Pembroke Street, Dublin 2, Ireland.

Having reviewed the Group's liquid resources, borrowing facilities and cash flow forecasts, the directors believe that the Group has adequate resources to continue as a going concern for the foreseeable future.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. They do not constitute the Group's statutory accounts.

The interim financial statements should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012 which were prepared under International Financial Reporting Standards, as adopted by the European Union, and have been reported on by the Company's auditor. The auditor report was unqualified.

The interim financial statements were approved by a duly appointed and authorised committee of the Board of Directors on 29 July 2013. The interim financial statements are unaudited but have been reviewed by the auditors as set out in their report.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

4. ESTIMATES

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

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

5. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the end for the year ended 31 December 2012.

6. PROFIT AND LOSS ANALYSIS

The following analysis illustrates the performance of the Group's activities, and reconciles the Group's profit as show in the condensed consolidated interim income statement, to adjusted profits. Adjusted profit is prepared to provide a better indication of overall financial performance and to reflect how the business is managed and measured on a day to day basis. The adjusted profit excludes share option charges, amortisation of intangible assets and unwinding of discount charges.

	Six months to 30 June 2013 £000 Unaudited	**Six months to 30 June 2012 £000 Unaudited**
Profit/(loss) for the financial period after taxation	71	(233)
Add back:		
Taxation charge	693	71
	764	(162)
Add back:		
Exceptional costs *	376	193
Share option charge	507	162
Amortisation charge (excluding amounts charged to costs of sale)	1,498	1,579
Loss/(profit) on disposal of tangible fixed assets	1	(57)
Loss/(profit) on disposal of intangible fixed assets	7	-
Unwinding of discount	769	37
Adjusted profit before tax	**3,922**	**1,752**

*In 2013, the Group incurred exceptional one-off costs resulting from acquisition costs or potential acquisition costs.

7. SEGMENTAL ANALYSIS

As at 30 June 2013, the Group is organised into three main operating segments – Europe, USA and Emerging Markets. These segments are the basis on which the Group reports its segments are the basis on which the Group reports its segment information for management purposes.

The main activities of all segments are the production of exhibitions, conferences, magazines, directories and online media.

The following table sets out the revenue and profit information and certain asset and liability information for the Group's reportable segments:

			30 June 2013	Unaudited	
	Emerging			Central	
	Markets	USA	Europe	Costs	Group
Revenue by sector	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Group revenue	12,301	8,254	5,461	-	26,016
Profit/(loss) from operating activities	3,342	2,561	(108)	(3,579)	2,216
Net financing costs	-	-	-	(1,452)	(1,452)
Profit/(loss) before taxation	3,342	2,561	(108)	(5,031)	764
Exceptional costs	-	-	-	376	376
Share option charge	-	-	-	507	507
Amortisation charge	-	-	-	1,498	1,498
Loss on disposal of assets	-	-	-	8	8
Unwinding of discount - contingent consideration	-	-	-	769	769
Adjusted profit/(loss) before tax	3,342	2,561	(108)	(1,873)	3,922

			30 June 2012	Unaudited	
	Emerging			Central	
	Markets	USA	Europe	Costs	Group
Revenue by sector	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Group revenue	7,295	7,751	4,111	-	19,157
Profit/(loss) from operating activities	1,467	2,368	(470)	(2,879)	486
Net financing costs	-	-	-	(648)	(648)
Profit/(loss) before taxation	1,467	2,368	(470)	(3,527)	(162)
Exceptional costs	-	-	-	193	193
Share option charge	-	-	-	162	162
Amortisation charge	-	-	-	1,579	1,579
Profit on disposal of tangible assets	-	-	-	(57)	(57)
Fair value adjustment - contingent consideration	-	-	-	(68)	(68)
Unwinding of discount - contingent consideration	-	-	-	105	105
Adjusted profit/(loss) before tax	1,467	2,368	(470)	(1,613)	1,752

7. SEGMENT ANALYSIS (CONTINUED)

Non- current assets within Emerging Markets have significantly increased due to the acquisition of PTIA on 28 February 2013. The segmental analysis of non-current assets excluding deferred tax, is as follows:

	Non-current assets Unaudited			
	Emerging Markets	USA	Europe	Group
	£'000	£'000	£'000	£'000
At 30 June 2013	65,356	41,049	19,857	126,262

	Non-current assets Unaudited			
	Emerging Markets	USA	Europe	Group
	£'000	£'000	£'000	£'000
30 June 2012	41,087	39,297	19,999	100,383

	Non-current assets audited			
	Emerging Markets	USA	Europe	Group
	£'000	£'000	£'000	£'000
At 31 December 2012	58,276	37,896	18,903	115,075

8. TAXATION CHARGE

The taxation charge for the six months ended 30 June 2013 is based upon the estimated effective tax rate of 15% on adjusted profit before tax (2012: 15%) for the year ending 31 December 2013.

9. EARNINGS PER SHARE

	Six months to 30 June 2013 Pence Unaudited	Six months to 30 June 2012 Pence Unaudited
Basic earnings per share	(0.9)	(1.0)
Diluted earnings per share	(0.9)	(0.9)
Adjusted earnings per share	2.6	1.0
Adjusted diluted earnings per share	2.5	0.9

9. EARNINGS PER SHARE (CONTINUED)

Basic earnings per share
Basic earnings per share has been calculated on loss after tax attributable to ordinary shareholders for the six months of £833,000 (June 2012 profit: £865,000) and 94,539,919 (June 2012: 90,127,025) ordinary shares, being the weighted average number of shares in issue during the period.

Diluted earnings per share
Diluted earnings per share has been calculated on loss after tax attributable to ordinary shareholders for the six months of £833,000 (June 2012 profit: £865,000) and 95,776,435 (June 2012: 91,475,798) ordinary shares, being the diluted weighted average number of shares in issue during the period.

Adjusted earnings per share
Adjusted earnings per share is calculated using loss after tax attributable to equity shareholders, adjusted for exceptional costs, share option charges, amortisation charges, impairment of tangibles, profit and loss on disposal of tangible and intangible assets, of £2,416,000 (June 2012: £858,000) and 94,539,919 (June 2012: 90,127,025) ordinary shares, being the weighted average number of shares in issue during the period.

Adjusted diluted earnings per share
Adjusted diluted earnings per share is calculated using loss after tax attributable to equity shareholders, adjusted for exceptional costs, share option charges, amortisation charges, impairment of tangibles, profit and loss on disposal of tangible and intangible assets, of £2,416,000 (June 2012: £858,000) and 95,776,435 (June 2012: 91,475,798) ordinary shares, being the diluted weighted average number of shares in issue during the period.

Weighted average number of ordinary shares (diluted):

	Six months to 30 June 2013 Unaudited	Six months to 30 June 2012 Unaudited
Weighted average number of ordinary shares	94,539,919	90,127,025
Dilutive effect of share options	1,236,516	1,348,773
Weighted average number of ordinary shares (diluted)	95,776,435	91,475,798

10. INTANGIBLE FIXED ASSETS

	Goodwill	Trademarks, lists and other	Total
	£'000 Unaudited	£'000 Unaudited	£'000 Unaudited
COST			
At 1 January 2013	95,411	34,208	129,619
Additions through business acquisition	1,208	464	1,672
Additions	-	5,962	5,962
Foreign exchange	3,899	1,980	5,879
At 30 June 2013	100,518	42,614	143,132
AMORTISATION			
At 1 January 2013	10,039	16,988	27,027
Charge for the year	-	1,911	1,911
Foreign exchange	463	1,200	1,663
At 30 June 2013	10,502	20,099	30,601
NET BOOK VALUE			
At 30 June 2013	90,016	22,515	112,531
At 31 December 2012	85,372	17,220	102,592
At 30 June 2012	81,901	16,972	98,873

11. ACQUISITIONS

The Group completed one acquisition during the first half of 2013, in line with the Group's "Project 50/13" strategy of expansion into Emerging Markets and specifically the fast-growing Indonesian economy.

Effective date	Name	Type of business	Percentage acquired
28 February 2013	PT Infrastructure Asia ("PTIA")	Exhibition business	51%

The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the Group, in respect of the acquisition made during 2013:

11. ACQUISITIONS (CONTINUED)

	PTIA	Adjustments	Fair value
	£'000	**£'000**	**£'000**
Property, plant and equipment	24		24
Other intangibles		464	464
Trade and other receivables	140		140
Cash and cash equivalents	4		4
Trade and other payables	(192)		(192)
Deferred tax liability		(93)	(93)
	(24)	371	347
Non-controlling interest (49%)			(170)
Net assets acquired			177
Goodwill arising on acquisition			874
			1,051
Consideration paid and costs incurred:			
Satisfied in cash			372
Contingent consideration (less than one year)			543
Contingent consideration (greater than one year)			136
Total consideration incurred			1,051
Consideration paid in cash			372
Cash acquired			(4)
Total net cash outflow			368

The values used in accounting for the identifiable assets and liabilities and related contingent consideration of this acquisition are estimates and are therefore provisional in nature at the balance sheet date. If necessary, adjustments will be made to these carrying values and the related goodwill, within 12 months of the acquisition date. The non-controlling interest is measured as their proportionate share of the fair value of the net assets.

Contingent consideration relates to payments to vendors, payable after completion, that are dependent on the outcome of future events. This contingent consideration is dependent on the future financial performance of the various exhibitions, conferences and publications acquired during 2013.

Tarsus and the vendor hold put options over the remaining 49% of the shares of the business, exercisable from 2016 and enforceable by either party in 2017, with consideration payables based on a multiple of EBIT in the relevant year. The group has recognised a liability for this in accordance with IAS 32, “Financial Instruments”, with a corresponding debit in equity.

From the date of acquisition to 30 June 2013, the acquisition has contributed £0.1 million of revenue to the Group.

Goodwill of £0.9 million, recognised on this acquisition, relates to certain assets that cannot be separated and reliably measured. These items include sector knowledge, customer loyalty and the anticipated future profitability that the Group can bring to the business acquired.

The Group incurred transaction costs of £30,000 in respect of the acquisition.

12. DIVIDENDS

The following dividends were paid and proposed by the Group:

	2013 £000 Unaudited	2012 £000 Unaudited
Dividend paid in current period in cash or scrip		
2012 interim dividend (2.1p per share)	2,025	1,800
	2,025	1,800
Dividend paid and proposed post period end		
2012 final dividend paid 4.6p per share (2011: 4.2p per share)	4,376	3,945
Dividend proposed in the period 2.3p per share (2012: 2.2p per share)	2,205	2,093
	6,581	6,038

13. FOREIGN EXCHANGE TRANSLATION DIFFERENCES

Other Comprehensive Income includes foreign exchange translation gains of £3.1 million (June 2012: losses of £0.8 million) relating to the retranslation of foreign currency denominated net assets, including goodwill.

14. RELATED PARTIES

As at 30 June 2013 directors of the company controlled 10.6% (31 December 2012: 10.6%) of the voting shares of the company.

Executive officers also participate in the Group's share option programme and share acquisition plan.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

We confirm that to the best of our knowledge:

- The condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group;
- The interim management report includes a fair review of the information required by:
  (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being 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 financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  (b) DTR4.2.8R of the Disclosure and Transparency Rules, being 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 entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

Principal risks and uncertainties

The Board consider the principal risks and uncertainties relating to the Group for the next six months to be the same as details in our last Annual Report and Accounts to 31 December 2012 and include:

- Economic and financial uncertainties;
- Events and exhibitions may be adversely affected by incidents which can curtail travel;
- Expansion into new geographic regions subjects the group to new operating risks;
- Fluctuation in exchange rates may affect the reported results;
- The ability to implement and execute strategic plans depends on the ability to attract and retain key management.

Full details of the risks and uncertainties are detailed in the Directors' Report of the 2012 accounts

J D Emslie
Group Managing Director
31 July 2013

D P O'Brien
Group Finance Director