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Moneysupermarket.com Group PLC

04 August 2009

Moneysupermarket.com Group PLC Interim Results announcement for the six months to 30 June 2009

Solid start to 2009

Special dividend of £25m announced

Moneysupermarket.com Group PLC ("Moneysupermarket.com" or the "Company"), the UK's leading price comparison website, is pleased to announce its interim results for the six months to 30 June 2009.

Financial highlights

- * Total revenue of £68.5m in the first half of 2009 (2008: £99.4m).
- * Adjusted EBITDA[1] of £18.6m in the first half of 2009 (2008: £30.1m). Adjusted EBITDA ahead of the second half of 2008. Adjusted EBITDA margins improved to 27.1% from 22.9% in second half of 2008.
- * Gross margin increased to 70% representing an improvement over the first and second half of 2008. Higher margin direct to site revenues continue to form the majority of internet revenues.
- * Operating profit of £1.4m in the first half of 2009 (2008: £12.7m).
- * Total adjusted cost base including online marketing costs reduced by 27% to £51.9m.
- * The business remains highly cash generative and debt free with cash balances of £75.6m at 30 June 2009 (2008: £71.3m).
- * Interim dividend of 1.3p per ordinary share declared consistent with 2008.
- * The Group will pay a special dividend of £25m or 4.93p per ordinary share further underlining the Board's confidence in the ability of the business to continue to generate cash.

Operational highlights

- * Management team strengthened under Peter Plumb, new Chief Executive.
- * Group trading stabilised against H2 last year. Insurance: Trading improving into Q2; higher revenue per transaction (RPT). Money: Trading stabilised; visitor numbers increased. Travel: Managing margin in declining market. Home Services: Launch of Shopping brings jump in visitor numbers.
- * Organisation realigned to changing economic environment.
- * Both systems re-engineering marketing optimisation projects are on track.
- * Visitors[2] to the Group's websites increased 3% to 63.6m. Excluding travelsupermarket.com visitor growth was 14%.
- * Online brand recognition increased from 78% in June 2008 to 83% in July 2009.

Peter Plumb, Chief Executive said

"Moneysupermarket.com has made a solid start to the year. Trading levels have stabilised over the past six months and we remain a profitable and highly cash-generative business. Over the period we have delivered what we set out when we announced our last set of results in February 2009. We have realigned the organisation to reflect the more difficult economic environment, we have strengthened the management team; and we have started work on re-engineering our systems and ensuring our marketing spend works harder.

"Most importantly our marketing spend is working harder. Our 'Savings on household bills campaign' fronted by Peter Jones is connecting well with customers, as a result, our brand has continued to grow even stronger despite a significantly lower ad spend vs last year. We have also worked hard with our providers to bring an even larger range of brands and services to our site for our customers, for example in motor and home insurance our product range increased by over 60% vs last year.

"Although we are still early in the third quarter and visibility is limited, the Group has made a good start with revenues more than ten percent ahead of the first half run rate. Insurance in particular has started well and is trading ahead of the same period last year.

"The moneysupermarket.com brand remains strong. As the leading price comparison website our broad product offer is clearly as relevant as ever to our customers. We are confident that the work we are doing across the business will ensure that moneysupermarket.com is well positioned to capitalise on its strengths when growth returns to our markets."

For further information, contact:

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[1] Adjusted EBITDA is calculated by the Directors following certain adjustments to the historical compensation levels of the Group Directors and Senior Managers charge for share based compensation relating to options issued pre-IPO.

The Directors anticipate presenting financial information on a similar basis until the final results for the year ended 31 December 2010. Thereafter the need to present an adjusted EBITDA will not be required because the relevant comparator period will be consistent with the current period.

[2] The Group recorded a substantial increase in its reported visitors from 27 April 2008 to the end of June 2008 following a release made in respect of the anti-virus software AVG. In assessing whether a webpage was safe if 'followed' every link or URL displayed on an email or webpage to the destination website. This meant that many web based businesses including the Group recorded visitors from users of the AVG software who themselves did not technically visit the website. The 2008 visitor count has been adjusted for the estimated impact of this. AVG released a further update to its anti-virus software early in July 2008 which resolved the issue.

Highlights

Overview

We are pleased to report a solid set of results for the six months to 30 June 2009. Revenues for the six months to 30 June 2009 were £68.6m (2008: £99.4m), generating a profit before tax of £1.9m (2008: £14.4m). The following commentary is based on the adjusted results. Pre-IPO adjustments total £2.6m in the six months ended 30 June 2009 and £3.2m in the corresponding period. An analysis of these adjustments is shown below the Condensed Consolidated Statement Of Comprehensive Income.

We set out our strategy for the first half of the year to reconfigure the business for the lower level of demand for certain products in the Money vertical and make the online and offline marketing investment work harder, whilst maintaining the market leading position enjoyed by the Moneysupermarket and Travelsupermarket brands. We are pleased with the progress to date in both of these areas, having reduced the cost base substantially, expanded both our gross margin and adjusted EBITDA margin against the second half of 2008, and remained market leader.

In addition to the areas highlighted above we have continued to strengthen the management team and have made a number of key appointments over the first half of 2009 which will give the Group a solid skills and talent base to provide a foundation for future growth. The new executive management team has acted quickly to refocus the organisation on the key priorities of product range, technology and marketing. We began to make investments in re-engineering our core architecture towards the end of the second quarter in the Money and Insurance verticals having re-launched the travel website in April 2009. We expect this investment to be ongoing in the second half of the year and anticipate investing approx £2.0m in the second half of the year. As well as driving better value in marketing we have also launched new creative in late June emphasising our key brand message that we are about saving time and money across a whole range of products and services. The initial feedback and results have been very promising.

Financial

Revenues declined by 31% to £68.5m and adjusted EBITDA by 38% to £18.6m. Revenues were impacted by the credit crunch which reduced both the supply of credit and consumer discretionary expenditure relative to the same period last year. Revenues in the first six months of 2008 include £9.2m of revenues generated from the secured lender First Plus which closed for new business in August 2008. Adjusted EBITDA was marginally ahead of the second half of 2008 despite revenues being 14% lower.

Group gross margins at 70% improved by more than 2 percentage points over the same period last year. The Group improved its proportion of direct to site revenues in the period whilst revenues attributable to partners continued to decline. Revenues from Search Engine Marketing, notably Google, increased marginally as a proportion of total revenues over the same period last year. During the period the Group enhanced its bid management technology which has enabled it to effectively extend the range of key words that it bids for on Search Engines. A provision release of £0.8m within cost of sales was also made following the resolution of a dispute with a Portal Partner during the period. The Group closed its lower margin Intermediary business for new business early in the first quarter of 2009. Revenues recorded in 2009 represent trail commission for mortgage applications in process prior to closure. The resultant change in sales mix has also helped boost reported gross margin percentage against the same period last year.

The adjusted cost base decreased by 18% from £38.0m to £31.3m against the same period last year. Distribution costs decreased by £2.5m over the same period last year driven by reduced television advertising costs. The Group maintained a broadly similar level of presence on broadcast media through deflation in media costs and changes made in the length of time slots acquired. Online brand recognition has continued to strengthen over the period and reached 83% in July 2009 up from 78% from June 2008 as measured by a YouGov survey regularly commissioned by the Group.

Adjusted administrative costs decreased by £4.3m (16%) over the period from £26.3m in the first half of 2008 to £22.0m. Adjusted staff costs (including contract resource) have decreased by £3.1m to £13.3m. Headcount decreased from 651 to 476 from June 2008 to June 2009 as the Group sought to right size its cost base to the prevailing market conditions in the Money vertical. The Group began to reduce headcount in the second half of 2008 and made significant headcount reductions in the Intermediary business over this period. In April 2009 the Group made further headcount reductions of 80 people across all areas of the business although the largest impacted area was the Groups mortgage brokerage business. The Group incurred costs of £0.5m in relation to these and other reorganisation activities in the first half of 2009 but expects to realise cost reductions moving forward of circa £2.3m per annum. The Group invested approximately £1.5m in the first half of 2008 in flexible resource in the Money vertical to port its technology from ASP to ASP.net using third party resource. Although the Group continued to invest in its technology over the first half of 2009 this was largely funded from existing resource. The Group does however anticipate investing approximately £2.0m over the course of the second half of the year improving its core technology. Other costs including irrecoverable VAT decreased by £2.1m compared to the same period last year as the cost base notably TV advertising and expenditure on Search Engine Marketing (included within cost of sales) was reduced. The Group continued to develop its operations in Germany and invested £1.2m (2008: £0.7m) in these activities in the first six months of the year.

Adjusted EBITDA margins declined from 30% to 27% against the same period last year but improved significantly from 23% in the second half of 2008.

Internet Business

The Group transacted business across four different internet verticals being Money, Insurance, Travel and Home Services.

Group revenues are presented and discussed below by vertical and business unit.

	6 Months to 30 June 2009		6 Months to 30 June 2008	
	£000	%	£000	%
Money	18,585	27%	40,264	41%
Insurance	37,143	54%	39,693	40%
Travel	9,478	14%	11,149	11%
Home Services	2,414	4%	4,129	4%
Other	-	-	43	0%
Germany	158		-	
Total Internet	67,778	99%	95,278	96%
Intermediary	743	1%	4,107	4%
Total	68,521	100%	99,385	100%

The Directors use key performance indicators ('KPIs') to assess the performance of the internet business against the Group's strategy. These are reviewed on a regular basis. The principal KPIs for the internet business are as follows:

Visitors

The Group measures the number of visitors to its website as the number of unique visitors per day per channel, measured on a cumulative basis using cookie-based tracking methodologies.

Transactions

The Group measures transactions at the point in time that the customer leaves the Group's website having clicked through to a third party website, or in some cases having completed an application form hosted on the Group's website.

Revenue per visitor ('RPV')

The Group measures the total revenue (including click and other internet revenue) divided by the number of visitors defined above.

Revenue per transaction ('RPT')

The Group measures the click based revenue divided by the total number of transactions defined above.

The relative performance of each of the internet verticals is discussed below.

Money

The Money vertical currently offers customers the ability to search for, and compare, products for, amongst other things, business finance, credit cards, current accounts, mortgages, loans, debt solutions and savings accounts. It also includes elements of the Group's lead business (PAA), its advisory business (MCAT), together with advertising revenue that derives from financial products.

The KPIs for the Money vertical are shown below:

	6 months to 30 June 2009	6 months to 30 June 2008	Change
Visitors (000) [1]	19,116	17,659	8%

Transactions (000)	5,846	7,903	-26%
Revenue (£000) - click based revenue	15,750	33,352	-53%
Revenue (£000) - other	2,833	6,912	-59%
Revenue (£000) - total	18,583	40,264	-54%
RPV	£0.97	£2.28	-57%
RPT	£2.69	£4.22	-36%

Revenues in the Money vertical fell in total by 54% from £40.3m to £18.6m and transaction revenue fell by 53% from £33.4m to £15.8m. Visitors continued to grow over the period and were 8% ahead of the same period last year.

Conditions in the credit market in the first half of 2009 were significantly worse than those in the first half of 2008. Credit markets materially worsened over the course of 2008 and particularly the second half of the year as the credit crunch deepened impacting a number of key channels in the Money vertical. The secured lending market in particular suffered from a reduction in the supply of credit and a tightening of underwriting criteria. This was one of the Group's largest generating revenue channels. First Plus, a subsidiary of Barclays, which was the Group's largest single provider by revenue closed to new business in August 2008. First Plus generated revenue of £9.2m in the first six months of 2008. External measures of credit availability are now however showing signs of having stabilised which was reflected in the Group's transaction data in the Money vertical when comparing volumes in the first and second quarter.

Revenues from other banking products particularly savings and current accounts have held up relatively well. However, the change in sales mix away from credit based products, which generate higher transaction revenues, towards general banking products has markedly reduced RPT and RPV in the first six months of 2009 against the same period last year. RPV has however been slowly improving for the Money vertical throughout the first six months of the year as the wider markets have shown signs of stabilising.

Other revenues, which include mortgage lead revenues, brokerage income for loans and mortgages and impression based advertising have declined by 59% over the same period last year broadly in line with transaction revenues. Commissions that are earned from loan and mortgage brokerage in particular have reduced significantly over the same period last year as a result of the difficult market conditions and accordingly the Group reduced headcount significantly in this area in the first six months of 2009.

Insurance

The Insurance vertical currently offers customers the ability to search for, and compare, insurance products for, amongst other things, breakdown, dental, home, life, medical, mortgage payment protection, motor, payment protection, pet and travel insurance. It also includes elements of the Group's lead business (PAA) and advisory business (MCAT) together with advertising revenue that derives from insurance products.

The KPIs for the Insurance vertical are shown below:

	6 Months to 30 June 2009	6 Months to 30 June 2008	Change
Visitors (000) [1]	12,134	13,200	-8%
Transactions (000)	6,782	8,211	-17%
Revenue (£000) - click based revenue	33,695	35,022	-4%
Revenue (£000) - other	3,448	4,671	-26%
Revenue (£000) - total	37,143	39,693	-6%
RPV	£3.06	£3.01	2%
RPT	£4.97	£4.27	16%

Revenues in the Insurance vertical declined by 6% from £39.7m to £37.1m. Transaction revenue fell by 4% from £35.0m to £33.7m. Second quarter trading was better than in the first quarter with revenues falling fractionally on the same period last year. Visitors fell by 8% against the same period last year whilst RPV has remained broadly stable.

The Insurance comparison market remains the most competitive market in which the Group currently operates in. Revenues were approximately 10% lower in the Motor Insurance channel in the first half of the year although the rate of decline slowed in the second quarter. The Group concentrated on the profitable online and offline acquisition and retention of customers during the period rather than focussing exclusively on market share. Motor revenues have been impacted in the short term by our decision at the beginning of the year to withdraw from the sale of telephone based leads in response to customer feedback to improve customer experience. Revenues in the other insurance channels, including Home Insurance, were either ahead, or broadly flat compared to the same period last year.

Non click revenues decreased by 26% over the period driven by lower advertising revenues from a deliberate reduction in the advertising real estate made available to advertisers to improve the customer experience.

Travel

The Travel vertical currently offers customers the ability to search for, and compare, travel products for, amongst other things, airport parking, car hire, flights, hotels, and package holidays.

The KPIs for the Travel vertical are shown below:

Visitors (000) [1]	23,959	27,336	-12%
Transactions (000)	17,014	22,657	-25%
Revenue (£000) - click based revenue	8,530	9,756	-13%
Revenue (£000) - other	948	1,393	-32%
Revenue (£000) - total	9,478	11,149	-15%
RPV	£0.40	£0.41	-2%
RPT	£0.50	£0.43	16%

Revenues in the Travel vertical fell by 15% from £11.1m in the first half of 2008 to £9.5m. Transaction revenue declined by 13% from £9.8m to £8.5m compared to the same period in 2008. Visitor levels declined by 12% compared to the same period last year whilst RPV remained broadly flat.

Revenues in the Travel vertical were impacted by weakening levels of customer demand particularly in the flights and hotels channels as customers reduced discretionary expenditure in response to the increasing economic uncertainty. Package holidays revenues have however grown over the same period last year. The Travel website, travelsupermarket.com, was redesigned during the second quarter of 2009 improving the usability of the website. A new Cruise channel was added in June 2009.

Non click revenues representing impression based advertising fell by 32% due to reduced numbers of visitors compared to the same period last year together with weaker demand from providers for advertising real estate.

Home Services

The Home Services vertical offers customers the ability to search for, and compare, products for broadband, mobile telephones, shopping and utilities.

The KPIs for the Home Services vertical are shown below:

	6 months to June 2009	6 months to 30 June 2008	Change
Visitors (000) [1]	8,432	3,842	119%
Transactions (000)	1,926	876	120%
Revenue (£000) - click based revenue	2,343	4,045	-42%
Revenue (£000) - other	71	84	-17%
Revenue (£000) - total	2,414	4,129	-42%
RPV	£0.29	£1.07	-73%
RPT	£1.22	£4.62	-74%

Revenues in the Home Services vertical decreased by 42% from £4.1m to £2.4m in the six months ended June 2009. Utilities represents the largest revenue channel in the vertical. In the six months to 30 June 2008 revenues benefitted significantly from the rising price of gas and electricity. Utility prices have been more stable in the first six months of 2009 and there has therefore been less demand for switching services. During the fourth quarter of 2008 the Group launched its own shopping comparison service. This has enabled the Group to grow visitors by 119% to this vertical over the same period last year. Transaction values are typically very low relative to the other channels in the vertical and the increase in visitors and transaction volumes has reduced the RPV for the Home Services vertical measured against the same period last year.

Germany

The Group refocused its operations in Germany and launched a new beta loans channel in January 2009. The initial response from customers has been positive and a new enhanced service is being launched in August 2009. During the period the Group incurred costs of £1.2m (2008: £0.7m).

Goodwill and intangibles

On 22 June 2007, Moneysupermarket.com a company controlled by Simon Nixon, purchased the entire share capital of Moneysupermarket.com Financial Group Limited by way of a share for share exchange and a cash payment of £162m to one of the founder shareholders. This transaction will have a number of impacts on the accounts of the Group in the current, and prior periods, as well as subsequent periods.

The acquisition gave rise to £125m of goodwill and the recognition of £207.2m of intangibles. Individual intangibles are amortised over their useful lives (which are in the range of 3-10 years) with a charge of £25.2m per annum in the first 3 years in the full year accounts. A charge of £12.6m is included in the Condensed Consolidated Statement of Comprehensive Income for both periods. Goodwill is now shown on the balance sheet at £55m following an impairment charge of £70m recognised in the 2008 full year accounts.

Cash Balance and Dividend

As at 30 June 2009 the Group had a net cash balance of £75.6m. The Group continued to strengthen its cash position throughout the period. Having reviewed the cash required by the business the Board has decided to pay an interim dividend of 1.3p per ordinary share equivalent to the interim dividend paid in 2008. In addition the Board has decided to pay a special dividend of £25m equivalent to 4.93p per ordinary share reflecting its confidence in the ability of the business to generate cash on an ongoing basis.

The Board is therefore declaring an interim dividend (to include the special

dividend) of 6.23 pence per ordinary share (£31.6m in aggregate). The ex-dividend date is 16 September 2009, with a record date of 18 September 2009 and a payment date of 16 October 2009. Shareholders have the opportunity to elect to reinvest their cash dividend and purchase existing shares in the Company through a Dividend Reinvestment Plan.

Outlook

Trading in the first few weeks of July has been relatively good. Overall internet revenues are double digit ahead of the first half run rate revenues and approximately 15% below the run rate of the third quarter last year. Profitability is in line with first half run rate.

Trading has been strong in the Insurance vertical with revenues significantly ahead of the H1 run rate and ahead of the same period last year. We have continued to see stabilisation in the Money vertical with trading ahead of the H1 run rate albeit that visibility continues to remain limited given the uncertain economic outlook for both customers and providers. There has been no improvement in the travel market overall and trading has been in line with the first half of the year. Home services also continues to trade on a consistent basis with the first six months.

The Group commenced its rebuilding of its core technology platforms in June and will accelerate this program in the second half with the cost largely funded from the headcount savings made in the first six months of the year.

Analysts Presentation

There will be a presentation for investors and analysts at UBS, 100 Liverpool Street, London, EC2M 2RH at 9:00am this morning.

[1] The Group recorded a substantial increase in its reported visitors from 27 April 2008 to the end of June 2008 following a release made in respect of the anti-virus software AVG. In assessing whether a webpage was safe it 'followed' every link or URL displayed on an email or webpage to the destination website. This meant that many web based businesses including the Group recorded visitors from users of the AVG software who themselves did not technically visit the website. The 2008 visitor count has been adjusted for the estimated impact of this. AVG released a further update to its anti-virus software early in July 2008 which resolved the issue.

Principal Risks and Uncertainties

Set out below is a summary of principal risks and uncertainties facing the Group for the remaining six months of the year.

Operational Risks:

Competitive environment

- * Loss of market share and erosion of margins from increased competition.

Brand perception

- * Reduction in customer loyalty with existing customers and an inability to attract new customers if the business fails to maintain its position as a leading price comparison website.

IT infrastructure / software

- * Failure to provide adequate service levels to customers or maintain revenue generating services.

Loss of key management

- * Lack of necessary expertise or continuity to execute strategy.

Reliance on search engine paid search and natural listings

- * Reduction in gross margin through reduction in revenue derived from search engine optimisation or failure to manage search engine marketing campaigns appropriately.

Economic environment

- * Reduction in visitors and revenue from a recession as customers seek to reduce levels of discretionary expenditure.

Financial Risks:

Significant consolidation of providers

- * Consolidation of providers may continue in response to the poor credit markets. This may reduce competition for business with customers having less choice and may reduce commissions available to price comparison websites.

Security of cash balances

The Group holds significant cash balances. A failure of a major financial institution with whom the Group places significant deposits may result in a material loss to the Group.

Revenue assurance

* Significant reduction of or a failure to recognise revenue from contracted providers where the Group is remunerated on a cost per action basis.

Investment in new areas

* Significant capital invested in new products and services or new geographies fails to make a return.

Financial services and other markets regulation and taxation

* The business model in financial services or other lines of business maybe compromised by changes to existing regulation or the introduction of new regulation, or changes to the taxation legislation, particularly value added tax.

Significant worsening in credit markets

* Financial institutions may reduce the quantum of lending and tighten their acceptance criteria for customers seeking to obtain credit. This may reduce Group revenue. Providers may increase their focus on customer retention rather than acquisition. This may reduce commissions available to price comparison websites.

Reduction of providers

* Providers may decide to withdraw their products from price comparison websites or reduce their customer acquisition activity via price comparison websites. This may reduce Group revenue.

Responsibility Statement Of The Directors In Respect Of The Half-Yearly Report

The Directors confirm that, to the best of their knowledge:

* The condensed set of financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the EU; and

* 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 parties transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period; and any changes in the related parties transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

The names and functions of the Directors of Moneysupermarket.com Group PLC are set out on pages 34 and 35 of the Group's Annual Report for the year ended 31 December 2008.

By order of the Board

Peter Plumb	Paul Doughty
3 August 2009	3 August 2009
Chief Executive Officer	Chief Financial Officer

Independent review report to Moneysupermarket.com Group PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 which comprises the Condensed Consolidated Statement Of Comprehensive Income, Condensed Consolidated Statement Of Financial Position, Consolidated Statement Of Changes in Equity, Consolidated Cash Flow Statement and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FSA.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

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

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

John Costello

for and on behalf of KPMG Audit Plc

Chartered Accountants

St James' Square

Manchester, M2 6DS

3 August 2009

Condensed Consolidated Statement Of Comprehensive Income

	Note	6 months to 30 June 2009 £000	6 months to 30 June 2008 £000
Revenue	4	68,521	99,385
Cost of sales		(20,784)	(32,788)
Gross profit		47,737	66,597
Distribution expenses		(9,284)	(11,759)
Administrative expenses		(37,103)	(42,102)
Results from operating activities		1,350	12,736
Financial income		581	1,633
Financial expense		-	-
Net finance income		581	1,633
Profit before income tax		1,931	14,369
Income tax expense	5	(1,244)	(4,630)
Profit for the period		687	9,739
Other comprehensive income:			
Foreign currency translation		(48)	8
Deferred tax on share-based payments		(49)	(109)
Other comprehensive income for the period		(97)	(101)

Total comprehensive income for the period	590	9,638
Profit attributable to:		
Equity holders of the Company	794	9,739
Non-controlling interest	(107)	-
Profit for the period	687	9,739
Total comprehensive income attributable to:		
Equity holders of the Company	702	9,637
Non-controlling interest	(112)	1
Total comprehensive income for the period	590	9,638
Adjusted EBITDA:		
Operating profit above	1,350	12,736
Share based compensation relating to pre IPO options	2,576	3,241
Amortisation of intangibles	12,600	12,600
Depreciation	2,032	1,532
Adjusted EBITDA	18,558	30,109
Earnings per share:		
Basic earnings per ordinary share (pence)	6	0.1
Diluted earnings per ordinary share (pence)	6	0.1

Notes

Basis of Preparation

The adjusted results show the trading results for the 6 months ended 30 June 2008 and 30 June 2009. The board regards an adjusted EBITDA figure as being the most meaningful profit measure for this period. The following adjustments have been made to the Condensed Consolidated Statement Of Comprehensive Income:

* The acquisition of Moneysupermarket.com Financial Group Limited by Moneysupermarket.com Group PLC gave rise to £207.2m of intangible assets. These are to be written off over a period of 3-10 years with a charge of £25.2m per annum to be recorded in each of the first three years. This has been shown within administrative expenses as a charge of £12.6m in the 2008 and 2009 Condensed Consolidated Statements Of Comprehensive Income.

* Certain share option charges relating to Directors, senior management and other employees of the Group have been added back to calculate adjusted EBITDA. Prior to the acquisition of Moneysupermarket.com Financial Group Limited by the Company, Moneysupermarket.com Financial Group Limited issued share options to employees on terms that will not be offered moving forward. In line with the intentions outlined in the prospectus issued in connection with the listing of Moneysupermarket.com on 31 July 2007, Simon Nixon entered into agreements on 25 February 2009 with Paul Doughty and others to provide an additional option incentive scheme. Options vest in full on 4 August 2009 and become exercisable from that date. There will be no further charges recorded in the Condensed Consolidated Statement Of Comprehensive Income after this date relating to this scheme. On Listing, the Company also issued 'free' shares to the value of £3,000 as a 'bonus' to each eligible employee as part of its Share Incentive Plan scheme. On Listing, the Company also entered into an agreement with Gerald Corbett under which Gerald Corbett purchased 117,647 ordinary shares in the Company, and provided he completes 3 years service as Chairman of the Company from Listing and he retains those ordinary shares he purchased, he will be entitled to subscribe at nominal value for 235,294 ordinary shares in the Company. The Company does not currently intend to make similar awards in the future. It does however anticipate making conditional share awards under the terms of the Company's Long Term Incentive Plan (LTIP) in the future to key staff on commercial terms. Conditional awards were made under the Company's Long Term Incentive Plan on 28 December 2007, 4 March 2008 and on 8 April 2009. A charge for these awards is included within the pro forma results for 2008.

Condensed Consolidated Statement Of Financial Position

30 June 31 December 30 June

More to follow, for following part double-click [nRn2D8036W]