RNS Number : 5319I
Moneysupermarket.com Group PLC
26 July 2012

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MoneySupermarket.com Group PLC interim results for the six months to 30 June 2012

Strong results and cash generation

MoneySupermarket.com Group PLC ("MoneySupermarket.com" or the "Company"), the UK's leading price comparison website, announces its interim results for the 6 months to 30 June 2012.

Financial highlights	Six Months Ended June 2012	Six Months Ended June 2011	Change
Group revenue	£102.2m	£91.7m	11%
Adjusted revenue (1)	£102.2m	£88.8m	15%
Adjusted gross profit (1)	£73.3m	£63.4m	16%
Adjusted EBITDA (1)	£28.7m	£23.0m	25%
Statutory profit after tax	£8.8m	£8.8m	-
Cash balance	£36.7m	£32.2m	14%
Interim dividend for the period	1.8p	1.5p	20%
Special dividend for the period	-	3.93p	n/a

Financial highlights

- Adjusted revenue increased by 15% to £102.2m (2011: £88.8m).
- Adjusted EBITDA increased by 25% to £28.7m (2011: £23.0m).
- Adjusted gross margin improved to 71.7% (2011: 71.4%).
- Cash balances of £36.7m (2011:£32.2m) at 30 June. The Group continues to be highly cash generative, and converted 106% of EBITDA to cash.
- Interim dividend increased by 20% to 1.8p per share.

Operational highlights

- Market-leading position and share maintained in competitive marketplace.
- Continued structural growth in our online markets and targeted investment in technology and brand building helping to improve conversion rates.
- Marketing investment +8% with adjusted revenues +15%:
  - New TV campaign introduced £1,000 household savings message.
- Digital investment is already benefiting the business:
  - Internal team of over 50 people continues to improve SEO (unpaid 'natural' search). SEO revenue +29%.
- Proposed acquisition of MoneySavingExpert.com (MSE) for up to £87m approved by shareholders subject to OFT approval:
  - Trusted MSE website, Forum and Newsletter (received by 5m users) performing well post announcement of acquisition.

Outlook

Trading in July has been in line with expectations with revenues approximately 10% ahead of the same period last year. The Board remains confident in the prospects for the full year.

Peter Plumb, MoneySupermarket.com Chief Executive Officer, said:

"We've maintained our strong momentum in the first half of 2012. We're on track to save customers over £1 billion this year. More households are reacting to the uncertain economic outlook by seeking savings on a range of products and services, and MoneySupermarket helps them do just that. We're one of the easiest ways for a family to save £1,000 on their household bills.

"The 15% rise in revenues and 25% increase in profits were achieved because we continue to invest in the MoneySupermarket brand, in cutting edge digital marketing and technology, and in striving to be the best shop for consumers. We are continuing to recruit talented digital marketers.

"We are in a structurally growing market but we will only continue to succeed if we carry on giving customers and product providers a better and broader service than they can get elsewhere. That way we can save households money, build the business and generate strong returns for our shareholders.

"The proposed purchase of MoneySavingExpert.com will add to what we offer consumers. It is among the most trusted brands in consumer finance. Our two brands - while continuing to operate independently - will give us a greater ability to help more customers and will accelerate progress towards our goal of helping every consumer make the most of their money."

(1) See Notes - Basis of Preparation in 'Financial and Business Review'.

Results presentation

There will be a presentation for investors and analysts at UBS, 1 Finsbury Avenue, London, EC2M 2PP at 9.30am this morning. The presentation will be streamed live. Visit: http://corporate.moneysupermarket.com/ to register and listen.

For further information, contact:

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Financial and Business Review

The Group presents below an extract of the Consolidated Statement of Comprehensive Income for the six months ended 30 June 2012 and 30 June 2011 along with a reconciliation to adjusted EBITDA. Revenue for the six months ended 30 June 2012 was £102.2m (2011: £91.7m) which generated a reported operating profit of £11.5m (2011: £12.4m). The Directors believe that the presentation of the adjusted EBITDA measure allows users of the financial information to gain a better understanding of the underlying performance of the business.

Extract of Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2012

	6 months ended 30 June 2012 £000	6 months ended 30 June 2011 £000
Revenue	102,236	91,739
Cost of sales	(28,919)	(25,370)
Gross profit	73,317	66,369
Distribution expenses	(16,900)	(16,949)
Administrative expenses	(44,960)	(37,034)
Profit from operating activities	11,457	12,386
Reconciliation to adjusted EBITDA:		
Profit from operating activities	11,457	12,386
Amortisation of intangible assets	12,589	11,872
Depreciation	1,790	1,956
EBITDA	25,836	26,214
Adjustments		
Fees related to MSE acquisition (1)	2,716	-
VAT credit (2)	-	(3,195)
Deferred consideration expensed (3)	116	-
Adjusted EBITDA	28,668	23,019
Adjusted earnings per ordinary share:		
- basic (p)	3.9	3.1
- diluted (p)	3.8	3.0
Normal earnings per ordinary share:		
- basic (p)	1.7	1.7
- diluted (p)	1.7	1.7

Notes

Basis of Preparation

The results show the trading results for the six months ended 30 June 2012 and 30 June 2011. The following adjustments have been made in arriving at adjusted EBITDA:

1 **Acquisition of MoneySavingExpert.com**

- During the period the Group reached agreement with Martin Lewis to buy the complete trade and assets of MoneySavingExpert.com and certain of his sole trader business. The Group incurred fees in connection with the transaction which have been added back to statutory profit. The acquisition is conditional upon receiving clearance from the Office of Fair Trading.

2 **VAT Credit**

- The Group received written notification in June 2011 that it had been successful in challenging the VAT treatment of the supply of certain of its lead services. Following a ruling received in March 2008 from HMRC the Group had treated the supply of its lead services as a standard rated supply for VAT purposes rather than as an exempt supply that the Group believed to be correct. The amount deducted from statutory profit of £3.2m in 2011 represents the amount that was attributable to prior periods.

3 **Local Daily Deals Deferred Consideration**

- On 31 August 2011 the Group acquired a 51% shareholding in Local Daily Deals Limited (LDD). The Group has recognised a charge in its Consolidated Statement of Comprehensive Income in the period of £0.1m, for deferred consideration relating to the employment of certain individuals, within administrative expenses.

Reference is made in the Overview and Financial Highlights sections to adjusted revenues, adjusted cost base, adjusted distribution and administration expenses. These measures represent the revenue generated and costs charged to the Consolidated Statement of Comprehensive Income, less the intangible amortisation, costs incurred in the acquisition of certain assets and the trade of Martin Lewis and MoneySavingExpert.com, the impact of the VAT settlement referred to above and costs recognised in respect of deferred consideration relating to LDD.

Overview

We present a strong set of financial results for the six months ended 30 June 2012. Adjusted revenue for the six months was £102.2m (2011: £88.8m), up 15%, generating adjusted EBITDA of £28.7m (2011: £23.0m), up 25%.

During the first half of the year the Group has seen good growth in its main markets of Money and Insurance. Consumer demand for price comparison remains strong with visitor numbers 19% ahead of the same period last year while provider appetite shows no signs of diminishing.

The Group has continued to invest in its brand. Distribution costs are flat in the period against a comparator period which included the sponsorship of 'Britain's Got Talent'. The Group has continued to feature its range of products as a key message in its adverting campaigns, and this has in part helped grow the Money vertical in the first half of the year. The Group is already benefiting from the investment it made in 2011 in its data acquisition capabilities. In the second half the Group intends to further invest in its web front end and its data systems to improve both user experience in what customers see and importantly how the Group uses and organises its data to surface relevant deals and offers to its customers.

Financial Performance

Adjusted revenue increased by 15% to £102.2m (2011: £88.8m) and adjusted EBITDA increased by 25% to £28.7m (2011: £23.0m). The Group saw total revenue growth in its Money and Insurance verticals of 18% whilst revenues in the Home Services vertical remained flat against a tough comparator period which saw significant price rises in the domestic energy market. Travel revenues fell in what remains a challenging market. The Group maintained its strong market share in financial services against its key competitor set, measured by Experian Hitwise.

Group adjusted gross margins at 71.7% improved marginally over last year. The Group maintained its proportion of direct to site revenue at 66% of total revenue (2011: 66%), whilst paid search represented 24% of revenue in the first half of 2012 (2011: 22%).

The adjusted administrative and distribution cost base increased by 9% from £42.4m to £46.4m. Distribution expenses were flat at £16.9m measured against a comparator period which included the sponsorship of Britain's Got Talent. Adjusted administrative costs increased by £4m (16%) to £29.5m in the first half of 2012. Adjusted staff costs (including contract resource) were £2.9m higher at £16.5m. The Group has invested in its digital marketing capabilities building a team to maintain and build upon its market leading expertise in this area. Staff numbers increased from 419 to 448 from June 2011 to June 2012.

Other costs, including irrecoverable VAT, increased by £1.4m.

Adjusted EBITDA margins increased from 26% to 28% against the same period last year.

The Group operates its internet business across four vertical markets. These are outlined in more detail below:

	Adjusted revenue			
	6 months to 30 June 2012		6 months to 30 June 2011	
	£000	%	£000	%
Money	32,223	32	27,048	30
Insurance	58,859	58	50,323	57
Travel	7,074	7	7,631	9
Home Services	3,646	3	3,644	4
Other	434	-	123	0
Total	102,236	100	88,769	100

Key Performance Indicators

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 websites 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 websites having clicked through to a third party website, or in some cases having completed an application form hosted on the Group's websites.

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 performance of each of the internet verticals is outlined below:

Money

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

The KPIs for the Money vertical are shown below:

	6 months to 30 June 2012	6 months to 30 June 2011	Change
Visitors (000)	21,957	18,050	22%
Transactions (000)	12,200	9,364	30%

Revenue (£000) - click based revenue	30,283	24,768	22%
Revenue (£000) - other	1,940	2,280	-15%
Revenue (£000) - total	32,223	27,048	19%
RPV	£1.47	£1.50	-2%
RPT	£2.48	£2.65	-6%

Trading in the Money vertical was strong relative to the same period last year. Total revenue increased by 19% from £27.0m to £32.2m and click based revenue by 22% from £24.8m to £30.3m. Visitors were 22% higher helped by increased efficiency in online marketing and by an effective offline campaign, which focussed on the depth and breadth of the Group's offering and featured a number of money products directly.

The vertical saw growth across its credit business and more generally from other banking products particularly savings, which performed very strongly. Revenues from credit products defined as revenues from secured and unsecured loans, credit cards, debt solutions and mortgages excluding impression based advertising were 8% ahead of the same period last year. Credit card revenues, which represent the largest channel within the credit segment, were flat against an overall market that declined as consumers continue to pay down debt.

The change in sales mix away from credit products towards other banking products reduced the RPV marginally in the first half of the year relative to the same period last year

Other revenue, which includes revenue from leads, commission based sales through our advisory business MCAT for mortgages and loans, and advertising revenue, fell by £0.3m. The Group has continued to focus upon improving its core click based offering encouraging consumers to click through and transact directly with providers rather than through its lead based business.

Insurance

The Insurance vertical 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 is derived from insurance products.

The KPIs for the Insurance vertical are shown below:

	6 months to 30 June 2012	6 months to 30 June 2011	Change
Visitors (000)	16,727	14,592	15%
Transactions (000)	8,169	8,062	1%
Revenue (£000) - click based revenue	51,466	46,402	11%
Revenue (£000) - other	7,393	3,921	89%
Revenue (£000) - total	58,859	50,323	17%
RPV	£3.52	£3.45	2%
RPT	£6.30	£5.76	9%

Revenues in the Insurance vertical increased by 17% from £50.3m to £58.9m. Click based revenue increased by 11% from £46.4m to £51.5m.

Revenues increased in each of the four major lines of business, being motor, home, travel and life insurance, with motor continuing to perform strongly.

Visitors increased by 15% over the period driven by the online marketing efficiencies referred to earlier and the new television campaign referred to above.

Other revenue increased by £3.5m from the continued success of the telephone assisted life insurance channel, which offers consumers offline support in completing often complex application forms.

Travel

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

The KPIs for the Travel vertical are shown below:

	6 months to 30 June 2011	6 months to 30 June 2011	Change
Visitors (000)	22,600	23,188	-3%
Transactions (000)	11,597	13,328	-13%
Revenue (£000) - click based revenue	6,561	6,964	-6%
Revenue (£000) - other	513	667	-23%
Revenue (£000) - total	7,074	7,631	-7%
RPV	£0.31	£0.33	-5%
RPT	£0.57	£0.52	8%

Revenue in the Travel vertical decreased by 7% from £7.6m to £7.1m. Click based revenue decreased by 6% from £7.0m to £6.6m.

The Group's package holidays channel continued to grow following continued investment and website optimisation. Car hire revenues held up well, linked in part to the success of the package holidays channel. However, flights and hotels more typically associated with discretionary expenditure and weekend travel continued to decline as these markets continued to weaken.

Home Services

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

The KPIs for the Home Services vertical are shown below:

	6 months to 30 June 2012	6 months to 30 June 2011	Change
Visitors (000)	13,954	11,722	19%
Transactions (000)	4,868	4,088	19%
Revenue (£000) - click based revenue	3,644	3,644	0%
Revenue (£000) - other	2	0	-
Revenue (£000) - total	3,646	3,644	0%
RPV	£0.26	£0.31	-16%
RPT	£0.75	£0.89	-16%

Revenue in Home Services was flat at £3.6m. Visitors increased by 19%.

Revenues from utility switching, which account for the majority of revenues within the Home Services vertical, were lower than the same period last year. Revenues in the first half of 2011 and in particular the second quarter of 2011 were buoyed by all of the major providers raising domestic energy prices in short succession. Pricing in the first half of 2012 has been stable and this has reduced the number of customers seeking to switch suppliers. Mobile and Broadband revenues however, have grown over the same period last year. The change in sales mix has lowered both RPV and RPT in the Home Services vertical.

VAT

In the first half of 2011 the Group reached agreement with HMRC that a number of its income streams had been classified incorrectly by HMRC as standard rated supplies rather than exempt. The Group recognised a one off credit of £3.5m in the first half of 2011 within its statutory numbers. Of this amount the Group recognised a credit of £0.3m in its adjusted numbers reflecting the estimated benefit of the change in treatment in the first half of 2011.

In July 2012, the Group has received formal approval from HM Revenue & Customs for the use of a new VAT recovery method. Whilst the new method has been approved, the Group has not yet formally quantified the amount of VAT which it expects to claim for, nor has this amount been agreed with HM Revenue & Customs. Management estimate the net recovery at approximately £7m after fees. As this potential recovery was not considered to be virtually certain at 30 June 2012, it has not yet been reflected in the financial statements.

On an on-going basis the Group estimates that, if successful, the Group at current levels of spend would reduce its level of irrecoverable VAT by approximately £2m per annum.

Investment in HD Decisions

On 25 March 2011 the Group invested £1m in acquiring a 25% stake in HD Decisions Limited. HD provides credit decision support technology, which allows consumers to better understand the probability of being approved for a credit product before making a formal application for credit. This improves the user's experience on the Group's websites by matching consumers with credit products that they are eligible for and increases the number of relevant applications for individual providers which improves conversion. Importantly a credit footprint is not left on the consumer's profile at the point of initial enquiry. Furthermore providers are able to reduce the cost of credit searches at the application stage if consumers proceed to apply only for those credit products that are suited to their particular circumstances. The software is currently deployed to a portion of the Group's credit card channel customers and will be rolled out later in the year to its loan channels.

Proposed Acquisition of MoneySavingExpert.com

On 1 June 2012 the Group agreed to acquire the trade and certain assets of MoneySavingExpert.com and a sole trader business from Martin Lewis for a total consideration of up to £87m including deferred consideration of up to £27m. The initial consideration of £60m will be settled by an upfront cash payment of £35m and £25m equity represented by 22.1m shares in the Group. The deferred consideration is payable against the achievement of certain non-financial metrics and at the Board's discretion.

The MoneySavingExpert website offers free online content, which MoneySavingExpert has researched including in the areas of credit cards and loans, shopping, deals and vouchers, utilities and phones, banking and saving, travel and motoring, insurance, mortgages and homes, and income and family. MoneySavingExpert's offering includes a range of online tools, researched articles in respect of specific products, personal finance guides, weekly newsletter emails which are sent to subscribers, and online forums. Martin Lewis and the MoneySavingExpert website also provide information and promote topical consumer focused issues such as financial education in schools and reclaiming payment protection insurance.

The business will be run separately for a period of at least three years according to an editorial code to ensure that MoneySavingExpert remains independent. The Board believes that the acquisition will help the combined Group reach a wider range of consumers, increase the proportion of revenues which are derived from direct to site sources and contribute significantly to the Group's goal of helping every household make the most of their money.

Completion is conditional upon shareholder approval, which was received on 5 July 2012, and obtaining certain clearances from the competition authorities, which are expected to be received early in the fourth quarter of 2012.

Cash Balance and Dividend

As at 30 June 2012 the Group had a cash balance of £36.7m (2011: £32.2m). The Group continued to strengthen its cash position throughout the period after payment of dividends of£16.9m in the first six months of the year. This included the distribution to LTIP holders. Having reviewed the cash required by the business and the performance of the Group,the Board has decided to increase its interim dividend by 20% to 1.8p per ordinary share.

The ex-dividend date is 15 August 2012, with a record date of 17 August 2012 and a payment date of 14 September 2012. Shareholders have the opportunity to elect to reinvest their cash dividend and purchase existing shares in the Company through a Dividend Reinvestment Plan.

Earnings per ordinary share

Basic statutory earnings per ordinary share for the six months to 30 June 2012 were 1.7p (2011: 1.7p). Adjusted basic earnings per ordinary share increased from 3.1p to 3.9p per share. The adjusted earnings per ordinary share are based on profit before tax after adding back intangible amortisation relating to the acquisitions of Moneysupermarket.com Financial Group Limited and Financial Services Net Limited, costs relating to the acquisition of the trade and assets of MoneySavingExpert, and adjusting for the impact of the VAT settlement referred to above and costs recognised in respect of deferred consideration relating to LDD. An effective tax rate of 24.5% (2011: 26.5%) has been applied to calculate adjusted profit after tax.

Outlook

Trading in July has been in line with expectations with revenues approximately 10% ahead of the same period last year. The Board remains confident in the prospects for the full year.

Responsibility statement of the Directors in respect of the half-yearly financial report

Each of the Directors, whose names and functions are listed below, confirms that, to the best of his knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU

• 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 Group during that period; and any changes in the related party transactions described in the last annual report that could do so.

Name	Function
Gerald Corbett	Chairman
Simon Nixon	Deputy Chairman
Peter Plumb	Chief Executive Officer
Paul Doughty	Chief Financial Officer
David Osborne	Marketing Director
Graham Donoghue	Managing Director, Financial Services
Michael Wemms	Senior Independent Non-Executive Director
Rob Rowley	Non-Executive Director
Bruce Carnegie-Brown	Non-Executive Director

25 July 2012

Principal Risks and Uncertainties

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

Financial risks

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 consolidate, withdraw their products from price comparison websites or reduce their customer acquisition activity via price comparison websites. This may reduce competition for business, customer choice, Group revenue and the customer proposition of price comparison websites.

Investment in new areas

Significant investments in new products and services or geographies fails to make a return.

Financial services and other markets regulation

The business model in financial services or other lines of business may be compromised by changes to existing regulation or the introduction of new regulation.

Economic environment

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

Operational risks

Competitive environment

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

Brand perception and reputation

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 or if its reputation is negatively impacted by any event, such as the loss or misuse of customer personal data.

Business continuity, capacity and functionality of IT and systems

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

Loss of key management

Loss of key management resulting in a lack of necessary expertise or continuity to execute strategy.

Reliance on search engine natural listings

Reduction in gross margin through reduction in revenue derived from search engine optimisation activities.

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 2012 which comprises the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial 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 2012 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

Stuart Burdass
for and on behalf of KPMG Audit Plc
Chartered Accountants
St James' Square
Manchester, M2 6DS
25 July 2012

Condensed Consolidated Statement of Comprehensive Income

	Note	6 months to 30 June 2012 £000	6 months to 30 June 2011 £000
Revenue	4	**102,236**	91,739
Cost of sales		**(28,919)**	(25,370)
Gross profit		**73,317**	66,369
Distribution expenses		**(16,900)**	(16,949)
Administrative expenses		**(44,960)**	(37,034)
Results from operating activities		**11,457**	12,386
Financial income		**121**	145
Financial expense		**-**	-
Net finance income		**121**	145
Share of profit after tax from associate		**66**	-
Profit before income tax		**11,644**	12,531
Income tax expense	5	**(2,809)**	(3,724)
Profit for the period		**8,835**	8,807
Other comprehensive income:			
Foreign currency translation		**(5)**	8
Deferred tax on share-based payments		**441**	284
Other comprehensive income for the period		**436**	292
Total comprehensive income for the period		**9,271**	9,099

Reconciliation to adjusted EBITDA:			
Operating profit		**11,457**	12,386
Amortisation of intangibles		**12,589**	11,872
Depreciation		**1,790**	1,956
Normal EBITDA		**25,836**	26,214
Acquisition costs relating to MoneySavingExpert(1)		**2,716**	-
VAT credit (2)		**-**	(3,195)
Local Daily Deals Limited deferred consideration(3)		**116**	-
Adjusted EBITDA		**28,668**	23,019
Earnings per share:			
Basic earnings per ordinary share (pence)	6	**1.7**	1.7
Diluted earnings per ordinary share (pence)	6	**1.7**	1.7

Basis of Preparation

The adjusted results show the trading results for the 6 months ended 30 June 2011 and 30 June 2012. 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:

1 **Acquisition of MoneySavingExpert.com**

- During the period the Group reached agreement with Martin Lewis to buy the complete trade and assets of MoneySavingExpert.com and certain of his sole trader business. The Group incurred fees in connection with the transaction which have been added back to statutory profit. The acquisition is conditional upon receiving clearance from the Office of Fair Trading.

2 VAT Credit

- The Group received written notification in June 2011 that it had been successful in challenging the VAT treatment of the supply of certain of its lead services. Following a ruling received in March 2008 from HMRC the Group had treated the supply of its lead services as a standard rated supply for VAT purposes rather than as an exempt supply that the Group believed to be correct. The amount deducted from statutory profit of £3.2m in 2011 represents the amount that was attributable to prior periods.

3 Local Daily Deals Deferred Consideration

- On 31 August 2011 the Group acquired a 51% shareholding in Local Daily Deals Limited (LDD). The Group has recognised a charge in its Consolidated Statement of Comprehensive Income in the period of £0.1m, for deferred consideration relating to the employment of certain individuals, within administrative expenses.

Condensed Consolidated Statement of Financial Position

	Note	30 June 2012 £000	31 December 2011 £000	30 June 2011 £000
Assets				
Non-current assets				
Property, plant and equipment		**10,407**	10,952	12,539
Intangible assets	8	**148,778**	160,634	170,649
Investments in equity accounted associates		**1,066**	1,000	1,000
Total non-current assets		**160,251**	172,586	184,188
Current assets				
Trade and other receivables		**22,706**	15,974	23,809
Prepayments		**2,115**	1,896	2,724
Cash and cash equivalents		**36,680**	35,005	32,194
Total current assets		**61,501**	52,875	58,727
Total assets		**221,752**	225,461	242,915
Liabilities				
Non-current liabilities				
Deferred tax liabilities		**19,935**	23,251	28,781
Total non-current liabilities		**19,935**	23,251	28,781
Current liabilities				
Trade and other payables		**36,392**	28,898	24,677
Current tax liabilities		**5,087**	6,750	4,731
Total current liabilities		**41,479**	35,648	29,408
Total liabilities		**61,414**	58,899	58,189
Equity				
Share capital		**103**	102	102
Share premium		**171,297**	171,297	171,297
Retained earnings		**(80,016)**	(78,970)	(65,988)
Other reserves		**68,954**	74,133	79,315
Total equity attributable to equity holders of the Company		**160,338**	166,562	184,726
Non-controlling interest		**-**	-	-
Total equity		**160,338**	166,562	184,726
Total equity and liabilities		**221,752**	225,461	242,915

Condensed Consolidated Statement of Changes In Equity

for the period ended 30 June 2012

	Issued share capital	Share premium	Other reserves	Retained earnings	Reserve for own shares	Foreign currency translation reserve	Total
	£000	£000	£000	£000	£000	£000	£000
At 1st January 2011	102	171,297	84,582	(68,239)	-	(101)	187,641
Foreign currency translation	-	-	-	-	-	8	8
Deferred tax recognised on share-based payments	-	-	-	284	-	-	284
Profit for the period	-	-	-	8,807	-	-	8,807
Total income and expense for the period	-	-	-	9,091	-	8	9,099
Equity dividends	-	-	-	(12,885)	-	-	(12,885)
Reserves transfer	-	-	(5,174)	5,174	-	-	-
Share-based payment	-	-	-	871	-	-	871
At 30 June 2011	**102**	**171,297**	**79,408**	**(65,988)**	**-**	**(93)**	**187,726**
At 1st July 2011	102	171,297	79,408	(65,988)	-	(93)	187,726
Foreign currency translation	-	-	-	-	-	(8)	(8)
Deferred tax recognised on share-based payments	-	-	-	187	-	-	187
Profit for the period	-	-	-	7,981	-	-	7,981
Total income and expense for the period	-	-	-	8,168	-	(8)	8,160
Equity dividends	-	-	-	(27,653)	-	-	(27,653)
Reserves transfer	-	-	(5,174)	5,174	-	-	-
Share-based payment	-	-	-	1,329	-	-	1,329
At 31 December 2011	**102**	**171,297**	**74,234**	**(78,970)**	**-**	**(101)**	**166,562**
At 1st January 2012	102	171,297	74,234	(78,970)	-	(101)	166,562
Foreign currency translation	-	-	-	-	-	(5)	(5)
Deferred tax recognised on share-based payments	-	-	-	706	-	-	706
Profit for the period	-	-	-	8,835	-	-	8,835
Total income and expense for the period	-	-	-	9,541	-	(5)	9,536
Share options exercised	1	-	-	-	-	-	1
Distribution in relation to LTIP	-	-	-	(1,435)	-	-	(1,435)
Equity dividends	-	-	-	(15,431)	-	-	(15,431)
Reserves transfer	-	-	(5,174)	5,174	-	-	-
Share-based payment	-	-	-	1,105	-	-	1,105
At 30 June 2012	**103**	**171,297**	**69,060**	**(80,016)**	**-**	**(106)**	**160,338**

Other reserves
The other reserves balance represents the merger and revaluation reserves generated upon the acquisition of MoneySupermarket.com Financial Group Limited by the Company.

Foreign currency translation reserve
The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserve for own shares
The reserve for the Company's own shares comprises the cost of the Company shares held by the Group. At 30 June 2012, the Group held 217,630 shares at a cost of 0.02 pence per share through a trust, for the benefit of the Group's employees.

Condensed Consolidated Statement of Cash Flows

for the period ended 30 June 2012

	2012	2011
	£000	£000
Operating activities		
Profit for the period	**8,835**	8,807
Adjustments to reconcile Group net profit to net cash flows:		
Depreciation	**1,790**	1,956
Amortisation of intangible assets	**12,589**	11,872
Net finance income	**(121)**	(145)
Loss on disposal of property, plant and equipment	**3**	-
Share of profit after tax from associate	**(66)**	-
Equity settled share-based payment transactions	**1,105**	871
Income tax charge	**2,809**	3,724
Effects of foreign exchange differences	**(5)**	-
Changes in trade and other receivables	**(6,895)**	(7,893)
Changes in trade and other payables	**7,495**	(560)
Income tax paid	**(7,082)**	(5,529)
Net cash flow from operating activities	**20,457**	13,103
Investing activities		
Interest received	**64**	154
Acquisition of minority interest	**-**	(1,000)
Acquisition of property, plant and equipment	**(1,248)**	(3,771)
Acquisition of intangible assets	**(733)**	-
Net cash flow used in investing activities	**(1,917)**	(4,617)
Financing activities		
Proceeds from issue of share capital	**1**	-
Dividends paid	**(15,431)**	(12,885)
Distribution in relation to LTIP	**(1,435)**	-
Net cash flow used in financing activities	**(16,865)**	(12,885)
Net increase/(decrease) in cash and cash equivalents	**1,675**	(4,399)
Cash and cash equivalents at start 1 January	**35,005**	36,593
Cash and cash equivalents at 30 June	**36,680**	32,194

Notes

1. Reporting entity

MoneySupermarket.com Group PLC ('Company') is a company domiciled in the United Kingdom. The condensed consolidated financial statements of the Company as at and for the six months ended 30 June 2012 comprise the Company and its subsidiaries ('Group').

The financial statements have been prepared on a going concern basis, which the Directors deem appropriate, given the Group's positive cash position and lack of debt.

The consolidated financial statements of the Group as at and for the year ended 31 December 2011 are available upon request from the Company's registered office at Moneysupermarket House, St David's Park, Ewloe, Chester, CH5 3UZ or online at www.moneysupermarket.com.

2. Statement of compliance

This condensed set of consolidated interim financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

The comparative figures for the year ended 31 December 2011 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

These condensed consolidated interim financial statements were approved by the Board of Directors on 25 July 2012.

3. Significant accounting policies

As required by the Disclosure and Transparency Rules of the Financial Services Authority, the condensed set of financial statements has been prepared by the Group by applying the same accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements as at and for the year ended 31 December 2011.

4. Segmental information

	Money £000	Insure £000	Travel £000	Home £000	Other £000	Total £000
Period ended 30 June 2011						
Revenue						
Segment revenues	27,048	50,323	7,631	3,644	3,093	91,739
Results						
Operating expenses						(79,353)
Results from operating activities						12,386
Net finance income						145
Profit before tax						12,531
Income tax expense						(3,724)
Profit for the period						8,807
Assets						
Unallocated assets						242,915

	Money £000	Insure £000	Travel £000	Home £000	Other £000	Total £000
Period ended 30 June 2012						
Revenue						
Segment revenues	32,233	58,859	7,074	3,646	424	102,236
Results						
Operating expenses						(90,779)
Results from operating activities						11,457
Net finance income						121
Share of profit after tax from associate						66
Profit before tax						11,644
Income tax expense						(2,809)
Profit for the period						8,835
Assets						
Unallocated assets						221,752

In applying IFRS 8 - Operating Segments, the Group has disclosed four reportable segments, being Money, Insure, Travel and Home. This disclosure correlates with the information which is presented to the Group's Chief Operating Decision Maker, the Company's Board, which reviews revenues by segment, but margin, operating costs and assets at a consolidated level. All of the Group revenue reported for the first six months of 2012 was generated in the UK (2011: all Group revenue). Included within Other revenue in the prior period is £3.0m of additional revenue relating to prior periods which the Group recognised in relation to the settlement of a VAT dispute concerning its leads business. The full impact of this settlement is described in Note 10.

5. Income tax

The Group's effective consolidated tax rate for the six months ended 30 June 2012 is 24.3% (2011: 29.7%). This change in the effective tax rate was caused primarily by the following:

- The reduction in the enacted tax rate from 26% to 24%, and in the effective standard rate of corporation tax from 26.5% to 24.5%.
- In 2012, the 2009 LTIP scheme vested, resulting in a Schedule 23 deduction to corporation tax. In the prior period, no share options vested and therefore no such deduction was made.

6. Earnings per share

Basic and diluted loss per share has been calculated on the following basis.

	2012	2011
Profit after taxation attributable to ordinary shareholders (£000)	**8,835**	8,807
Basic weighted average ordinary shares in issue (millions)	**511.3**	509.3
Dilutive effect of share based instruments (millions)	**9.7**	12.6
Diluted weighted average ordinary shares in issue (millions)	**521.0**	521.9
Basic earnings per ordinary share (pence)	**1.7**	1.7
Diluted earnings per ordinary share (pence)	**1.7**	1.7

7. **Dividends**

	2012	2011
	£000	£000
Declared and paid during the period:		
Equity dividends on ordinary shares:		
Final dividend for 2011: 3.03 pence per share (2010: 2.53 pence per share)	**15,431**	12,885
Special dividend for 2011: 3.93 pence per share	**-**	20,000
Proposed for approval (not recognised as a liability as at 30 June):		
Equity dividends on ordinary shares:		
Interim dividend for 2012: 1.8 pence per share (2011: 1.5 pence per share)	**9,270**	7,639

8. **Intangible fixed assets**

	Market related	**Customer relationship**	**Customer list**	**Technology related**	**Goodwill**	**Total**
	£000	£000	£000	£000	£000	£000
Cost						
At 1 January 2011	136,943	69,291	1,162	5,900	127,164	340,460
Revaluation	(16)	(3)	(1)	-	-	(20)
At 30 June 2011	136,927	69,288	1,161	5,900	127,164	340,440
Amortisation						
At 1 January 2011	46,717	34,556	746	5,900	70,000	157,919
Charged in period	6,848	4,949	75	-	-	11,872
At 30 June 2011	53,565	39,505	821	5,900	70,000	169,791
Net book value						
At 1 January 2011	90,226	34,735	416	-	57,164	182,541
At 30 June 2011	**83,362**	**29,783**	**340**	**-**	**57,164**	**170,649**
Cost						
At 1 January 2012	136,927	69,288	1,160	9,800	127,779	344,954
Additions	-	-	-	733	-	733
At 30 June 2012	136,927	69,288	1,160	10,533	127,779	345,687
Amortisation						
At 1 January 2012	60,411	44,455	896	6,359	72,199	184,320
Charged in period	6,847	4,949	75	718	-	12,589
At 30 June 2012	67,258	49,404	971	7,077	72,199	196,909
Net book value						
At 1 January 2012	76,516	24,833	264	3,441	55,580	160,634
At 30 June 2012	**69,669**	**19,884**	**189**	**3,456**	**55,580**	**148,778**

9. **Share-based payments**

On 22 June 2012 further conditional awards were made over 2,878,872 shares to a number of Directors and employees under the Long Term Incentive Plan scheme.

The share option charge in the Condensed Statement of Comprehensive Income can be attributed to the following types of option:

	2012	2011
	£000	£000

Long Term Incentive Plan scheme (LTIP)	**1,071**	871
Sharesave scheme	**34**	-
	1,105	871

The following table indicates the changes in the number of share options during the period:

		LTIP
	At 1 January 2011	10,978,314
	Options issued during the period	2,630,535
1.1.1	Options exercised during the period	-
1.1.2	Options lapsed during the period	(649,601)
1.1.3	Options forfeit during the period	(336,613)
	At 30 June 2011	12,622,635
	At 1 July 2011	12,622,635
	Options issued during the period	-
	Options exercised during the period	-
	Options forfeit during the period	(701,787)
	Options lapsed during the period	-
	At 31 December 2011	11,920,848
	At 1 January 2012	11,920,848
	Options issued during the period	1,919,248
1.1.4	Options exercised during the period	(5,599,551)
1.1.5	Options lapsed during the period	(339,328)
1.1.6	Options forfeit during the period	(276,182)
	At 30 June 2012	7,625,035

The Sharesave scheme which was established in 2011 has continued to operate in the first half of the year. The exercise price for the 2012 Sharesave scheme is expected to be fixed in September 2012.

10. **Settlement of VAT dispute**

During the prior period the Group received written notification that it had been successful in challenging the VAT treatment of the supply of certain of its leads services. Following a ruling received from HMRC in March 2008 the Group had treated the supply of its leads services as a standard rated supply for VAT purposes rather than as an exempt supply that the Group believed to be correct. Consequently the Group recorded additional revenues of £3.7m in the first half of the prior year, together with a credit of £0.2m to administrative costs. The adjusted first half results reflected the estimated impact of the change in VAT treatment on the first half results being a £0.3m credit to profit, the largest element of which is an additional £0.7m of revenues. The Group received the cash benefit during the second half of the year.

Since 30 June 2012, the Group has received formal approval from HM Revenue & Customs for the use of a new VAT recovery method. Whilst the new method has been approved, the Group has not yet formally quantified the amount of VAT which it expects to claim for, nor has this amount been agreed with HM Revenue & Customs. Management estimate the net recovery at approximately £7m after fees. As this potential recovery was not considered to be virtually certain at 30 June 2012, it has not yet been reflected in the financial statements.

11. **Related party transactions**

The Company is the ultimate parent entity of the Group. Intercompany transactions with wholly owned subsidiaries have been excluded from this note, as per the exemption offered in IAS 24.

The aggregate value of transactions and outstanding balances relating to entities which were not wholly-owned subsidiaries at the balance sheet date were as follows:

	Transaction value 6 months to June 2012 £000	Transaction value 6 months to June 2011 £000	**Balance outstanding as at 30 June 2012 £000**	Balance outstanding as at 30 June 2011 £000
Local Daily Deals Limited	**154**	-	**599**	-
HD Decisions Limited	**(450)**	(326)	**(90)**	-

During the period there were no transactions, and at the period end there were no outstanding balances, relating to key management personnel and entities over which they have control or significant influence.

Simon Nixon, Paul Doughty, Michael Wemms, Bruce Carnegie-Brown and Gerald Corbett received dividends from the Group during the period totalling £8,161,251 in relation to the year ended 31 December 2011.

Forward looking statements

This report includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date of this report.

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