

Moneysupermarket.com Group PLC preliminary results for the year ended 31 December 2015

Financial highlights	2015	2014	Change
Group Revenue	£281.7m	£248.1m	14%
Operating Profit	£80.5m	£63.9m	26%
Adjusted Operating Profit *	£100.1m	£87.3m	15%
Statutory Profit After Tax	£63.4m	£52.8m	20%
Adjusted EPS	14.5p	12.3p	18%
Net Cash	£16.7m	£13.1m	27%
Ordinary Dividend For The Year	9.15p	8.00p	14%

*Adjusted Operating Profit is: Operating Profit adjusted for the amortisation of acquisition-related intangible assets and the contingent payable in relation to the acquisition of MoneySavingExpert.com.

- Despite headwinds from Insurance, revenues rose 14% led by Money and Home Services
- Adjusted Operating Profit up 15%
- The ordinary dividend for the year increased by 14% continuing our progressive dividend policy
- Investment in technology was £20m in year two of a three-year investment programme

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

“This was another good year for the Group, achieving 14% growth by saving customers over £1.6bn on their household bills. People are clearly getting more comfortable switching products beyond motor insurance, with the Group helping over 500,000 households switch their energy and 1,600,000 people get a better deal on their finances.

“As we roll out our new technology platform and create more expert help, tools and guides, we all look forward to helping more households save more money on more things in 2016.”

Outlook

The Group traded solidly to the end of February, delivering 12% growth, although insurance revenue is down -4% and travel is deteriorating. We will continue with our growth investment programme. The Board remains confident of delivering its expectations for the year.

Results Presentation

There will be a presentation for investors and analysts at UBS, 1 Finsbury Avenue, London EC2M 2PP at 9.30am this morning. To watch the presentation being streamed live, please visit: <http://corporate.moneysupermarket.com/> to register and listen.

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Cautionary note regarding forward looking statements

This announcement 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 Company 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, Disclosure and Transparency Rules and applicable law, the company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring on or after the date such statements are published.

Financial and Business Review

The Group traded strongly in the year, with revenue increasing 14% to £281.7m and net profit after tax of £63.4m (2014: £52.8m), up 20%. The Group invested £19.6m in its technology as part of a three-year capital investment programme.

When reviewing performance, the Directors use a number of adjusted measures, including adjusted operating profit, which increased by 15% to £100.1m (2014: £87.3m). This is set out below.

In 2015, the Group continued to grow across all business areas. The strategy of offering customers a diversified range of products has meant the Group continued to deliver strong revenue growth of 14%. Growth was particularly strong in the Money and Home Services businesses, while Insurance growth was lower as a result of strong second half comparatives in the previous year and tougher competition.

Revenue in MoneySavingExpert.com was 34% up on last year (before eliminating intra-group revenues). Growth came from credit cards, current accounts and utilities, the last of which again benefited from the success of Cheap Energy Club, launched in 2013, and popular collective switches. MoneySavingExpert.com contributed £21.4m to Group adjusted operating profit (2014: £15.1m).

TravelSupermarket.com grew its revenue for the full year by 8% and launched the new technology platform with innovative tools to enhance flexibility and the usability of the site for customers.

Extract of Consolidated Statement of Comprehensive Income for the year ended 31 December 2015

	Note	2015 £m	2014 £m
Revenue		281.7	248.1
Cost of sales		(56.3)	(52.4)
Gross profit		225.4	195.7
Distribution expenses		(34.2)	(34.0)
Administrative expenses		(110.8)	(97.8)
Operating profit		80.5	63.9
Reconciliation to adjusted operating profit:			
Operating profit		80.5	63.9
Amortisation of acquisition related intangible assets	1	14.9	19.6
Contingent payable in relation to the acquisition of MoneySavingExpert.com	2	4.8	3.9
Adjusted operating profit		100.1	87.3
Adjusted earnings per ordinary share:			
– basic (p)		14.5	12.3
– diluted (p)		14.5	12.2

Notes

Basis of Preparation

The results show the trading results for the years ended 31 December 2015 and 2014 respectively. The following adjustments have been made in arriving at adjusted operating profit:

1 Amortisation of acquisition related intangible assets

The acquisition of Moneysupermarket.com Financial Group Limited by the Company prior to Listing gave rise to £207.2m of intangible assets. These will be written off over a period of 3–10 years with a charge of £13.2m expensed in 2015 (2014: £17.8m). The acquisition of the trade and certain assets of MoneySavingExpert.com and a sole trader business from Martin Lewis (together 'MSE') on 21 September 2012 by the Group gave rise to £12.9m of intangible assets. These will be written off over a period of 3–10 years with a charge of £1.6m included within 2015 (2014: £1.7m).

2 Contingent payable in relation to the acquisition of MoneySavingExpert

The Group has recognised an administrative expense relating to deferred remuneration which is linked to continued employment in the Consolidated Statement of Comprehensive Income in 2015 of £4.8m (2014: £3.9m).

Reference is made below to adjusted cost base and adjusted distribution and administration expenses. These measures represent costs charged to the Consolidated Statement of Comprehensive Income, less intangible amortisation relating to acquisitions, costs recognised in respect of the contingent payable in relation to the acquisition of MoneySavingExpert and corporate finance fees.

The Group remains committed to its technology development and invested £19.6m in 2015. This investment, as part of a three-year programme, focuses on three areas: developing our data capability, building a new aggregation engine and upgrading our customer experience and journey. The investment allows for greater flexibility and scalability across our different channels and any future channels. Customers will benefit from better connectivity across channels and are increasingly able to use different devices to conduct the same transaction seamlessly. The Group believes this investment allows it to deliver services more effectively to customers through improved personalisation and better experience on mobile devices.

Group gross margins increased from 78.9% to 80.0%, largely as a result of increased volumes of traffic on channels other than online paid search. The proportion of direct to site revenues increased from 79% in 2014 to 84% in 2015. Paid search represented 15% of revenue in the year (2014: 17%).

Distribution costs were broadly in line with last year, with the Group continuing the successful 'You're So MoneySuperMarket' campaign on television, supported by radio and print.

Adjusted administrative costs increased by 23% from £73.9m to £91.1m in 2015. Adjusted staff costs (including contract resource) were 22% higher at £51m, largely because of increased headcount levels. Share based payment charges were also higher as a result of the increased share price. Other administrative costs increased by £8m, mainly as a result of increased technology amortisation costs, together with increased premises, IT and professional costs.

Adjusted operating profit margins remained broadly stable at 35.5% (2014: 35.2%).

Group KPIs

The Directors use key performance indicators ('KPIs') to assess the performance of the business against the Group's strategy. Our strategy is to build on our core business of helping customers to find the right product by investing in our technology, customer data and tools. This enables us to build deeper relationships and deliver more value to both customers and providers. The three strategic priorities are: be the best site, earn customer loyalty and be the preferred partner for our providers. The KPIs measure our progress against these priorities.

Best site - Be the easiest way for people to find the right products for their needs

	31 December 2015	31 December 2014	Change
Average monthly unique visitors	23.6m	22.5m	5%
Investment in technology	£19.6m	£16.1m	22%

During the year, we invested £19.6m in our technology and delivered improvements to the customer journey. We introduced our new platform across the largest channels at MoneySuperMarket and TravelSupermarket, launched the MoreMoney App and launched My Suitcase on the new TravelSupermarket site. This enhances the customer experience by making transactions more intuitive and joined up across the business. The 5% increase in average monthly unique visitors, to nearly 24 million, shows the improved usability, as well as success in offering great ways to save money.

Earn customer loyalty - Trusted destination brands

	31 December 2015	31 December 2014	Change
Unique adults choosing to share data	18.6m	15.8m	18%
Net promotor score	48%	38%	10%
Savings made by customers	£1.60bn	£1.43bn	12%

We added nearly 3 million more customers to 'MyProfile', which allows users to keep their details up to date. This helps us personalise services more and makes it easier for customers to save money. We estimate that in 2015 customer savings increased 12% to £1.6bn.

More and more customers want to use our services via multiple devices and so we will continue to make sure they work just as well on mobiles and tablets. Already this year customers can, regardless of device, access the same platform and pick up their transaction and details where they left off. Our work earning customer loyalty is demonstrated by a 10% improvement in our Net Promotor Score (48%).

Preferred partner - Be the best way for providers to acquire customers

	31 December 2015	31 December 2014	Change
Number of providers	877	723	21%
Marketing margin	68%	65%	3%

Our business can only thrive by adding value to our providers. We do this by making improvements to our CRM capability and other marketing to help providers reach the right customers effectively. We use our data tools, analytics and position as the only major independent price comparison website to develop relationships with providers and secure market leading exclusive products for customers. Providers understand the value we bring, which is why we continue to attract a strong panel of providers on our sites.

Trading performance

The Group operates across a number of businesses and markets. These are discussed below:

	Revenue ¹			
	31 December 2015		31 December 2014	
	£m	%	£000	%
Money	72.4	26	58.9	24
Insurance	140.2	50	138.0	56
Home Services	37.5	13	22.4	9
MoneySuperMarket.com	250.1	89	219.3	89
TravelSupermarket.com	24.5	9	22.6	9
MoneySavingExpert.com	30.7	11	22.8	9
Other businesses	0.1	-	0.2	-
Intercompany revenue ¹	(23.7)	(9)	(16.8)	(7)
Total	281.7	100	248.1	100

1 In the above table revenues in MoneySuperMarket.com arising from traffic from MoneySavingExpert.com have been shown in both MoneySuperMarket.com and MoneySavingExpert.com to present the revenues from MoneySuperMarket.com on a consistent basis and to show the contribution of the MoneySavingExpert.com business to the Group. Intercompany revenues have been eliminated as shown above.

Money

The Money vertical offers customers the ability to search for and compare products, including credit cards, current accounts, mortgages, loans, debt solutions, savings accounts and business finance. It also includes elements of the Group's leads business. Revenue in the Money vertical increased 23% from £58.9m to £72.4m.

Revenue growth was particularly strong in current accounts, as a result of more switching. Revenue from credit-related products, such as secured and unsecured loans, credit cards and mortgages, were ahead of prior year.

Trading improved in the second half of the year relative to the first half - the first half rose 20%, while the second half was up 26% on 2014 comparatives, led by strong growth in credit card, current accounts and loans, all helped by customer journey improvements.

The Government's 'Funding for Lending' scheme, which means financial institutions can borrow from the Bank of England at attractive rates, continued to mean that few attractive savings products are on the market. The Government announced on 30 November 2015 that the scheme was to be extended for a further period to 31 January 2018.

Insurance

The Insurance vertical offers customers the ability to search for and compare insurance products, including breakdown, dental, home, life, medical, motor, pet and travel insurance. Revenue in the Insurance vertical increased 2% from £138.0m to £140.2m.

After a first half in which revenues rose 8%, the second half, with strong 2014 comparatives, saw an overall decline of 5%. Motor and home insurance revenues were impacted by higher competitor marketing spend.

Towards the end of the year, the motor and home insurance channels went live on the new technology platform, improving mobile performance and allowing the Group to make improvements to customer journeys through 2016. Travel insurance showed good annual growth, benefiting from improvements to the site and life insurance continued to grow strongly following the redesign of the customer journey in 2015.

An additional £3million - £5 million online and offline marketing spend is planned during 2016.

Home Services

The Home Services vertical offers customers the ability to search for and compare products, such as broadband, mobile phones, vouchers, shopping and utilities. Revenue in the Home Services vertical increased 68% from £22.4m to £37.5m.

Utility switching makes up the majority of revenues in Home Services and this continued to benefit from collective switches, allowing customers to apply for market-leading tariffs available exclusively through the Group, together with the continued success of Cheap Energy Club, which was launched by MoneySavingExpert.com in 2013. This allows householders to register for alerts when savings against their current tariff exceed a predetermined amount set by the consumer.

TravelSupermarket.com

TravelSupermarket.com offers customers the ability to search for and compare car hire, flights, hotels and package holidays, amongst other things. Revenue increased by 8% from £22.6m to £24.5m.

In the fourth quarter, TravelSupermarket went live on its new website, offering an enhanced customer offering and innovative technology for planning and booking travel.

MoneySavingExpert.com

MoneySavingExpert is one of the UK's biggest consumer finance websites and is dedicated to cutting consumers' costs and fighting their corner by means of journalism, great tools and a large community.

MoneySavingExpert.com generated revenue of £30.7m (2014: £22.8m), of which £23.7m (2014: £16.8m) related to revenues also recognised within MoneySuperMarket.com generated from traffic referred to it by MoneySavingExpert. MoneySavingExpert contributed £21.4m (2014: £15.1m) to Group adjusted operating profit.

Trading trends have been consistent with those seen by MoneySuperMarket.com with good growth in revenue from borrowing and banking. Utilities revenue benefitted from Cheap Energy Club and collective switches.

In September, the earnout following the purchase in 2012 of the trade and certain assets of MoneySavingExpert.com and a sole trader business from Martin Lewis concluded, with a final payment of £20.6m in November compared to a potential maximum of £27.0m. The Group recognised in administrative expenses a charge of £4.8m (2014: £3.9m) in the Consolidated Statement of Comprehensive Income in respect of deferred remuneration linked to this.

Cash balance and dividend

As at 31 December 2015, the Group had net cash of £16.7m (2014: £13.1m). In December 2015, the group secured a new three-year revolving credit facility of £100m in committed funds provided in equal parts by Lloyds Bank PLC and Barclays Bank PLC. The Group also has an accordion option to apply to the banks for up to an additional £100m of committed funds during the first two years of the facility. This replaced the previous facility provided by Lloyds. The facility was unused at the year end.

Having reviewed the performance of the Group and the cash required by the business, the Board is recommending a final dividend, subject to shareholder approval, in respect of the year ended 31 December 2015 of 6.6p per ordinary share.

Together with the interim dividend of 2.55p per ordinary share paid on 11 September 2015, this gives a total dividend for the year of 9.15p per ordinary share (2014: 8.00p).

The Board is committed to a progressive dividend policy, with on-going monitoring of the appropriate capital structure.

The ex-dividend date for the final dividend is 31 March 2016, with a record date of 1 April 2016 and a payment date of 6 May 2016. Shareholders will have the opportunity to elect to reinvest their cash dividend and purchase existing shares in the Company through a Dividend Reinvestment Plan.

Tax

The Group tax charge of £16.4m in the Consolidated Statement of Comprehensive Income represents an effective tax rate of 20.5% (2014: 19.9% as this included the non-taxable profit on disposal of an associate, HD Decisions Limited). This is broadly in line with the prevailing rate of 20.25% (2014: 21.5%).

In future, and once the statutory rate of tax has settled, the Group expects the underlying effective rate of tax to approximate to the standard UK corporation tax rate.

Earnings per ordinary share

Basic statutory earnings per ordinary share for the year ended 31 December 2015 was 11.6p (2014: 9.7p). Adjusted basic earnings per ordinary share increased from 12.3p to 14.5p per share. The adjusted earnings per ordinary share is based on profit before tax after adding back intangible amortisation related to acquisitions, costs related to the contingent consideration payable for MoneySavingExpert.com and the profit on disposal of HD Decisions Limited in the prior year. A tax rate of 20.25% (2014: 21.5%) has been applied to calculate adjusted profit after tax.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2015

	Note	31 December 2015 £000	31 December 2014 £000
Revenue		281,734	248,131
Cost of sales		(56,355)	(52,443)
		<hr/>	<hr/>
Gross profit		225,379	195,688
Distribution expenses		(34,151)	(34,037)
Administrative expenses		(110,774)	(97,787)
		<hr/>	<hr/>
Operating profit		80,454	63,864
Finance income		182	194
Finance costs		(840)	(2,059)
		<hr/>	<hr/>
Net finance costs		(658)	(1,865)
		<hr/>	<hr/>
Share of profit of associate		-	59
Profit on disposal of associate		-	3,901
		<hr/>	<hr/>
Profit before tax		79,796	65,959
Taxation		(16,362)	(13,141)
		<hr/>	<hr/>
Profit for the year		63,434	52,818
		<hr/>	<hr/>
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		-	(4)
		<hr/>	<hr/>
Other comprehensive income for the period		-	(4)
		<hr/>	<hr/>
Total comprehensive income for the year		63,434	52,814
		<hr/>	<hr/>
Earnings per share:			
Basic earnings per ordinary share (pence)	2	11.6	9.7
Diluted earnings per ordinary share (pence)	2	11.6	9.6

Consolidated Statement of Financial Position

	<i>Note</i>	31 December 2015 £000	31 December 2014 £000
Assets			
Non-current assets			
Property, plant and equipment		8,730	9,395
Intangible assets	4	163,908	166,498
Total non-current assets		<u>172,638</u>	<u>175,893</u>
Current assets			
Trade and other receivables		27,963	27,526
Prepayments		4,474	3,096
Cash and cash equivalents		16,662	43,146
Total current assets		<u>49,099</u>	<u>73,768</u>
Total assets		<u><u>221,737</u></u>	<u><u>249,661</u></u>
Liabilities			
Non-current liabilities			
Borrowings		-	29,970
Deferred tax liabilities		7,627	7,754
Total non-current liabilities		<u>7,627</u>	<u>37,724</u>
Current liabilities			
Trade and other payables	1	40,727	56,375
Current tax liabilities		7,597	7,440
Total current liabilities		<u>48,324</u>	<u>63,815</u>
Total liabilities		<u>55,951</u>	<u>101,539</u>
Equity			
Share capital		110	109
Share premium		202,434	202,217
Reserve for own shares		(3,882)	-
Retained earnings		(91,603)	(112,838)
Other reserves		58,727	58,634
Total equity		<u>165,786</u>	<u>148,122</u>
Total equity and liabilities		<u><u>221,737</u></u>	<u><u>249,661</u></u>

The Financial Statements were approved by the Board of Directors and authorised for issue on 29 February 2016. They were signed on its behalf by:

Peter Plumb

Matthew Price

Consolidated Statement of Changes in Equity

for the year ended 31 December 2015

	Issued share capital	Share premium	Other reserves	Retained earnings	Reserve for own shares	Total
	£000	£000	£000	£000	£000	£000
At 1 January 2014	108	201,841	58,638	(126,826)	-	133,761
Foreign currency translation	-	-	(4)	-	-	(4)
Profit for the year	-	-	-	52,818	-	52,818
Total income and expense for the year	-	-	(4)	52,818	-	52,814
Exercise of LTIP awards	1	-	-	-	-	1
New shares issued	-	376	-	-	-	376
Distribution in relation to LTIP	-	-	-	(917)	-	(917)
Equity dividends	-	-	-	(40,486)	-	(40,486)
Tax effect of share-based payments	-	-	-	521	-	521
Share-based payments	-	-	-	2,052	-	2,052
At 31 December 2014	109	202,217	58,634	(112,838)	-	148,122
At 1 January 2015	109	202,217	58,634	(112,838)	-	148,122
Foreign currency translation	-	-	-	-	-	-
Profit for the year	-	-	-	63,434	-	63,434
Total income and expense for the year	-	-	-	63,434	-	63,434
Transfer of foreign exchange reserve	-	-	93	(93)	-	-
Exercise of LTIP awards	1	-	-	-	-	1
Purchase of shares by employee trusts	-	-	-	-	(3,882)	(3,882)
New shares issued	-	217	-	-	-	217
Distribution in relation to LTIP	-	-	-	(656)	-	(656)
Equity dividends	-	-	-	(44,989)	-	(44,989)
Tax effect of share-based payments	-	-	-	922	-	922
Share-based payments	-	-	-	2,617	-	2,617
At 31 December 2015	110	202,434	58,727	(91,603)	(3,882)	165,786

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, as discussed below, and a £19,000 capital redemption reserve.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £60,750,000 for 15% of the fair value of assets acquired, a merger reserve of £16,923,000 for 45% of the book value transferred from a company under common control, and a revaluation reserve of £65,345,000 representing 45% of the fair value of the intangible assets transferred from a company under common control, were recognised. Amounts were transferred from these reserves to retained earnings as the goodwill and other intangibles balances which relate to this acquisition were impaired and amortised.

Reserve for own shares

The reserve for the Company's own ordinary shares comprises the cost of the Company's ordinary shares held by the Group through employee trusts. At 31 December 2015, the Group held 425,225 ordinary shares at a cost of 0.02p per share through a Share Incentive Plan trust for the benefit of the Group's employees.

The Group also held 1,214,301 shares through an Employee Benefit Trust at a cost of 317.34p per share for the benefit of employees participating in the various Long Term Incentive Plan schemes.

Consolidated Statement of Cash Flows

for the year ended 31 December 2015

	Year ended 31 December 2015 £000	Year ended 31 December 2014 £000
Operating activities		
Profit for the year	63,434	52,818
Adjustments to reconcile Group profit for the year to net cash flow from operating activities:		
Depreciation of property, plant and equipment	2,605	3,446
Amortisation of intangible assets	22,235	23,957
Net finance costs	658	1,865
(Profit)/loss on disposal of property, plant and equipment	-	(47)
Share of profit of associate	-	(59)
Profit on disposal of associate	-	(3,901)
Contingent payable in relation to MSE acquisition	4,819	3,908
Equity settled share-based payment transactions	2,617	2,052
Tax charge	16,362	13,141
Changes in trade and other receivables	(1,020)	(6,524)
Changes in trade and other payables	350	4,715
Tax paid	(15,186)	(11,404)
Net cash flow from operating activities	96,874	83,967
Investing activities		
Interest received	182	194
Acquisition of trade and assets	(20,566)	(1,500)
Acquisition of property, plant and equipment	(1,940)	(1,631)
Acquisition of intangible assets	(20,526)	(9,715)
Disposal of associate	-	5,292
Net cash used in investing activities	(42,850)	(7,360)
Financing activities		
Proceeds from exercise of Long Term Incentive Plan	1	1
Proceeds from share issue	218	376
Dividends paid	(44,989)	(40,486)
Distribution in relation to Long Term Incentive Plan	(656)	(917)
Proceeds from borrowings	20,000	20,000
Repayment of borrowings	(50,000)	(50,000)
Purchase of shares by employee trusts	(3,882)	-
Payment of transaction costs related to financing activities	(550)	-
Interest paid	(650)	(1,367)
Net cash used in financing activities	(80,508)	(72,393)
Net (decrease)/increase in cash and cash equivalents	(26,484)	4,214
Cash and cash equivalents at 1 January	43,146	38,935
Effects of foreign exchange differences	-	(3)
Cash and cash equivalents at 31 December	16,662	43,146

Notes

1 Acquisitions

MoneySavingExpert.com ("MSE")

On 21 September 2012, the Group acquired certain trade and assets from Martin Lewis and his company MoneySavingExpert.com. Additional amounts of up to £27.0m became payable on the third anniversary of the completion of the acquisition. The amount payable depended in part upon the achievement of a number of non-financial performance measures specified in the purchase agreement and was, in part, at the discretion of the Company's Board, subject to the continued employment of Martin Lewis.

The arrangement to pay these additional amounts has been accounted for separate to the business combination as remuneration as their payment is linked to the continued employment of Martin Lewis.

The benefit payable has been charged to the Consolidated Statement of Comprehensive Income over the period in which services have been provided (the earnout period) as an employment expense. Management estimated the benefit payable by assessing, amongst other things, the performance of the acquired business since acquisition, against the measures specified in the purchase agreement. Measurement was inherently subjective due to the nature of the earnout variables and the length and timing of the earnout period. During the year £4.8m (2014: £3.9m) has been charged to the Consolidated Statement of Comprehensive Income as an employment expense, and £0.4m (2014: £0.3m) has been recognised as an expense within net finance costs, being the unwinding of the discount rate applied. The final payment of £20.6m was paid in November 2015.

2 Earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year. The Company's own shares held by employee trusts are excluded when calculating the weighted average number of ordinary shares outstanding.

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

Earnings per share

Basic and diluted earnings per share have been calculated on the following basis:

	2015	2014
Profit after taxation attributable to ordinary equity holders (£000)	63,434	52,818
Basic weighted average ordinary shares in issue (millions)	546.3	544.4
Dilutive effect of share based instruments (millions)	2.6	6.1
Diluted weighted average ordinary shares in issue (millions)	548.9	550.5
Basic earnings per ordinary share (p)	11.6	9.7
Diluted earnings per ordinary share (p)	11.6	9.6

3 Dividends

	2015	2014
	£000	£000
Declared and paid during the year:		
Equity dividends on ordinary shares:		
Final Dividend for 2013: 5.12p per share	-	27,899
Interim Dividend for 2014: 2.31p per share	-	12,587
Final dividend for 2014: 5.69p per share	31,032	-
Interim dividend for 2015: 2.55p per share	13,957	-
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2015: 6.60p per share (2014: 5.69p per share)	36,136	31,032

4 Intangible assets

	Market related	Customer relationship	Customer list	Technology related	Goodwill	Total
	£000	£000	£000	£000	£000	£000
Cost:						
At 1 January 2014	148,659	69,288	2,323	17,358	180,399	418,027
Additions	-	-	-	14,641	1,500	16,141
Disposals	-	-	-	(5,900)	-	(5,900)
At 1 January 2015	148,659	69,288	2,323	26,099	181,899	428,268
Additions	-	-	-	19,645	-	19,645
At 31 December 2015	148,659	69,288	2,323	45,744	181,899	447,913
Amortisation and impairment:						
At 1 January 2014	92,810	64,677	1,658	11,754	72,814	243,713
Disposals	-	-	-	(5,900)	-	(5,900)
Amortisation charge for the year	14,570	4,611	388	4,388	-	23,957
At 1 January 2015	107,380	69,288	2,046	10,242	72,814	261,770
Amortisation charge for the year	14,573	-	277	7,385	-	22,235
At 31 December 2015	121,953	69,288	2,323	17,627	72,814	284,005
Net book value:						
At 31 December 2014	41,279	-	277	15,857	109,085	166,498
At 31 December 2015	26,706	-	-	28,117	109,085	163,908

5 Related party transactions

In addition to their salaries, the Group also provides non-cash benefits to Directors and Executive Officers. Directors and Executive Officers also participate in the Group's Long Term Incentive Plan.

Michael Wemms, Bruce Carnegie-Brown, Simon Nixon, Peter Plumb, Graham Donoghue, Matthew Price, Robin Klein, Robin Freestone and Sally James in total received dividends from the Group totaling £7,041,094 (2014: £6,820,037). Michael Wemms and Robin Klein ceased to be Directors on 30 April 2015, Graham Donoghue ceased to be a Director on 8 October 2015 and Simon Nixon ceased to be a Director on 31 December 2015.

There were no amounts outstanding to the Company or any future commitments of the Company as at 31 December 2015 (2014: nil).

Statutory Information

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2015 or 31 December 2014 but is derived from those accounts. Statutory accounts for 2014 have been delivered to the registrar of companies, and those for 2015 will be delivered in due course. The auditor has reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor 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.

The annual report and accounts for the year ended 31 December 2015 will be posted to shareholders in March 2016. The results for the year ended 31 December 2015 were approved by the Board of Directors on 29 February 2016 and are audited. The Annual General Meeting will take place on 20 April 2016. The final dividend will be payable on 6 May 2016 to shareholders on the register at the close of business on 1 April 2016.