Tarsus Group Plc

28 July 2010

Interim Results for the six months ended 30 June 2010

Encouraging first half results with good visibility for the full year

Tarsus Group Plc ('Tarsus', 'the Group' or 'the Company') (LSE:TRS), the international business-to-business media group, today reports that the Group has continued to perform well in the first six months of the year. Visibility is good for the second half and gives us confidence for a successful outturn for the full year.

Operational Highlights

- *US:* good momentum in Off-Price and Medical events. Sales significantly ahead of 2009.
- *Europe:* proactive approach of the management team in France reflected in improved and re-energised shows. Fourth quarter event revenues stabilised.
- *Emerging Markets:* Middle and Far Eastern markets continue to develop well. Strong growth at MEBA (business aviation event).

Financial Highlights

The Group's revenues and profits are heavily weighted towards the second half of the year when the majority of our exhibitions occur. A summary of first half financial highlights includes:

- Total revenue up 17% to £16.9m (2008: £14.5m)
- Organic revenue growth of 7%
- Adjusted profit before tax up 22% to £1.1m (2008: £0.9m)
- Interim dividend maintained at 2p per share
- Bank facilities extended to end 2013
- Inclusion in FTSE ALL Share Index

	Results to 30 June			
	2010	**2009**	**2008**	**2010/2008 %**
Revenue £'m	16.9	19.7	14.5	+17%
Adjusted Profit Before Tax £'m	1.1	1.7	0.9	+22%
Adjusted EPS	0.8p	1.8p	0.8p	-
Adjusted Tax Rate	17%	17%	21%	

H2 Outlook

The Group continues to perform in line with expectations and we are once again seeing good visibility for the year as a whole:

- 76% of expected 2010 revenues are now contracted (2009 80%).
- Further progress has been made with "Project 50/13", accelerating the pace of Tarsus' scale in Emerging Markets.

- Further organic growth anticipated through new launches in both the French and US divisions in the second half.

Neville Buch, Chairman of Tarsus, commented:

"We have continued to drive and develop our business and are pleased to have grown revenues organically by 7% in this seasonally quieter period. The focus on organic growth continues into the second half as the sectors we serve gradually return to growth. Encouragingly, overall visitor numbers at our events have continued to improve – illustrating the strength, quality and importance of our brands. We are also on track with our "Project 50/13" which seeks to significantly increase the Group's scale in high growth Emerging Markets.

In recognition of the importance we place on improving attendance at our exhibitions, Labelexpo was awarded the Association of Event Organisers Marketing Award 2010 – the only exhibition to have received this commendation twice.

Despite a challenging economic environment, we remain confident in our ability to develop and grow Tarsus in both the short and medium term."

For further information, please contact:

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The Company will be hosting a presentation to analysts at 12.30pm today at the offices of Investec, 2 Gresham Street, London EC2V 7QP. A webcast of the presentation will be made available on Tarsus's website (www.tarsus.com) from 9.30am tomorrow.

Chairman & Managing Director's Statement

The Importance of Exhibitions in the Current Economic Environment

For nearly two years corporates in developed western markets have experienced almost unprecedented economic conditions and a global downturn not seen since the 1930s. Given this environment, marketing departments have scrutinised all aspects of expenditure and have placed emphasis on sales channels that are effective and demonstrate a quantifiable return on investment.

During this period, Emerging Markets have remained resilient with both countries and corporates looking to develop sales and marketing platforms that will underpin further economic development.

The exhibitions market has continued to take a larger share of corporate marketing spend. Alongside the development of on-line channels, the advantages for both buyers and sellers of being able to develop face-to-face relationships, showcase and review the latest products in person, generate and track sales and measure the return on capital and time invested, are increasingly being recognised and valued over other more traditional methods.

Whilst Tarsus sits in the broader media sector, it is this high growth sub-sector of B2B sales generation within which the Group operates. This positioning differentiates the Group from more traditional media companies and has enabled Tarsus to continue to grow and develop its business and create value for shareholders.

H1 Performance

The Group's results remain heavily weighted towards the second half of the year when the majority of our exhibitions occur. Trading in the first half has been in line with the Board's expectations.

The table below provides a comparison of these results with 2009 and its more relevant 2008 comparator.

	Results to 30 June			
	2010	**2009**	**2008**	**2010/2008 %**
Revenue £'m	16.9	19.7	14.5	17%
Adjusted* Profit Before Tax £'m	1.1	1.7	0.9	22%
Adjusted* EPS	0.8p	1.8p	0.8p	-
Adjusted*Tax Rate	17%	17%	21%	-
Dividend Per Share	2p	2p	2p	-

Adjusted* profit before tax was £1.1m (2009:£1.7m), adjusted EPS was 0.8p per share (2009:1.8p) and the Director's have declared an interim dividend of 2p per share (2009:2p). This dividend will be paid on 21st January 2011 to Shareholders on the Register of Members of the Company on 10th December 2010. We will continue to offer a scrip alternative.

Cashflow remains strong with £1.6m (2009:£3.4m) of operating cashflow generated in the period, representing an operating profit conversion rate of 146% (2009:196%). Net Debt at 30 June was £31.9m (£30.7m at 31 December 2009), in line with our expectations.

The first half of the year has seen the successful conclusion of two key objectives. Firstly, we have renewed our bank facilities out to the end of 2013 to enable us to take advantage of the significant operational opportunities that are present within the Group. The new banking facilities replace the existing £38m facilities that were due to mature in 2011 and comprise £40m of both fixed term and revolving credit facilities provided equally by two banks, the Royal Bank of Scotland and the Bank of Ireland.

Secondly, we have resolved the European tax dispute for which we made an exceptional provision of £1.4m at the end of 2009. The settlement was for less than the claim received by the Group and in line with the estimate for which we had provided.

**Adjusted Profit Before Tax, Adjusted EPS and Adjusted Tax Rate are all calculated using reported results as adjusted for share option charges, amortisation charges, exceptional costs, tax on profits from joint ventures and excludes any profit/loss on disposal of intangible assets. A reconciliation between reported and adjusted profit before tax is provided in Note 6 to these Interim Results.*

Operational Review

	US			Europe			Emerging Markets		
£'m	**2010**	**2009**	**2008**	**2010**	**2009**	**2008**	**2010**	**2009**	**2008**
Revenue	6.2	4.6	4.1	7.4	9.7	9.2	3.3	5.4	1.2
Adjusted Profit before tax	1.9	1.4	1.3	0.4	1.0	1.3	0.1	0.7	(0.4)

US

Our Off-Price exhibitions had a strong first half with revenues well up on the previous year. Whilst the market in the US for discount clothing continues to grow, Tarsus has evolved its proposition to include a broader cross section of products and exhibitors.

The Medical division has also performed strongly in the year to date. The educational component of these events now comprises 50% of revenues and looks set to continue to exhibit strong growth. Doctors are attracted to our events by their need to obtain certification in new and emerging medical disciplines. In turn, they are able to grow their practices and prosper in an evolving healthcare sector under the Obama administration.

Europe

As expected, the first half proved to be challenging for our French business with the smaller events impacted by the weak economic environment.

Performance was mitigated by the actions of the new management team. Although margins are reduced, they have been maintained in line with our expectations for the full year, which compares to a break even position during the last recession. Operationally the division has been tightly run, with costs reduced and the product offering improved, resulting in better events for both exhibitors and visitors.

Emerging Markets

The first half contained a number of small events and new launches. The key event for the second half is MEBA (business aviation), where sales are well ahead of the previous edition.

In the Middle East we continue to build our core exhibitions business in Dubai. In addition, we are planning to build a bigger and broader based portfolio in the Middle East and are setting up a new operation in Abu Dhabi. We plan to move our education event, GESS, from Dubai to Abu Dhabi in 2011.

Outlook

The biennial nature and composition of the Group's portfolio favours odd years. However, exhibitors commit to future events well ahead of their occurrence thus providing good visibility.

Approximately 76% of expected 2010 full year revenues are now contracted compared with 80% in the previous comparable cycle.

Three key themes underpin the overall Group strategy and the operational developments implemented as part of "Project 50/13" - accelerating the pace of Tarsus' scale in Emerging Markets.

Developing the Group's Infrastructure & Management Team

The first half of 2010 has seen the development and strengthening of the management team in our Emerging Markets division. The quality and capability of these teams within each region are key drivers of performance and of Tarsus' ability to identify, seize and develop opportunities for profitable growth.

As indicated at the beginning of the year, the Dubai management team has now relocated from the UK and is permanently based in the country. The Group's new CEO of Asia started in March and is now based in Hong Kong.

The Senior management's experience and established relationships in the Middle & Far East will be central to the continued successful implementation of "Project 50/13" in the second half.

Driving Organic Growth

The performance and development of the Group over the last two and a half years illustrates that Tarsus does not need to make acquisitions in order to grow its business as there have been no acquisitions of consequence.

Organic development has been focused around our core exhibitions and market sectors.

We have supplemented good organic growth in space sales by adding ancillary revenue opportunities such as conferences and online-products.

Generating New Business Opportunities

Having a strong and dynamic management team located within each region increases activity within any given market and generates additional opportunities for the Group.

In the Emerging Markets, the new management team has already generated a significant number of business development opportunities which will be pursued further and developed in the second half as we seek to broaden our Middle East and Chinese businesses. Our Chinese joint venture, Hope which is based in central China is benefiting from a shift in production capability away from the coastal regions.

In France, the management team has implemented a number of initiatives aimed at reinvigorating the portfolio. This proactive and entrepreneurial approach has led to five product launches in the first half.

In the US, discount clothing continues to take market share with consumers looking for value. The Off-Price exhibitor proposition is being developed to include accessories, jewellery and footwear. Our Medical division has launched 15 new products in the last two years with further new events scheduled for 2010 and 2011. Globally the market for labels continues to grow, although we are seeing slightly slower sales in the more mature and established US market, balanced by increasing spend on capital items in Emerging Markets.

Bernard Becker

We are greatly saddened to inform you that Bernard Becker, who stepped down from the Tarsus Board in January 2009 but remained as non-executive Chairman of our French division, tragically passed away on 21 April 2010 after a short illness. Bernard was a much loved and respected member of the exhibition community, a close friend and colleague. He will be sorely missed by us all at Tarsus and our heartfelt sympathies go out to all his family.

Neville Buch
Chairman

Douglas Emslie
Group Managing Director

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 2010 which comprises the Condensed Consolidated Interim Income Statement, Condensed Consolidated Interim Statement of Comprehensive Income, Condensed Consolidated Interim Statement of Financial Position, Condensed Consolidated Interim Statement of Changes in Equity, Condensed Consolidated Interim Statement of Cash Flows and the 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 the terms of our engagement. 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 Disclosure and Transparency Rules of the United Kingdom's Financial Services 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 interim 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 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 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PKF (UK) LLP
28 July 2010 London, UK

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30 June

	Notes	2010 £000	2009 £000
		Unaudited	Unaudited
Revenue	7	16,882	19,698
Operating costs		(16,822)	(18,730)
Operating profit		60	968
Share of profit of joint venture (post tax)		-	95
Finance income		-	1
Finance costs		(607)	(638)
(Loss)/profit before taxation		(547)	426
Taxation expense	9	(190)	(150)
(Loss) /profit for the financial period		(737)	276
Loss for the financial period attributable to equity shareholders of the parent company		(1,072)	(53)
Profit for the financial period attributable to non-controlling interests		335	329
`		(737)	276

	Notes	2010 Unaudited	2009 Unaudited
Loss per share (pence)	10		
- basic		(1.6)	(0.1)
- diluted		(1.6)	(0.1)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June

	Notes	2010 £000	2009 £000
		Unaudited	Unaudited
(Loss) /profit for the financial period		(737)	276
Other comprehensive income:			
Foreign exchange translation differences	13	4,378	(9,504)
Revaluation of trade investment		-	118
Other comprehensive income/(expense)		4,378	(9,386)
Total comprehensive income/(expense) for the period		3,641	(9,110)
Attributable to:			
Equity holders of the parent company		3,306	(9,439)
Non-controlling interests		335	329
Total comprehensive income/(expense) for the period		3,641	(9,110)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Notes	30 June 2010 £000 Unaudited	30 June 2009 £000 Unaudited	31 December 2009 £000 Audited
NON-CURRENT ASSETS				
Property, plant and equipment		1,226	1,108	1,141
Intangible assets	11	97,842	96,729	95,315
Interests in joint ventures		-	706	-
Other investments		-	1,051	-
Deferred tax assets		1,274	1,845	1,917
		100,342	101,439	98,373
CURRENT ASSETS				
Trade and other receivables		15,380	13,794	14,673
Cash and cash equivalents		5,849	8,540	10,288
		21,229	22,334	24,961
CURRENT LIABILITIES				
Trade and other payables		(13,725)	(20,621)	(21,043)
Deferred income		(20,076)	(23,788)	(14,925)
Provisions		-	-	(1,195)
Bank overdrafts		-	-	(1,002)
Interest bearing loans and borrowings		(8,900)	(7,076)	(8,356)
Liabilities for current tax		(3,769)	(2,303)	(4,315)
		(46,470)	(53,788)	(50,836)
NET CURRENT LIABILITIES		(25,241)	(31,454)	(25,875)
TOTAL ASSETS LESS CURRENT LIABILITIES		75,101	69,985	72,498
NON-CURRENT LIABILITIES				
Other payables		(3,069)	(5,308)	(4,426)
Deferred tax liability		(4,585)	(4,591)	(4,798)
Interest bearing loans and borrowings		(28,485)	(32,208)	(28,057)
		(36,139)	(42,107)	(37,281)
NET ASSETS		38,962	27,878	35,217
EQUITY				
Share capital		3,465	3,111	3,422
Share premium account		6,295	172	6,033
Other reserves		173	(2,391)	(4,205)
Retained earnings		27,625	25,915	28,494
Issued capital and reserves attributable to equity holders of the parent		37,558	26,807	33,744
NON CONTROLLING INTEREST		1,404	1,071	1,473
TOTAL EQUITY		38,962	27,878	35,217

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent								
	Share capital £000	Share premium account £000	Reorganisation reserve £000	Capital redemption reserve £000	Fair value reserve £000	Foreign exchange reserve £000	Retained earnings £000	Non-controlling interest £000	Total £000
As at 30 June 2010:									
Recognised foreign exchange gain for the period	-	-	-	-	-	4,378	-	-	4,378
Non-controlling interest profit for the period	-	-	-	-	-	-	-	335	335
Loss attributable to shareholders	-	-	-	-	-	-	(1,072)	-	(1,072)
Total comprehensive result for the period	-	-	-	-	-	4,378	(1,072)	335	3,641
New share capital subscribed	43	262	-	-	-	-	-	-	305
Share option charge	-	-	-	-	-	-	203	-	203
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(404)	(404)
Net change in shareholders' funds	43	262	-	-	-	4,378	(869)	(69)	3,745
Opening equity shareholders' funds	3,422	6,033	6,013	(443)	-	(9,775)	28,494	1,473	35,217
Closing equity shareholders' funds	3,465	6,295	6,013	(443)	-	(5,397)	27,625	1,404	38,962

	Attributable to equity holders of the parent								
	Share capital	**Share premium account**	**Reorganisation reserve**	**Capital redemption reserve**	**Fair value reserve**	**Foreign exchange reserve**	**Retained earnings**	**Non-controlling interest**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
As at 30 June 2009:									
Recognised foreign exchange losses for the period	-	-	-	-	-	(9,504)	-	-	(9,504)
Revaluation of trade investment	-	-	-	-	118	-	-	-	118
Non-controlling interest profit for the period	-	-	-	-	-	-	-	329	329
Loss attributable to shareholders	-	-	-	-	-	-	(53)	-	(53)
Total comprehensive result for the period	-	-	-	-	118	(9,504)	(53)	329	(9,110)
Scrip dividend	7	100	-	-	-	-	-	-	107
New share capital subscribed	9	72	-	-	-	-	-	-	81
Share option charge	-	-	-	-	-	-	101	-	101
Dividend paid	-	-	-	-	-	-	(2,444)	-	(2,444)
Net change in shareholders' funds	16	172	-	-	118	(9,504)	(2,396)	329	(11,265)
Opening equity shareholders' funds	3,095	-	6,013	(443)	43	1,382	28,311	742	39,143
Closing equity shareholders' funds	3,111	172	6,013	(443)	161	(8,122)	25,915	1,071	27,878

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June

	2010 £000 Unaudited	**2009 £000 Unaudited**
Cash flows from operating activities		
(Loss) / Profit for the period	(737)	276
Adjustments for:		
Depreciation	190	255
Amortisation	1,422	1,143
Share option charge	203	101
Share of operating profit in joint venture	-	(138)
Taxation charge – joint venture	-	43
Taxation charge – other	190	150
Net interest	607	637
Operating cashflow before changes in working capital and provisions	1,875	2,467
(Increase)/decrease in trade and other receivables	(180)	10,490
Decrease in current trade and other payables	(107)	(9,593)
Cash generated from operations	1,588	3,364
Interest paid	(1,826)	(266)
Income taxes (paid)/received	(589)	1,109
Net cash from operating activities	(827)	4,207
Cash flows from investing activities		
Interest received	-	1
Acquisition of property, plant and equipment	(346)	(183)
Acquisition of intangible assets	-	(66)
Acquisition of other investments	-	(85)
Deferred and contingent consideration paid	(1,293)	(1,872)
Net cash outflow from investing activities	(1,639)	(2,205)
Cash flows from financing activities		
(Repayment)/drawdown of borrowings	(931)	1,748
Proceeds from the issue of share capital	281	81
Dividends paid to shareholders of parent company	-	(2,210)
Dividends paid to minority shareholders in subsidiary companies	(404)	-
Net cash outflow from financing activities	(1,054)	(381)
Net (decrease)/increase in cash and cash equivalents	(3,520)	1,621
Opening cash and cash equivalents	9,286	7,692
Effect of exchange rate fluctuations on cash held	83	(773)
Closing cash and cash equivalents	5,849	8,540

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 interim financial statements of the Company as at and for the six months ended 30 June 2010 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 2009 are available upon request from the Company Secretary at 17 Upper Pembroke Street, Dublin 2, Ireland.

2. STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 *Interim Financial Reporting.* They do not constitute the Group's statutory accounts within the meaning of Section 435 of the UK Companies Act 2006.

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 2009 which were prepared under International Financial Reporting Standards, as adopted by the European Union, and have been reported on by the Company's auditors. The auditors' report was unqualified and did not contain a statement under section 498 (2) or (3) of the UK Companies Act 2006.

The interim financial statements were approved by a duly appointed and authorised committee of the Board of Directors on 27 July 2010. 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 2009.

The Group has adopted IFRS 3 (revised) – Business Combinations for the first time. This may affect aspects of accounting for business combinations.

4. ESTIMATES

The preparation of consolidated interim financial statements requires management to make judgments, 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 2009.

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 year ended 31 December 2009.

6. PROFIT AND LOSS ANALYSIS

The following analysis illustrates the performance of the Group's activities, and reconciles the Group's profit, as shown in the condensed consolidated interim income statement, to adjusted profits. Adjusted profit is presented 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 taxation on joint ventures.

	Six months to 30 June 2010 £000 Unaudited	**Six months to 30 June 2009 £000** Unaudited
(Loss)/profit for the financial period after taxation	(737)	276
Add back:		
Taxation charge	190	150
	(547)	426
Add back:		
Charge for share options	203	101
Amortisation charge	1,422	1,143
Taxation on joint ventures	-	43
Adjusted profit before tax	1,078	1,713

7. SEGMENTAL ANALYSIS

As at 30 June 2010, 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 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 for the Group's operating segments:

	Six months ended 30 June 2010 Unaudited				
	Europe £000	**USA £000**	**Emerging Markets £000**	**Central costs £000**	**Group £000**
Revenue	7,371	6,229	3,282	-	16,882
Profit/(loss) from operating activities	435	1,910	90	(2,375)	60
Net financing costs	-	-	-	(607)	(607)
Profit/(loss) before tax	435	1,910	90	(2,982)	(547)
Amortisation of intangible assets	-	-	-	1,422	1,422
Cost of share options	-	-	-	203	203
Adjusted profit before tax*	435	1,910	90	(1,357)	1,078

	Six months ended 30 June 2009 Unaudited				
	Europe £000	**USA £000**	**Emerging Markets £000**	**Central costs £000**	**Group £000**
Revenue	9,682	4,583	5,433	-	19,698
Profit/(loss) from operating activities	866	1,394	693	(1,985)	968
Net financing costs	-	-	-	(637)	(637)
Share of profit from joint ventures	95	-	-	-	95
Profit/(loss) before tax	961	1,394	693	(2,622)	426
Amortisation of intangible assets	-	-	-	1,143	1,143
Cost of share options	-	-	-	101	101
Taxation on joint ventures	43	-	-	-	43
Adjusted profit before tax*	1,004	1,394	693	(1,378)	1,713

* Adjusted profit before tax represents Group profit before tax excluding share option charges, amortisation of intangible assets and taxation on joint ventures. This is the same measure as given in note 6.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

8. REVENUE AND COST RECOGNITION

Revenue and direct cost on events are recognised when an event is completed. Most of the Group's major 2010 exhibitions take place in the second half of the year. Revenue for future events of £20,076,120 is included in current liabilities, £11,383,200 of which relates to events to occur in 2010 and the balance to future events.

9. INCOME TAX EXPENSE

The taxation charge for the six months ended 30 June 2010 is based upon the estimated effective tax rate of 17% on adjusted profit before tax (2009: 17%) for the year ending 31 December 2010.

10. EARNINGS PER SHARE

	Six months to 30 June 2010	**Six months to 30 June 2009**
	Unaudited	Unaudited
Basic loss per share (pence)	(1.6)	(0.1)
Diluted loss per share (pence)	(1.6)	(0.1)
Adjusted earnings per share (pence)	0.8	1.8
Adjusted diluted earnings per share (pence)	0.8	1.8

Basic earnings per share
The basic earnings per share has been calculated on the loss after tax attributable to ordinary shareholders for the six months of £1,072,000 (June 2009: Loss of £53,000) and 68,593,682 (June 2009: 61,948,231) ordinary shares being the weighted average number of shares in issue during the period.

Diluted earnings per share
The diluted earnings per share has been calculated on the loss after tax attributable to ordinary shareholders for the six months of £1,072,000 (June 2009: Loss of £53,000) and 68,995,977 (June 2009: 61,966,493) ordinary shares being the diluted weighted average number of shares in issue during the period.

Adjusted earnings per share
The adjusted earnings per share has been calculated on profits after tax attributable to ordinary shareholders, adjusted to add back share option charges, amortisation of intangible assets and taxation on joint ventures of £560,000 (June 2009: £1,093,000) and 68,593,682 (June 2009: 61,948,231) ordinary shares being the weighted average number of shares in issue during the period.

10. EARNINGS PER SHARE (CONTINUED)

Adjusted diluted earnings per share

The adjusted diluted earnings per share has been calculated on profits after tax attributable to ordinary shareholders, adjusted to add back share option charges, amortisation of intangible assets and taxation on joint ventures of £560,000 (June 2009: £1,093,000) and 68,995,977 (June 2009: 61,966,493) 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 2010	**Six months to 30 June 2009**
	Unaudited	Unaudited
Weighted average number of ordinary shares	68,593,682	61,948,231
Effect of share options	402,295	18,262
Weighted average number of ordinary shares (diluted)	68,995,977	61,966,493

11. INTANGIBLE FIXED ASSETS

	Goodwill	**Trademarks and Lists**	**Total**
	£000	**£000**	**£000**
	Unaudited	Unaudited	Unaudited
Cost:			
At 1 January 2010	74,357	29,590	103,947
Acquisitions	843	-	843
Additions	114	-	114
Foreign exchange adjustments	925	1,632	2,557
At 30 June 2010	76,239	31,222	107,461
Amortisation:			
At 1 January 2010	881	7,751	8,632
Amortisation charge	-	1,422	1,422
Foreign exchange adjustments	-	(435)	(435)
At 30 June 2010	881	8,738	9,619
Net book values:			
At 30 June 2010	75,358	22,484	97,842
At 31 December 2009	73,476	21,839	95,315
At 30 June 2009	80,792	15,937	96,729

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

12 DIVIDENDS

The following dividends were paid and proposed by the Group:

For the six months ended 30 June

	2010 **£000** Unaudited	**2009** **£000** Unaudited
Dividend paid		
2008 final dividend (4.0p per share)	-	2,444
Dividend proposed		
Dividend proposed in the period (2.0p/2.0p per share)	1,386	1,306

13. FOREIGN EXCHANGE TRANSLATION DIFFERENCES

Other Comprehensive Income includes foreign exchange translation gains of £4.4 million (2009: loss of £9.5 million) relating to the retranslation of foreign currency denominated net assets, including goodwill.

14. RELATED PARTIES

As at 30 June 2010, directors of the company controlled 14.7% (31 December 2009: 14.8%) 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) DTR 4.2.8R 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 detailed in our last Annual Report and Accounts to 31 December 2009 and include:

- Economic and financial uncertainty
- 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
- Fluctuations 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 2009 accounts.

Douglas Emslie	Ashley Milton
Group Managing Director	Finance Director