20 May 2016

Future plc

Half year results for the six months ended 31 March 2016

Profitable growth driven by diversified revenue streams

Future plc (LSE: FUTR, "Future", "the Group"), the international media group and leading digital publisher, today published results for the six months ended 31 March 2016.

Financial highlights

- Group revenue £30.2m (2015: £30.8m) – reflecting growing digital opportunities and continued management of print
  - Media division revenue up 15% to £13.2m, making up 44% of overall revenue, including:
    - Global new revenue stream, e-commerce, up 250%
    - Events revenue increased by 13%
  - Magazine division revenue down 12% to £17.0m, reflecting the market's overall structural decline
  - Recurring revenue streams now representing 25% of total revenue
- EBITE increased 50% to £0.6m (2015: £0.4m)
- Operating profit £0.1m (2015: loss £1.0m)
- Operating cash inflow before exceptionals £2.6m (2015: £1.5m) resulting in net cash balance of £0.6m

Operational highlights

- Media division - strong performance from global media brands
  - *Techradar* monetisation up 81% - leveraging content to harness e-commerce
  - *PC Gamer* revenue increased 18% - strengthened relationships with hardware providers
  - Strengthened events portfolio with acquisition of Noble House Media & Blaze Publishing assets - five new events added
  - Continued strength in digital advertising focused on building recurring revenues
- Magazine division – margin improvements being delivered
  - Building scale and strengthened portfolio through acquisition of titles from Noble House Media and Blaze Publishing
  - Opportunities for further bolt-on acquisitions
  - Increase in market share in key areas

Zillah Byng-Thorne, Future's Chief Executive, said:

"We are now in the optimisation phase of our strategy with the Media division showing notably strong growth from our two new revenue streams, e-commerce and events.

"Our in-house developed e-commerce engine, 'Hawk', has now achieved scale generating over £85m of gross revenue for our customers in the last 12 months.

"In events, we held another successful The Photography Show and plan to launch a number of new events this year. The five events recently acquired further strengthens our reach.

"The Magazine division is performing well and has been strengthened by the acquisition of a number of complementary titles and the addition of a new vertical to address the shooting market.

"This is an encouraging performance in the year to date, with recurring revenue streams now representing 25% of our total revenue. We expect the trends seen in the first half to continue into the second half of the financial year."

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Notes to editors

Future plc is an international media group and leading digital publisher, listed on the London Stock Exchange (symbol: FUTR). The Group operates two separately managed brand-led divisions: Media and Magazine. The Group has a reach of 70m globally, including 47m online users and 22m social media followers.

The Magazine division is brand-led. It has over 100 market-leading publications, with 10 key titles, and is seen as the number one digital consumer magazine publisher in the UK.

The Media division focuses on being at the forefront of digital innovation, in particular the high growth technology and games markets, with three complementary revenue streams: e-commerce, events and digital advertising. It has a number of leading brands including *Techradar*, *PC Gamer*, *GamesRadar+*, *The Photography Show*, *Generate* and *Golden Joysticks*.

Overview

Future is now a multi-channel business, producing content and experiences across online, magazines and at events. The Group's strategy is to provide content that connects people to the things that they love, helping them meet their needs in the best way. The Group uses data to tailor its content to ensure it best suits the needs of the consumer.

In November 2015, the Group was reorganised into two new divisions, Media and Magazine, to enable a more efficient operating model to be employed in each division, reflecting their different market dynamics.

The Media division, underpinned by leading global brands, is focused on building fast-growing digital and diversified revenues. Future has invested in the rapidly growing revenue streams of e-commerce and events and continues to innovate in digital advertising.

The Magazine division is focused on efficiency and excellence of operations. It continues to tightly manage the portfolio. In addition, the fragmented market offers potential acquisitions in both its existing and new verticals, which will strengthen the portfolio and offer synergistic benefits.

Future acquired Noble House Media, a multi-platform publisher specialising in technology and the mobile industry, in April 2016 and some assets of Blaze Publishing, a magazine publisher and event organiser in the music and shooting sectors, in May 2016.

The Group raised net proceeds of £3.1m in November 2015 via an equity placing, to accelerate its growth and profit generation, particularly in the Media division. These funds have provided working capital for, and enabled continued investment in, the Group's high growth revenue streams, e-commerce and events, in addition to investment in the restructuring of the business.

The Group has returned to operating profitability. This reflects Future's move to a diverse revenue business, with the two new revenue streams showing notable rates of growth, as well as a major realignment of the cost base, while managing the decline of the print business.

Current trading and outlook

Overall trading for the year to date has been positive and the Group expects to make further acquisitions as appropriate to strengthen its portfolio in both divisions.

The new divisional structure is working well with the Media division performing strongly. The Group is excited about the launch of *Generate* as a global event brand in the second half of the year, with events in San Francisco and Sydney in addition to London and New York.

Innovation continues in the Magazine division with the launch of a new children's range in summer 2016.

The Board's expectations for the Group's results for the year as a whole remain unchanged.

Operational review

Content that connects

Future is the trusted media authority for passionate consumers who love tech, movies, music, games, photography and design.

The Group produces content that connects people with their passions, making it easier for them to do the things they love. Future focuses on reviews and how-to's which it monetises through advertising, e-commerce and events.

Media division

The Group's content strategy is based around its market leading brands and the consumer need that each site fulfils. The Group's brands are market-leading, holding no. 1 market positions in the UK in online consumer technology, online creative & design and a global no. 1 position in PC gaming.

The quality and scope of the Group's brands enables it to reach 47m online users a month and in December 2015, *GamesRadar+* had its largest month ever for audience, reaching 11.4m users and 103m page views.

The Group's social reach across Facebook, YouTube and Twitter continues to grow, reaching 22.3m in March 2016, up 25% year-on-year.

Techradar is an excellent example of this, where 80% of the audience arrive on the site as part of the research phase for technology goods (inferred from percentage of audience coming directly from search) and 26% go on to buy (inferred from downstream traffic to retailer websites).

Over the past 18 months, the Group has developed and built its own proprietary e-commerce engine, Hawk. Hawk, which is scalable across multiple brands and products, provides real-time pricing information on over 160 million product offerings covering the majority of consumer products in North America and Western Europe.

Future serves up the product and pricing information based on an algorithm that is in the article to determine the best matching product from its database. Using the Group's tested and proven methodology, it has improved volumes and conversion to create a material new revenue stream.

Future has generated £87.5m in transaction value for its merchant and affiliate partners in the last 12 months.

The Group's events business uses the connection created with the audience through content to attract them to attend Future's own hosted events such as *The PC Gaming Show* at E3. This show will be held for the second time in June 2016. The newly launched *PC Gamer Weekender* was held in March 2016 and was successful in terms of visitors and sponsors.

The more established event, *The Photography Show,* took place in March 2016, attracting over 30,000 visitors with its contribution increasing by 17%. Overall, events revenue has increased 13%.

The Group has also developed a single proprietary platform to manage its brands' websites and rolled out a Content Management System across the division. The combination of these two developments means that the significant amount of content published is swiftly and efficiently managed, while the operation as a whole can be easily scaled without any additional operating costs.

Magazine division

The Magazine division's strategy is to increase the Group's presence by launching new propositions whilst tightly managing the cost base. It is also taking advantage of a fragmented market through acquisitions, which will enable the business to benefit from economies of scale.

This innovation continues with the relaunches of *Official Xbox* and *Comic Heroes.* The Group has launched new titles in the first half including *Professional Photography* in October 2015, to reinforce Future's leading market position in photography, and *Colour Calm Presents Dot 2 Dot*, responding to changes in the market.

The Group also completed a comprehensive review of its procurement processes. As expected, this has identified around £0.5m of savings which will be realised in the coming 12 months.

Since the end of the first half of the financial year, the Group has acquired a number of new titles following the purchase of Noble House Media and the assets of Blaze Publishing. The latter also took the Group into a new vertical market, shooting.

Financial review

Financial summary

Continuing operations	**2016 £m**	2015 £m
Revenue	**30.2**	30.8
EBITDAE	**1.8**	1.8
Depreciation	**(0.2)**	(0.2)
Amortisation	**(1.0)**	(1.2)
EBITE	**0.6**	0.4
Exceptional items	**(0.5)**	(1.4)
Operating profit/(loss)	**0.1**	(1.0)
Net finance costs	**(0.4)**	(0.3)
Loss before tax	**(0.3)**	(1.3)
Loss per share (p)	**(0.1)**	(0.3)
Adjusted profit per share (p)	**0.1**	0.1

The financial review is based primarily on a comparison of continuing results for the six months ended 31 March 2016 with those for the six months ended 31 March 2015. Unless otherwise stated, change percentages relate to a comparison of these two periods.

Revenue

Group revenue was £30.2m (2015: £30.8m) as Future continues to manage the decline in print whilst taking advantage of digital opportunities to increase Media revenues.

UK revenue was £23.6m (2015: £24.8m) and US revenue was £7.2m (2015: £6.3m).

Media
Media revenue has increased by 15% to £13.2m, driven by the Group's fast growing revenue streams; e-commerce, events and digital display advertising. Media revenues now make up 44% of total revenue.

In the UK, revenues increased by 13% to £8.7m (2015: £7.7m), this was driven by the new revenue streams, with e-commerce growing 275% and events revenue increasing by 13%.

The US also experienced strong growth in revenues, which were up 25% year-on-year to £5.0m (2015: £4.0m), with revenue from affiliates being the biggest driver of this growth.

Magazine
Magazine revenue, as expected, declined to £17.0m (2014: £19.3m) reflecting the market's overall structural decline.

The Group's focus is on building recurring revenue streams, which have annuity like qualities. These encompass e-commerce and subscriptions, and now represent 25% of the Group's total revenue (2015: 21%).

EBITDAE
The Group's EBITDAE was flat at £1.8m (2015: £1.8m), reflecting the growth of the Media business offset by the managed decline of Magazine.

Exceptional items
Exceptional costs amounted to £0.5m (2015: £1.4m). These consist of restructuring and redundancy costs of £1.1m, offset by exceptional credits of £0.6m relating to revisions in estimates of the cost of exiting several of the Group's properties and a profit on legacy magazine disposals.

Net finance costs
Net finance costs were £0.4m (2015: £0.3m) as the Group has continued to focus on efficient management of its cash position.

The Group reported a reduced pre-tax loss of £0.3m (2015: £1.3m).

Taxation
The tax amount for the six months ended 31 March 2016 is based on the effective rate, estimated on a full year basis by territory, being applied to the taxable profits or losses of each territory for the six months ended 31 March 2016.

Earnings / (loss) per share

Earnings / (loss) per share	2016	2015
Basic loss per share (p)	**(0.1)**	**(0.3)**
Adjusted earnings per share (p)	**0.1**	**0.1**

Adjusted earnings per share is based on the loss after taxation which is then adjusted to exclude exceptional items and related tax effects. The continuing adjusted profit after tax amounted to £0.2m (2015: £0.5m) and the weighted average number of shares in issue was 358m (2015: 333m).

Dividend
The Board does not recommend an interim dividend.

Cash flow and net debt
Net cash at 31 March 2016 was £0.6m (2015: £4.7m).

There was a cash inflow from operations before exceptional items of £2.6m (2015: £1.5m). Exceptional cashflows of £1.6m represent restructuring and redundancy costs.

Capital expenditure was £1.0m and net proceeds from a share placing were £3.1m.

Principal risks and uncertainties

The principal risks and uncertainties for the remainder of the year are largely unchanged from those detailed in the Group's Annual Report and Accounts for the year ended 30 September 2015. Reference should be made to page 9 of the 2015 Annual Report and Accounts for more details on the potential impact of these risks and examples of mitigation.

Condensed consolidated interim financial statements

Consolidated income statement
for the six months ended 31 March 2016

	Note	**6 months to 31 March 2016 £m**	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Continuing operations				
Revenue	1,2	**30.2**	30.8	59.8
Operating profit before depreciation, amortisation and exceptional items	1	**1.8**	1.8	3.6
Depreciation		**(0.2)**	(0.2)	(0.5)
Amortisation		**(1.0)**	(1.2)	(2.3)
Exceptional items	4	**(0.5)**	(1.4)	(2.5)
Operating profit / (loss)	3	**0.1**	(1.0)	(1.7)
Net finance costs	6	**(0.4)**	(0.3)	(0.6)
Loss before tax	1	**(0.3)**	(1.3)	(2.3)
Tax on loss	7	**-**	0.4	0.3
Loss for the period from continuing operations		**(0.3)**	(0.9)	(2.0)
Discontinued operations				
Profit for the period from discontinued operations		**-**	-	0.7
Loss for the period attributable to owners of the parent		**(0.3)**	(0.9)	(1.3)

Loss per 1p Ordinary share

	Note	**6 months to 31 March 2016 pence**	6 months to 31 March 2015 pence	12 months to 30 September 2015 pence
Basic loss per share – Total Group	9	**(0.1)**	(0.3)	(0.4)
Diluted loss per share – Total Group	9	**(0.1)**	(0.3)	(0.4)
Basic loss per share – Continuing operations	9	**(0.1)**	(0.3)	(0.6)
Diluted loss per share – Continuing operations	9	**(0.1)**	(0.3)	(0.6)

Consolidated statement of comprehensive income
for the six months ended 31 March 2016

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Loss for the period	**(0.3)**	(0.9)	(1.3)
Items that may be reclassified to the consolidated income statement			
Continuing operations			
Currency translation differences	**0.2**	0.1	-
Other comprehensive profit for the period from continuing operations	**0.2**	0.1	-
Total comprehensive loss for the period attributable to continuing operations	**(0.1)**	(0.8)	(2.0)
Total comprehensive profit for the period attributable to discontinued operations	**-**	-	0.7
Total comprehensive loss for the period attributable to owners of the parent	**(0.1)**	(0.8)	(1.3)

Consolidated statement of changes in equity
for the six months ended 31 March 2016

	Note	Issued share capital £m	Share premium account £m	Merger reserve £m	Treasury reserve £m	Accumulated losses £m	Total equity £m
Balance at 1 October 2015		3.3	24.8	109.0	(0.3)	(105.4)	31.4
Loss for the period		-	-	-	-	(0.3)	(0.3)
Currency translation differences		-	-	-	-	0.2	0.2
Other comprehensive income for the period		-	-	-	-	0.2	0.2
Total comprehensive loss for the period		-	-	-	-	(0.1)	(0.1)
Share capital issued during the period		0.4	2.8	-	-	-	3.2
Share schemes - Value of employees' services	5	-	-	-	-	0.2	0.2
Balance at 31 March 2016		**3.7**	**27.6**	**109.0**	**(0.3)**	**(105.3)**	**34.7**
Balance at 1 October 2014		3.3	24.8	109.0	(0.3)	(104.2)	32.6
Loss for the period		-	-	-	-	(0.9)	(0.9)
Currency translation differences		-	-	-	-	0.1	0.1
Other comprehensive income for the period		-	-	-	-	0.1	0.1
Total comprehensive loss for the period		-	-	-	-	(0.8)	(0.8)
Share schemes - Value of employees' services	5	-	-	-	-	-	-
Balance at 31 March 2015		**3.3**	**24.8**	**109.0**	**(0.3)**	**(105.0)**	**31.8**
Balance at 1 October 2014		3.3	24.8	109.0	(0.3)	(104.2)	32.6
Loss for the year		-	-	-	-	(1.3)	(1.3)
Currency translation differences		-	-	-	-	-	-
Cash flow hedges		-	-	-	-	-	-
Other comprehensive income for the year		-	-	-	-	-	-
Total comprehensive loss for the year		-	-	-	-	(1.3)	(1.3)
Share schemes - Value of employees' services	5	-	-	-	-	0.1	0.1
Balance at 30 September 2015		**3.3**	**24.8**	**109.0**	**(0.3)**	**(105.4)**	**31.4**

Consolidated balance sheet

as at 31 March 2016

	Note	**31 March 2016 £m**	31 March 2015 £m	30 September 2015 £m
Assets				
Non-current assets				
Property, plant and equipment	10	**0.7**	0.8	0.6
Intangible assets - goodwill		**40.9**	40.9	40.9
Intangible assets - other		**2.8**	3.2	2.9
Deferred tax		**0.5**	0.6	0.5
Total non-current assets		**44.9**	45.5	44.9
Current assets				
Inventories		**0.4**	0.4	0.5
Corporation tax recoverable		**1.1**	1.4	1.2
Trade and other receivables		**12.4**	11.1	15.3
Cash and cash equivalents		**2.9**	4.7	2.5
Total current assets		**16.8**	17.6	19.5
Total assets		**61.7**	63.1	64.4
Equity and liabilities				
Equity				
Issued share capital	11	**3.7**	3.3	3.3
Share premium account		**27.6**	24.8	24.8
Merger reserve		**109.0**	109.0	109.0
Treasury reserve		**(0.3)**	(0.3)	(0.3)
Accumulated losses		**(105.3)**	(105.0)	(105.4)
Total equity		**34.7**	31.8	31.4
Non-current liabilities				
Financial liabilities - interest-bearing loans and borrowings		**0.1**	-	-
Corporation tax payable		**3.1**	3.9	3.5
Deferred tax		**0.7**	0.7	0.7
Provisions		**1.4**	2.6	2.1
Other non-current liabilities		**0.6**	1.1	0.8
Total non-current liabilities		**5.9**	8.3	7.1
Current liabilities				
Financial liabilities - interest-bearing loans and borrowings		**2.2**	-	4.3
Trade and other payables		**18.0**	22.1	20.7
Corporation tax payable		**0.9**	0.9	0.9
Total current liabilities		**21.1**	23.0	25.9
Total liabilities		**27.0**	31.3	33.0
Total equity and liabilities		**61.7**	63.1	64.4

Consolidated cash flow statement

for the six months ended 31 March 2016

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Cash flows from operating activities			
Cash generated from/(used in) operations	**1.0**	(2.0)	(7.5)
Tax received	**0.1**	0.1	0.5
Interest paid	**(0.2)**	(0.4)	(0.6)
Tax paid	**(0.4)**	(0.5)	(1.0)
Net cash generated from/(used in) operating activities	**0.5**	(2.8)	(8.6)
Cash flows from investing activities			
Purchase of property, plant and equipment	**(0.1)**	(0.1)	(0.2)
Purchase of computer software and website development	**(0.9)**	(1.1)	(1.8)
Disposal of property, plant and equipment	**-**	1.2	1.2
Disposal of magazine titles and trademarks	**-**	-	0.1
Net cash used in investing activities	**(1.0)**	-	(0.7)
Cash flows from financing activities			
Proceeds from issue of Ordinary share capital	**3.3**	-	-
Costs of share issue	**(0.2)**	-	-
Draw down of bank loans	**1.7**	-	3.5
Repayment of bank loans	**(4.5)**	-	-
Bank arrangement fees	**-**	-	(0.2)
Net cash generated from financing activities	**0.3**	-	3.3
Net decrease in cash and cash equivalents	**(0.2)**	(2.8)	(6.0)
Cash and cash equivalents at beginning of period	**1.6**	7.5	7.5
Exchange adjustments	**-**	-	0.1
Cash and cash equivalents at end of period	**1.4**	4.7	1.6
Amount attributable to continuing operations	**1.4**	4.7	1.6

Notes to the consolidated cash flow statement
for the six months ended 31 March 2016

A. Cash generated from / (used in) operations

The reconciliation of (loss)/profit for the period to cash flows generated from/(used in) operations is set out below:

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
(Loss)/profit for the period – Continuing operations	**(0.3)**	(0.9)	(2.0)
– Discontinued operations	**-**	-	0.7
Loss for the period – Total Group	**(0.3)**	(0.9)	(1.3)
Adjustments for:			
Depreciation charge	**0.2**	0.2	0.5
Amortisation of intangible assets	**1.0**	1.2	2.3
Profit on disposal of property, plant and equipment	**-**	(0.3)	(0.3)
Profit on disposal of magazine titles and trademarks	**(0.1)**	-	(0.1)
Share schemes			
- Value of employees' services	**0.2**	-	0.1
Net finance costs	**0.4**	0.3	0.6
Tax credit	**-**	(0.4)	(0.4)
Profit before changes in working capital and provisions	**1.4**	0.1	1.4
Movement in provisions	**(0.7)**	(0.2)	(0.7)
Decrease in inventories	**0.1**	0.2	0.1
Decrease/(increase) in trade and other receivables	**3.2**	1.8	(2.8)
Decrease in trade and other payables	**(3.0)**	(3.9)	(5.5)
Cash generated from / (used in) operations	**1.0**	(2.0)	(7.5)

B. Analysis of net (debt) / cash

	1 October 2015 £m	**Cash flows £m**	**Finance leases entered into £m**	**31 March 2016 £m**
Cash and cash equivalents	1.6	(0.2)	-	**1.4**
Debt due within one year	(3.4)	2.8	(0.1)	**(0.7)**
Debt due after more than one year	-	-	(0.1)	**(0.1)**
Net (debt) / cash	**(1.8)**	**2.6**	**(0.2)**	**0.6**

C. Reconciliation of movement in net debt

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Net (debt)/cash at start of period	**(1.8)**	7.5	7.5
Decrease in cash and cash equivalents	**(0.2)**	(2.8)	(6.0)
Movement in borrowings	**2.8**	-	(3.5)
Finance leases entered into	**(0.2)**	-	-
Non-cash changes	**-**	-	0.1
Exchange movements	**-**	-	0.1
Net cash / (debt) at end of period	**0.6**	4.7	(1.8)

Basis of preparation

This unaudited condensed consolidated interim financial information for the six months ended 31 March 2016 has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the European Union, and in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority.

The interim financial information contained in the Interim Report should be read in conjunction with the Annual Report for the year ended 30 September 2015.

The Interim Report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 and has not been audited. A copy of the statutory financial statements for the year ended 30 September 2015 has been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified, and it did not contain any statements under section 498(2) or section 498(3) of the Companies Act 2006. The auditors have carried out a review of the Interim Report and their review report is included at the back of this report.

Having considered the Group's funding position and latest forecasts, the Directors believe that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the condensed interim financial information.

The accounting policies adopted, methods of computation and presentation are consistent with those set out in the Group's statutory accounts for the financial year ended 30 September 2015.

There has been no material impact from the adoption of new standards, amendments to standards or interpretations which are relevant to the Group.

Notes to the financial information
for the six months ended 31 March 2016

1. Segmental reporting

The Group is organised and arranged primarily by reportable segment. The executive Directors consider the performance of the business from a geographical perspective, namely the UK and the US. The Australian business is considered to be part of the UK segment and is not reported separately due to its size.

Segment revenue

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
UK	**23.6**	24.8	47.3
US	**7.2**	6.3	13.4
Revenue between segments	**(0.6)**	(0.3)	(0.9)
Total continuing operations	**30.2**	30.8	59.8

Transactions between segments are carried out at arm's length.

Segment EBITDAE

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
UK	**1.0**	1.8	3.3
US	**0.8**	-	0.3
Total segment EBITDAE from continuing operations	**1.8**	1.8	3.6

EBITDAE is used by the executive Directors to assess the performance of each segment.

A reconciliation of total segment EBITDAE from continuing operations to loss before tax from continuing operations is provided as follows:

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Total segment EBITDAE from continuing operations	**1.8**	1.8	3.6
Depreciation	**(0.2)**	(0.2)	(0.5)
Amortisation	**(1.0)**	(1.2)	(2.3)
Exceptional items	**(0.5)**	(1.4)	(2.5)
Net finance costs	**(0.4)**	(0.3)	(0.6)
Loss before tax from continuing operations	**(0.3)**	(1.3)	(2.3)

2. Revenue

An additional analysis of the Group's revenue is shown below:

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Media	**13.2**	11.5	20.9
Magazine	**17.0**	19.3	38.9
Total continuing operations	**30.2**	30.8	59.8

3. Operating profit / (loss) from continuing operations

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Revenue	**30.2**	30.8	59.8
Cost of sales	**(19.3)**	(20.6)	(40.6)
Gross profit	**10.9**	10.2	19.2
Distribution expenses	**(1.8)**	(1.7)	(3.5)
Administration expenses	**(8.5)**	(8.1)	(14.9)
Exceptional items	**(0.5)**	(1.4)	(2.5)
Operating profit / (loss) from continuing operations	**0.1**	(1.0)	(1.7)

4. Exceptional items from continuing operations

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Property related (credit)/costs	**(0.5)**	1.2	0.4
Restructuring and redundancy costs	**1.1**	0.5	2.8
Profit on disposal of magazine titles and trademarks	**(0.1)**	-	-
Profit on disposal of property	**-**	(0.3)	(0.3)
Provision for bad debts	**-**	-	(0.4)
Total	**0.5**	1.4	2.5

5. Employee costs from continuing operations

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Wages and salaries	**11.2**	11.3	23.6
Social security costs	**1.1**	1.5	2.2
Other pension costs	**0.4**	0.4	0.8
Share schemes			
- Value of employees' services	**0.2**	-	0.1
Total employee costs from continuing operations	**12.9**	13.2	26.7

IFRS 2 'Share-based Payment' requires an expense for equity instruments granted to be recognised over the appropriate vesting period, measured at their fair value at the date of grant.

The fair value has been calculated using the Monte Carlo and Black-Scholes models, using the most appropriate model for each scheme. Assumptions have been made in these models for expected volatility, risk-free rates and dividend yields.

Key management personnel compensation

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Salaries and other short-term employee benefits	**0.4**	0.4	0.9
Share schemes			
- Value of employees' services	**-**	-	-
Total	**0.4**	0.4	0.9

Key management personnel are deemed to be the members of the Board of Future plc. It is this Board which has responsibility for planning, directing and controlling the activities of the Group.

6. Net finance costs

	6 months to 31 March 2016 £m	6 months to 31 March 2015 £m	12 months to 30 September 2015 £m
Interest payable on interest-bearing loans and borrowings	**(0.1)**	(0.1)	(0.2)
Amortisation of bank loan arrangement fees	**-**	(0.2)	(0.4)
Other finance costs	**(0.1)**	(0.1)	(0.2)
Exchange (losses)/gains	**(0.2)**	0.1	0.2
Net finance costs	**(0.4)**	(0.3)	(0.6)

7. Tax on loss

The tax amount for the six months ended 31 March 2016 is based on the effective rate, estimated on a full year basis by territory, being applied to the taxable profits or losses of each territory for the six months ended 31 March 2016.

Consistent with prior periods the Group corporation tax provision reflects management's estimation of the amount of tax payable for fiscal years with open tax computations where liabilities remain to be agreed with Her Majesty's Revenue and Customs and other tax authorities.

8. Dividends

Equity dividends	**6 months to 31 March 2016**	6 months to 31 March 2015	12 months to 30 September 2015
Number of shares in issue at end of period (million)	**367.9**	334.4	334.4
Dividends paid and payable in period (pence per share)	**-**	-	-
Dividends paid and payable in period (£m)	**-**	-	-

Interim dividends are recognised in the period in which they are paid and final dividends are recognised in the period in which they are approved.

9. Earnings per share

Basic earnings per share are calculated using the weighted average number of Ordinary shares in issue during the period. Diluted earnings per share have been calculated by taking into account the dilutive effect of shares that would be issued on conversion into Ordinary shares of awards held under employee share schemes.

Adjusted earnings per share remove the effect of exceptional items, impairment of intangible assets and any related tax effects from the calculation.

Total Group	**6 months to 31 March 2016**	6 months to 31 March 2015	12 months to 30 September 2015
Adjustments to loss after tax:			
Loss after tax (£m)	**(0.3)**	(0.9)	(1.3)
Exceptional items (£m)	**0.5**	1.4	2.4
Tax effect of the above adjustments (£m)	**-**	-	(0.5)
Adjusted profit after tax (£m)	**0.2**	0.5	0.6
Weighted average number of shares in issue during the year:			
- Basic	**358,054,619**	332,582,787	332,796,904
- Dilutive effect of share options	**1,168,172**	1,941,925	536,550
- Diluted	**359,222,791**	334,524,712	333,333,454
Basic loss per share (in pence)	**(0.1)**	(0.3)	(0.4)
Adjusted basic earnings per share (in pence)	**0.1**	0.1	0.2
Diluted loss per share (in pence)	**(0.1)**	(0.3)	(0.4)
Adjusted diluted earnings per share (in pence)	**0.1**	0.1	0.2
The adjustments to loss after tax have the following effect:			
Basic and diluted loss per share (pence)	**(0.1)**	(0.3)	(0.4)
Exceptional items (pence)	**0.2**	0.4	0.7
Tax effect of the above adjustments (pence)	**-**	-	(0.1)
Adjusted basic and diluted earnings per share (pence)	**0.1**	0.1	0.2

Continuing operations	**6 months to 31 March 2016**	6 months to 31 March 2015	12 months to 30 September 2015
Adjustments to loss after tax:			
Loss after tax (£m)	**(0.3)**	(0.9)	(2.0)
Exceptional items (£m)	**0.5**	1.4	2.5
Tax effect of the above adjustments (£m)	**-**	-	(0.4)
Adjusted profit after tax (£m)	**0.2**	0.5	0.1
Weighted average number of shares in issue during the year:			
- Basic	**358,054,619**	332,582,787	332,796,904
- Dilutive effect of share options	**1,168,172**	1,941,925	536,550
- Diluted	**359,222,791**	334,524,712	333,333,454
Basic loss per share (in pence)	**(0.1)**	(0.3)	(0.6)
Adjusted basic earnings per share (in pence)	**0.1**	0.1	-
Diluted loss per share (in pence)	**(0.1)**	(0.3)	(0.6)
Adjusted diluted earnings per share (in pence)	**0.1**	0.1	-
The adjustments to loss after tax have the following effect:			
Basic and diluted loss per share (pence)	**(0.1)**	(0.3)	(0.6)
Exceptional items (pence)	**0.2**	0.4	0.7
Tax effect of the above adjustments (pence)	**-**	-	(0.1)
Adjusted basic and diluted earnings per share (pence)	**0.1**	0.1	-

Discontinued operations	**6 months to 31 March 2016**	6 months to 31 March 2015	12 months to 30 September 2015
Adjustments to profit after tax:			
Profit after tax (£m)	**-**	-	0.7
Exceptional items (£m)	**-**	-	(0.1)
Tax effect of the above adjustments (£m)	**-**	-	(0.1)
Adjusted profit after tax (£m)	**-**	-	0.5
Weighted average number of shares in issue during the year:			
- Basic	**358,054,619**	332,582,787	332,796,904
- Dilutive effect of share options	**1,168,172**	1,941,925	536,550
- Diluted	**359,222,791**	334,524,712	333,333,454
Basic earnings per share (in pence)	**-**	-	0.2
Adjusted basic earnings per share (in pence)	**-**	-	0.2
Diluted earnings per share (in pence)	**-**	-	0.2
Adjusted diluted earnings per share (in pence)	**-**	-	0.2
The adjustments to profit after tax have the following effect:			
Basic and diluted earnings per share (pence)	**-**	-	0.2
Exceptional items (pence)	**-**	-	-
Tax effect of the above adjustments (pence)	**-**	-	-
Adjusted basic and diluted earnings per share (pence)	**-**	-	0.2

10. Property, plant and equipment

The Group sold one of its UK properties for £1.2m in November 2014, making a gain of £0.3m.

11. Issued share capital

During the period 33,451,416 Ordinary shares (31 March 2015: 653,725) with a nominal value of £334,514 (31 March 2015: £6,537) were issued by the Company for a total cash commitment of £3,344,000 (31 March 2015: £nil), pursuant to a placing of Ordinary shares in November 2015 and share scheme exercises throughout the period.

As at 31 March 2016 there were 367,892,663 Ordinary shares in issue (31 March 2015: 334,435,198).

12. Contingent assets and contingent liabilities

At 31 March 2016 there were no material contingent assets or contingent liabilities (31 March 2015: £nil).

13. Post balance sheet event

In May 2016 the Group acquired the assets of Blaze Publishing Limited, a magazine publisher and event organiser in the music and shooting sectors, for an undisclosed sum.

Statement of Directors' responsibilities

The Directors confirm that to the best of their knowledge the condensed interim financial information contained in the Interim Report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the Interim Management Report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely: an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; a description of the principal risks and uncertainties for the remaining six months of the financial year; and material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

Mark Wood resigned as a non-executive Director on 3 February 2016.

A list of current Directors is maintained on the Future plc website, www.futureplc.com.

By order of the Board

Directors
Peter Allen
Chairman
Zillah Byng-Thorne
Chief Executive
Penny Ladkin-Brand
Chief Financial Officer
Manjit Wolstenholme
Senior independent non–executive Director
Hugo Drayton
Independent non-executive Director

20 May 2016

The maintenance and integrity of the Future plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent review report to Future plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Future plc's condensed consolidated interim financial statements (the "interim financial statements") in the half year results of Future plc for the 6 month period ended 31 March 2016. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the consolidated balance sheet as at 31 March 2016;
- the consolidated income statement and consolidated statement of comprehensive income for the period then ended;
- the consolidated cash flow statement for the period then ended;
- the consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the half year results have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in basis of preparation to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the Directors

The half year results, including the interim financial statements, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half year results in accordance with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the half year results based on our review. This report, including the conclusion, has been prepared for and only for the Company for the purpose of complying with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent review report to Future plc

What a review of interim financial statements involves

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.

We have read the other information contained in the half year results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants
Bristol
20 May 2016