

20 July 2017

Moneysupermarket.com Group PLC interim results for the six months to 30 June 2017

Financial highlights	Six Months Ended June 2017	Six Months Ended June 2016	Change
Group revenue	£165.3m	£157.6m	+5%
Gross profit	£120.4m	£120.4m	-
Operating Profit	£48.5m	£46.5m	+4%
Adjusted Operating Profit *	£55.2m	£53.8m	+3%
Profit after tax	£40.3m	£37.9m	+6%
Adjusted basic EPS **	8.1p	7.8p	+4%
Basic EPS	7.4p	6.9p	+7%
Net cash (Cash less borrowings)	£17.7m	£10.7m	+65%
Interim dividend for the period	2.84p	2.75p	+3%

*Adjusted Operating Profit ("AOP") is Operating Profit adjusted for the amortisation of acquisition-related intangibles. The reconciliation of AOP is shown on page 3.

** Adjusted earnings per ordinary share is based on profit before tax after adjusting for intangible amortisation related to acquisitions and the profits on disposal of associates and investments. A tax rate of 19.25% (2016: 20%) has been applied to calculate adjusted profit after tax.

- Group Revenues up 5%.
- Customer savings up 17% to £1.1 billion.
- Adjusted Operating Profit up 3%.
- Net cash £17.7m.
- Interim dividend up 3%, continuing our progressive dividend policy.
- £20m of £40m share buyback completed as at 30 June.

Mark Lewis, Chief Executive Officer of Moneysupermarket.com Group, said:

"We've helped more people take control of their household bills than ever before, saving our customers £1.1bn in the first half of this year.

"Insurance switching grew an encouraging 18%. However, the energy market continues to evolve and the lack of blockbuster energy deals from providers meant we didn't collectively switch as many people as last year.

"Our focus now is on using our tech investment to find new ways to help our customers, particularly on mobiles, and improving our everyday energy switching."

Outlook

With current trends in our Energy trading, we expect the full-year outlook for Adjusted Operating Profit to be at the lower end of the consensus range. Group trading in the first few weeks of July was in line with the second quarter.

	Revenues for the three months to 30 June 2017		Revenues for the six months to 30 June 2017	
	£M	Growth y-o-y (%)	£M	Growth y-o-y (%)
MoneySuperMarket.com	71.2	8	147.3	4
- Insurance	44.1	13	88.6	18
- Money	19.5	3	41.8	-
- Home Services	7.6	(5)	16.9	(33)
MoneySavingExpert.com	9.3	15	20.0	4
TravelSupermarket.com	6.3	10	12.2	10
Intragroup revenues & Other	(6.4)	6	(14.2)	(5)
Group revenues	80.4	9	165.3	5

The key drivers for the second quarter of 2017 were as follows:

- Strong Insurance performance continued with our marketing and pricing initiatives performing well in a buoyant market.
- Money: credit cards and loans continued to deliver good growth. Overall progress muted by lower demand for savings products and strong current account offerings this time last year.
- Slower trend in Home Services continued in the second quarter.
- Travelsupermarket.com recovery continued.

Notes:

Market expectations of Adjusted Operating Profit from the analyst consensus on our investor website are in a range of £112.6m to £117.4m, with an average of £114.7m.

Results presentation

There will be a presentation for investors and analysts at Herbert Smith Freehills, Exchange House, Primrose Street, London, EC2A 2EG at 9.30am this morning. The presentation will be streamed live. Visit: <http://corporate.moneysupermarket.com/> to register and listen.

For further information, contact:

Matthew Price, Chief Financial Officer
Tel: 0207 379 5151

William Clutterbuck, Maitland
Tel: 0207 379 5151

Financial and Business Review

Extract of Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2017

	6 months ended 30 June 2017 £m	6 months ended 30 June 2016 £000
Revenue	165.3	157.6
Cost of sales	(44.9)	(37.2)
Gross profit	120.4	120.4
Distribution expenses	(17.4)	(21.2)
Administrative expenses	(54.5)	(52.7)
Operating profit	48.5	46.5

The Directors believe that the presentation of the Adjusted Operating Profit measure gives users of the financial information a better understanding of the underlying performance of the business.

Reconciliation to Adjusted Operating Profit:

Operating profit	48.5	46.5
Amortisation of acquisition related Intangible Assets ⁽¹⁾	6.7	7.2
Adjusted Operating Profit	55.2	53.8
Adjusted earnings per ordinary share:		
– basic (p)	8.1	7.8
– diluted (p)	8.1	7.8
Earnings per ordinary share:		
– basic (p)	7.4	6.9
– diluted (p)	7.4	6.9

Basis of Preparation

The results show the trading results for the six months ended 30 June 2017 and 30 June 2016. The following adjustment has been made in arriving at Adjusted Operating Profit: Amortisation of acquisition related Intangible Assets - the acquisition of Moneysupermarket.com Financial Group Limited by the Company prior to Listing in 2007 gave rise to £207.2m of intangible assets, excluding goodwill. These are being written off over a period of 3-10 years with a charge of £6.2m expensed in the first half of 2017 (2016: £6.6m). The acquisition of the trade and certain assets of MoneySavingExpert.com and a sole trader business (together 'MoneySavingExpert.com') on 21 September 2012 by the Group gave rise to £12.9m of intangible assets, excluding goodwill. These are being written off over a period of 3-10 years with a charge of £0.5m expensed in the first half of 2017 (2016: £0.6m).

During the first six months of 2017 Group revenues grew 5%. The MoneySuperMarket.com business saw its revenues grow 4%. Insurance growth was strong at 18% while Home Services was significantly impacted by reduced energy collective switch activity. Money was flat overall with good growth in credit products.

TravelSupermarket.com revenues were up by 10% for the half year.

Revenue in MoneySavingExpert.com was 4% ahead of last year, with growth impacted by less energy collective switch activity.

The Group's technology spend (£9.5m in the first half) continued with the rolling out of our new platform. This gives a modern and scalable tech infrastructure. One of our priorities now is to use this to develop profitable opportunities across channels and devices, especially smartphones which are increasingly the way customers choose to use our site.

As expected Group gross margins fell from 76% to 73% largely because of higher online marketing spend. The Group did not operate its paid search at a loss. Paid search marketing now generates 25% of our revenue, up 5% on last year and partly arises from customers increasingly using mobile devices.

Distribution costs were 18% lower than 2016, largely because of reduced TV spend by TravelSupermarket.com. MoneySuperMarket.com continued its 'You're So MoneySuperMarket' TV campaign supported by radio and print campaigns.

Adjusted administrative costs (total costs excluding the amortisation of acquisition-related intangibles) increased 6% from £45.6m to £48.3m in 2017, with the technology spend in recent years increasing the amortisation charge by £1.2m and higher irrecoverable VAT charges of £1.9m, principally as a result of increased paid search activity.

As a result, Adjusted Operating Profit margins decreased from 34.1% to 33.4% against the same period last year.

Group KPIs

The Directors use Key Performance Indicators ('KPIs') to assess the performance of the business against the Group's strategy. Our goal is to help every household make the most of their money by investing in our technology, customer data and tools to deliver more value to 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 these.

Best site. Be the easiest way for customers to find providers and products.

	6 months to 30 June 2017	6 months to 30 June 2016	Change
Average monthly unique visitors	24.3m	24.3m	0%
Investment in technology	£9.5m	£10.4m	-£0.9m

We invested £9.5m in technology in the first half, including the rollout of the new platform to other channels, and investment in our back office systems. We expect to complete the migration of our core channels to the new platform in the second half of 2017.

Unique monthly visitors remained flat at 24m.

Earn customer loyalty. Be the destination brand for users and customers

	6 months to 30 June 2017	6 months to 30 June 2016	Change
Unique adults choosing to share data	23.2m	20.3m	14%
Net promoter score	43%	45%	-2%
Savings made by customers	£1.1bn	£0.9bn	17%

We added 2.9 million customer profiles to 'MyProfile'. This allows us to understand our customers better and make it easier for them to save money through us. Our critical KPI, Savings made by customers increased by 17% to £1.1 billion in the six months, demonstrating the value of our proposition to our customers. Net Promoter Score fell slightly compared to the same period last year.

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

	6 months to 30 June 2017	6 months to 30 June 2016	Change
Number of providers	886	853	4%
Marketing margin	63%	63%	0%

We help providers to reach customers effectively with the most appropriate products. We use our data tools, analytics and position as the 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 increase the number of providers represented on our sites

The marketing margin remained flat. The additional paid search marketing was offset by fewer energy cashback payments on collective switches, and TravelSuperMarket.com did not run a TV campaign this January.

Trading performance

The Group operates across a number of businesses and product markets.

	Revenue ¹			
	6 months to 30 June 2017		6 months to 30 June 2016	
	£m	%	£m	%
Insurance	88.6	54	75.3	48
Money	41.8	25	41.7	26
Home Services	16.9	10	25.1	16
MoneySuperMarket.com	147.3	89	142.2	90
TravelSupermarket.com	12.2	7	11.1	7
MoneySavingExpert.com	20.0	12	19.3	12
Intercompany revenue ¹ and Other	(14.2)	(8)	(14.9)	(9)
Total	165.3	100	157.6	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. Intercompany revenues are then eliminated as shown above.

Insurance

The Insurance vertical allows customers to search for and compare policies including breakdown, home, life, motor, pet and travel insurance. Revenues increased 18% from £75.3m to £88.6m, benefiting from our marketing and pricing initiatives and a strong market for motor switching.

Money

Through the Money vertical customers search and compare products including credit cards, current accounts, mortgages, loans, debt solutions, savings accounts and business finance. Overall revenue in the Money vertical was flat, largely because current account switching was strong in the first half of last year when several banks and building societies were offering very attractive products with compelling incentives. Savings revenues fell as a result of continued low interest rates although attractive product deals meant that credit cards and loans delivered good growth.

Home Services

Home Services allows customers to search and compare products such as broadband, mobile phones, and utilities. Revenue in the Home Services vertical fell 33% from £25.1m to £16.9m. Revenues from utility (gas and electricity) switching, which is the majority of the vertical, were

impacted by lower collective switch activity compared to 2016. This is where customers sign up through us to collectively take advantage of a one-off deal. The success of collective switching in 2016 meant we emphasised this way of saving on energy bills. While collective switches are still happening this year, they are not of the same scale as the prior year. We are now refocusing on our core energy switching proposition.

TravelSupermarket.com

TravelSupermarket.com enables customers to search for and compare car hire, flights, hotels and package holidays, among other things. Revenue in TravelSupermarket.com increased by 10% from £11.1m to £12.2m.

The turnaround of travel continued in the first half against last year's comparative period in which we had problems with the customer journey through the site. We are working to continue to improve the proposition for customers and partners alike.

MoneySavingExpert.com

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

Trading trends have been consistent with those seen by MoneySuperMarket.com with revenues impacted by reduced collective switch activity in the period compared with last year, but good growth in cards and loans. We continue to develop free credit check Credit Club, introduced towards the end of last year, following on from the success of Cheap Energy Club (which now has over 2.5m members) over recent years.

Cash Balance, Dividends and Share buyback

As at 30 June 2017, the Group had net cash of £17.7m (2016: £10.7m). This is after £20m spent to date of the £40m share buyback announced in February.

Having reviewed the cash required by the business and the performance of the Group, the Board decided to increase the interim dividend by 3% to 2.84p per ordinary share.

The ex-dividend date is 3 August 2017, with a record date of 4 August 2017 and a payment date of 1 September 2017. 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 2017 were 7.4p (2016: 6.9p). Adjusted basic earnings per ordinary share increased from 7.8p to 8.1p per share through the increase in profit and share buyback. The adjusted earnings per ordinary share is based on profit before tax after adjusting for intangible amortisation related to acquisitions, goodwill and intangible asset impairments and the profits on disposal of investments. The tax rate of 19.25% (2016: 20%) has been applied to calculate adjusted profit after tax.

Principal Risks and Uncertainties

The Group faces a number of risks and uncertainties that might have an adverse impact on its operations, performance or future prospects. The Board has identified the principal risks and uncertainties most likely to affect the successful operation of the business in the second half of the year. The principal risks are considered largely unchanged from those outlined in the 2016 financial statements which were competition, changing consumer behaviour, brand strength, product offering, customer trust including cyber, relevance to partners, data errors and inaccuracies, economic uncertainty and regulation.

More information on the principal risks and uncertainties together with an explanation of the Group's approach to risk management is set out in the Annual Report and Accounts for the year ended 31 December 2016 on pages 27 to 31, a copy of which is available on the Group's corporate website <http://corporate.moneysupermarket.com/>.

Directors' responsibility statement 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 or her 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 Guidance 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 Guidance 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
Bruce Carnegie-Brown	Chairman
Mark Lewis	Chief Executive Officer
Matthew Price	Chief Financial Officer
Sally James	Senior Independent Non-Executive Director
Andrew Fisher	Independent Non-Executive Director
Genevieve Shore	Independent Non-Executive Director
Robin Freestone	Independent Non-Executive Director

19 July 2017

Independent Review Report to Moneysupermarket.com Group PLC

Conclusion

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 2017 which comprises the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and the related explanatory notes.

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 2017 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

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. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) 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.

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 FCA.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the EU. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 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.

The purpose of our review work and to whom we owe our responsibilities

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 DTR of the UK FCA. 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.

Stuart Crisp
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London, E14 5GL
19 July 2017

Consolidated Statement of Comprehensive Income for the period ended 30 June 2017

	<i>Note</i>	6 months to 30 June 2017 £m	6 months to 30 June 2016 £m
Revenue	4	165.3	157.6
Cost of sales		(44.9)	(37.2)
		<hr/>	<hr/>
Gross profit		120.4	120.4
Distribution expenses		(17.4)	(21.2)
Administrative expenses		(54.5)	(52.7)
		<hr/>	<hr/>
Operating profit		48.5	46.5
Finance income		0.1	0.1
Finance costs		(0.4)	(0.3)
		<hr/>	<hr/>
Net finance costs		(0.3)	(0.2)
Profit on disposal of associate and investment		1.3	0.8
		<hr/>	<hr/>
Profit before tax		49.5	47.1
Taxation	5	(9.2)	(9.2)
		<hr/>	<hr/>
Profit for the period		40.3	37.9
		<hr/>	<hr/>
Total comprehensive income for the period		40.3	37.9
		<hr/> <hr/>	<hr/> <hr/>
Earnings per share:			
Basic earnings per ordinary share (pence)	6	7.4	6.9
Diluted earnings per ordinary share (pence)	6	7.4	6.9
Reconciliation to Adjusted Operating Profit:			
Operating profit		48.5	46.5
Amortisation of acquisition related intangible assets		6.7	7.2
		<hr/>	<hr/>
Adjusted Operating Profit		55.2	53.8
		<hr/> <hr/>	<hr/> <hr/>

Consolidated Statement of Financial Position as at 30 June 2017

	Note	30 June 2017 £m	31 December 2016 £m	30 June 2016 £m
Assets				
Non-current assets				
Property, plant and equipment		6.9	7.5	7.6
Intangible assets	8	154.2	157.6	161.8
Investments	3	0.2	0.5	0.5
Total non-current assets		161.4	165.6	170.0
Current assets				
Trade and other receivables		41.6	35.7	38.8
Prepayments		5.8	3.6	3.4
Cash and cash equivalents		17.7	44.6	20.7
Total current assets		65.1	83.9	63.0
Total assets		226.5	249.5	233.0
Liabilities				
Non-current liabilities				
Borrowings		-	-	10.0
Deferred tax liabilities		10.2	8.3	8.6
Total non-current liabilities		10.2	8.3	18.6
Current liabilities				
Trade and other payables		62.3	46.8	40.6
Current tax liabilities		6.2	8.0	8.0
Total current liabilities		68.5	54.8	48.6
Total liabilities		78.7	63.1	67.2
Equity				
Share capital		0.1	0.1	0.1
Share premium		202.7	202.7	202.5
Reserve for own shares		(1.4)	(3.8)	(2.6)
Retained earnings		(112.4)	(71.4)	(93.0)
Other reserves		58.7	58.7	58.7
Total equity		147.8	186.4	165.7
Total equity and liabilities		226.5	249.5	233.0

Consolidated Statement of Changes in Equity for the period ended 30 June 2017

	Issued share capital £m	Share premium £m	Other reserves £m	Retained earnings £m	Reserve for own shares £m	Total £m
At 1 January 2016	0.1	202.4	58.7	(91.6)	(3.9)	165.8
Profit for the period	-	-	-	37.9	-	37.9
Total income and expense for the period	-	-	-	37.9	-	37.9
New shares issued	-	0.1	-	-	-	0.1
Purchase of shares by employee trusts	-	-	-	-	(2.3)	(2.3)
Exercise of LTIP awards	-	-	-	(3.5)	3.5	-
Distribution in relation to LTIP	-	-	-	(0.5)	-	(0.5)
Equity dividends paid	-	-	-	(36.1)	-	(36.1)
Share-based payments	-	-	-	1.0	-	1.0
Tax effect of share-based payments	-	-	-	(0.2)	-	(0.2)
At 30 June 2016	0.1	202.5	58.7	(93.0)	(2.6)	165.7
At 1 July 2016	0.1	202.5	58.7	(93.0)	(2.6)	165.7
Profit for the period	-	-	-	35.6	-	35.6
Total income and expense for the period	-	-	-	35.6	-	35.6
New shares issued	-	0.2	-	-	-	0.2
Purchase of shares by employee trusts	-	-	-	-	(1.7)	(1.7)
Exercise of LTIP awards	-	-	-	(0.5)	0.5	-
Distribution in relation to LTIP	-	-	-	-	-	-
Equity dividends paid	-	-	-	(15.0)	-	(15.0)
Share-based payments	-	-	-	0.9	-	0.9
Tax effect of share-based payments	-	-	-	0.6	-	0.6
At 31 December 2016	0.1	202.7	58.7	(71.4)	(3.8)	186.4
At 1 January 2017	0.1	202.7	58.7	(71.4)	(3.8)	186.4
Profit for the period	-	-	-	40.3	-	40.3
Total income and expense for the period	-	-	-	40.3	-	40.3
Purchase of shares by employee trusts	-	-	-	-	(0.5)	(0.5)
Exercise of LTIP awards	-	-	-	(2.9)	2.9	-
New shares issued	-	0.1	-	-	-	0.1
Distribution in relation to LTIP	-	-	-	(0.3)	-	(0.3)
Equity dividends paid	-	-	-	(38.7)	-	(38.7)
Share buy back	-	-	-	(40.0)	-	(40.0)
Share-based payments	-	-	-	0.7	-	0.7
Tax effect of share-based payments	-	-	-	-	-	-
At 30 June 2017	0.1	202.7	58.7	(112.4)	(1.4)	147.8

The other reserves balance principally represents the merger and revaluation reserves generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company in 2007.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £60.8m for 15% of the fair value of assets acquired, a merger reserve of £16.9m for 45% of the book value transferred from a company under common control, and a revaluation reserve of £65.3m representing 45% of the fair value of the intangible assets transferred from a company under common control, were recognised. Amounts have been transferred from these reserves to retained earnings as the goodwill and other intangibles balances which related to this acquisition have been impaired and amortised.

The reserve for the Company's own shares comprises the cost of the Company shares held by the Group. At 30 June 2017, the Group held 382,976 shares at a cost of 0.02 pence per share through a Share Incentive Plan trust, for the benefit of the Group's employees.

The Group also held 178,341 shares through an Employee Benefit Trust acquired during the period at a cost of 307.1p per share for the benefit of employees benefitting in the various Long Term Incentive Plan schemes.

Consolidated Statement of Cash Flows

for the period ended 30 June 2017

	6 months to 30 June 2017 £m	6 months to 30 June 2016 £m
Operating activities		
Profit for the period	40.3	37.9
Adjustments to reconcile Group net profit to net cash flows:		
Depreciation of property, plant and equipment	0.7	1.1
Amortisation of intangible assets	12.9	12.0
Net finance costs	0.3	0.2
Profit on disposal of associate and investment	(1.3)	(0.8)
Equity settled share-based payment transactions	0.7	1.0
Tax charge	9.2	9.2
Changes in trade and other receivables	(8.1)	(9.8)
Changes in trade and other payables	(3.3)	(0.1)
Tax paid	(9.1)	(7.6)
Net cash flow from operating activities	42.3	43.1
Investing activities		
Interest received	0.1	0.1
Acquisition of investment	(0.2)	(0.5)
Acquisition of property, plant and equipment	(0.4)	(0.4)
Acquisition of intangible assets	(10.8)	(10.0)
Proceeds on disposal of associate and investment	1.8	0.8
Net cash used in investing activities	(9.6)	(10.0)
Financing activities		
Proceeds from issue of share capital	0.1	-
Dividends paid	(38.7)	(36.1)
Distribution in relation to Long Term Incentive Plan	(0.3)	(0.5)
Share buyback	(20.0)	-
Share purchases by employee trusts	(0.5)	(2.3)
Proceeds from borrowings	25.0	41.0
Repayment of borrowings	(25.0)	(31.0)
Interest paid	(0.1)	(0.2)
Net cash used in financing activities	(59.6)	(29.0)
Net (decrease)/increase in cash and cash equivalents	(26.9)	4.1
Cash and cash equivalents at 1 January	44.6	16.7
Cash and cash equivalents at 30 June	17.7	20.7

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 2017 comprises the Company and its subsidiaries ('Group').

Having reassessed the principal risks, the directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

The consolidated financial statements of the Group as at and for the year ended 31 December 2016 are available upon request from the Company's registered office at Moneysupermarket House, St. David's Park, Ewloe, Chester, CH5 3UZ or online at <http://corporate.moneysupermarket.com/>.

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 2016. 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 2016 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the Registrar of Companies. The report of the auditor was (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.

These condensed consolidated interim financial statements were approved by the Board of Directors on 19 July 2017.

2. Significant accounting policies

As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct 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 2016.

3. Disposals

On 27 January 2017, the Group disposed of its minority investment in Social Significance Limited for a total consideration of £0.9m, reflecting a profit on disposal of £0.4m.

On 20 June 2017, a further profit on disposal of £0.9m was recognised in respect of the final year earnout received for HD Decisions Limited, which was disposed of in 2014.

4. Segmental information

	Insure	Money	Home	Travel	MSE	Reportable segments	Other	Interseg- mental revenue	Total
Period ended 30 June 2017	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue									
Segment revenue	88.6	41.8	16.9	12.2	20.0	179.5	-	(14.2)	165.3
Operating expenses					(6.1)				(116.8)
Operating profit					13.9				48.5
Profit on disposal of associate and investment									1.3
Net finance costs									(0.3)
Profit before tax									49.5
Period ended 30 June 2016									
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue									
Segment revenue	75.3	41.7	25.1	11.1	19.3	172.5	0.1	(15.0)	157.6
Operating expenses					(4.9)				(111.1)
Operating profit					14.4				46.5
Profit on disposal of associate									0.8
Net finance costs									(0.2)
Profit before tax									47.1

In applying IFRS 8 – Operating Segments, the Group discloses five reportable segments. The basis of segmentation is unchanged from that detailed in the consolidated financial statements of the group for the year ended 31 December 2016.

5. Taxation

The Group's effective consolidated tax rate for the six months ended 30 June 2017 is 18.6% (2016: 19.5%). The effective tax rate is broadly in line with the applicable corporation tax rate of 19% (20% prior to 1 April 2017). In both periods, the effective rate has been broadly in line with the applicable corporation tax rate for the year.

6. Earnings per share

Basic and diluted earnings per share have been calculated as follows.

	2017	2016
	£m	£000
Profit after taxation attributable to ordinary shareholders (£m)	40.3	37.9
	<hr/>	<hr/>
Basic weighted average ordinary shares in issue (millions)	544.6	546.7
Dilutive effect of share based instruments (millions)	2.2	2.4
	<hr/>	<hr/>
Diluted weighted average ordinary shares in issue (millions)	546.8	549.1
	<hr/>	<hr/>
Basic earnings per ordinary share (pence)	7.4	6.9
	<hr/> <hr/>	<hr/> <hr/>
Diluted earnings per ordinary share (pence)	7.4	6.9
	<hr/> <hr/>	<hr/> <hr/>

At 30 June, the diluted number of shares in issue was 544.8m shares.

7. Dividends

	2017	2016
	£m	£m
Equity dividends on ordinary shares:		
Final dividend for 2016: 7.10 pence per share (2015: 6.60 pence per share)	38.7	36.1
Proposed for approval (not recognised as a liability as at 30 June):		
Interim dividend for 2017: 2.84 pence per share (2016: 2.75 pence per share)	15.4	15.1
	<hr/> <hr/>	<hr/> <hr/>

8. Intangible fixed assets

	Market related	Customer relationship	Customer list	Technology related	Goodwill	Total
	£m	£m	£m	£m	£m	£m
Cost						
At 1 January 2016	148.7	69.3	2.3	45.7	181.9	447.9
Additions	-	-	-	10.4	-	10.4
At 30 June 2016	148.7	69.3	2.3	56.1	181.9	458.3
Amortisation						
At 1 January 2016	122.0	69.3	2.3	17.6	72.8	284.0
Charged in period	7.2	-	-	5.2	-	12.5
At 30 June 2016	129.2	69.3	2.3	22.9	72.8	296.5
Net book value						
At 1 January 2016	26.7	-	-	28.1	109.1	163.9
At 30 June 2016	19.5	-	-	33.3	109.1	161.8
Cost						
At 1 January 2017	148.7	69.3	2.3	67.2	181.9	469.4
Additions	-	-	-	9.5	-	9.5
At 30 June 2017	148.7	69.3	2.3	76.5	181.9	478.9
Amortisation						
At 1 January 2017	136.4	69.3	2.3	29.4	74.3	311.8
Charged in period	6.7	-	-	6.2	-	12.9
At 30 June 2017	143.2	69.3	2.3	35.6	74.3	324.7
Net book value						
At 1 January 2017	12.2	-	-	37.8	107.6	157.6
At 30 June 2017	5.5	-	-	41.1	107.6	154.2

9. Share-based payments

On 22 March 2017 conditional awards were made over 843,872 shares to a number of employees under the Long Term Incentive Plan scheme and on 4 May 2017 conditional awards were made over 460,856 shares to Executive Directors under the 2017 Long Term Incentive Plan.

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

	2017	2016
	£m	£m
Long Term Incentive Plan scheme (LTIP)	0.5	0.8
Sharesave scheme	0.2	0.1
	<u>0.7</u>	<u>0.9</u>
	<u><u>0.7</u></u>	<u><u>0.9</u></u>

The following table indicates the changes in the number of share options during the period. The number of awards in the table represents the number awarded, of which, in respect of awards granted in 2014 and prior to that, up to 150% could vest:

	LTIP
At 1 January 2016	3,555,924
Options issued during the period	988,543
Options exercised during the period	(824,440)
Options forfeit during the period	(67,121)
At 30 June 2016	<u>3,652,906</u>
At 1 July 2016	<u>3,652,906</u>
Options issued during the period	201,992
Options exercised during the period	(31)
Options forfeit during the period	(121,729)
At 31 December 2016	<u>3,733,138</u>
At 1 January 2017	<u>3,733,138</u>
Options issued during the period	1,304,728
Options exercised during the period	(1,199,869)
Options forfeit during the period	(312,246)
At 30 June 2017	<u><u>3,525,751</u></u>

10. 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.

During the period, other than the items referred to below 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, other than the Long Term Incentive Plan awards noted in the table above. On 3 April 2017, 1,199,869 awards vested under the 2014 Long Term Incentive Plan following 81% achievement of the maximum performance criteria. On 22 March 2017, under the Long Term Incentive Plan, conditional awards were made over 843,872 shares. On 4 May 2017, under the 2017 Long Term Incentive Plan, conditional awards were made over 460,856 shares.

Bruce Carnegie-Brown, Robin Freestone, Sally James, Peter Plumb and Matthew Price received dividends from the Group totalling £66,546 during the period ended 30 June 2017.

Peter Plumb stepped down from the Board on 4 May 2017. Details of the termination arrangements agreed by the Remuneration Committee for Peter Plumb were published on the Group's website at <http://corporate.moneysupermarket.com/media/press-releases/2017> on 4 May 2017.

11. Commitments and contingencies

Along with most companies of our size, the Group is a defendant in a small number of disputes incidental to its operations and from time to time is under regulatory scrutiny.

As a leading website operator, the Group occasionally experiences operational issues due to errors in operating procedures or technology which result in incorrect or incomplete product or customer data being transferred to or from providers. These issues can in some instances lead to customer detriment, dispute and potentially cash outflows. The Group is currently addressing a small number of such issues but does not expect them to have a significant impact. The Group has a Professional Indemnity Insurance Policy in order to mitigate liabilities arising out of events such as this.

In aggregate, the commitments and contingencies outlined above are not expected to have a material adverse effect on the Group.

Alternative performance measures

The Group uses a number of alternative (non-Generally Accepted Accounting Practice (“non-GAAP”)) financial measures which are not defined within IFRS. The Directors use these measures when reviewing performance of the Group, evidenced by executive management bonus performance targets being measured in relation to AOP and Long Term Incentive Schemes being measured in relation to Adjusted EPS. As such, these measures are important and should be considered alongside the IFRS measures. The adjustments are separately disclosed and are usually items that are significant in size or non-recurring in nature. For example, amortisation of acquisition intangibles is a non-cash item which fluctuates significantly in line with acquisition activity. Alternative performance measures used within these statements are accompanied with a reference to the relevant GAAP measure and the adjustments made.

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.

Presentation of figures

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.