16 May 2024

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FUTURE plc

2024 HALF YEAR RESULTS

Future plc (LSE: FUTR, "Future", "the Group"), the global platform for specialist media, today publishes its results for the half-year ended 31 March 2024.

Highlights

Financial results for the six months ended 31 March 2024

Adjusted results[1]	HY 2024	HY 2023	Reported Var	Constant[1] currency var	Organic[1] Var
Revenue (£m)	391.5	404.7	(3)%	(1)%	(2)%
Adjusted EBITDA (£m)	113.9	141.9	(20)%	(17)%	n/a
Adjusted operating profit (£m)	105.8	130.3	(19)%	(16)%	n/a
Adjusted operating profit margin (%)	27%	32%	(5)ppt	(5)ppt	n/a
Adjusted diluted EPS (p)	57.2	71.2	(20)%	n/a	n/a
Adjusted free cash flow (£m)	126.0	130.0	(3)%	n/a	n/a

Statutory results	HY 2024	HY 2023	Reported Var
Revenue (£m)	391.5	404.7	(3)%
Operating profit (£m)	63.7	83.9	(24)%
Operating profit margin (%)	16%	21%	(5)ppt
Profit before tax (£m)	46.6	66.4	(30)%
Diluted EPS (p)	29.0	46.7	(38)%
Cash generated from operations (£m)	130.4	117.3	+11%

[1] The Glossary section of this document provides definitions of, and reconciliations to, adjusted measures.

Financial highlights

- Revenue of £391.5m (HY 2023: £404.7m), down (3)% year-on-year, impacted by a modest (2)% organic decline combined with adverse foreign exchange (mainly USD) and offset by the impact of acquisitions and disposals.
    - The Group returned to year-on-year revenue growth in Q2 with organic revenue growth of +3%.
    - UK revenue grew by +3% on an organic basis with very strong growth in price comparison (Go.Compare), up +30%, and good growth in B2B. As anticipated, other media performance (digital advertising, affiliate products, events), was impacted by market conditions, down (9)%.
    - US revenue declined by (11)% on an organic basis, with an improving trend through Q2. Digital advertising returned to organic year-on-year growth in Q2, notably across direct to client sales, whilst affiliate products continued to be impacted by weak consumer sentiment.
- Profitability was mainly impacted by an adverse revenue mix and investment from the previously announced Growth Acceleration Strategy, resulting in an adjusted operating profit decline of (19)% to £105.8m (HY 2023 £130.3m). Statutory operating profit was down (24)% to £63.7m (HY 2023: £83.9m).
- The Group remains highly cash generative with adjusted free cash flow of £126.0m (HY 2023: £130.0m), representing 119% of adjusted operating profit (HY 2023: 100%). Cash generated from operations was £130.4m (HY 2023: £117.3m).
- Leverage[1] was unchanged at 1.25x (FY 2023: 1.25x) with net debt[1] at the end of the half year of £296.7m (FY 2023: £327.2m). Total available debt facilities at the end of March 2024 were £650m (FY 2023: £900m).
- £35.9m was returned to shareholders during the period with £32.0m through the completed £45m share buyback programme launched in August 2023 (HY 2023: £nil) and dividends of £3.9m (HY 2023: £4.1m). The Group plans a further return of up to £45m to shareholders through a share buyback programme commencing shortly. Once the Share Buyback Programme commences, the Board will keep it under review and continue to assess it against its capital allocation priorities.

Growth Acceleration Strategy (GAS)

- In December 2023, we launched the Growth Acceleration Strategy ("GAS") to ensure Future is well-positioned to capitalise on future opportunities in its attractive and growing markets. This is a two-year investment programme of £25m-£30m to drive acceleration in a compounding model by:
    - **Growing a highly engaged and valuable audience** - increased focus on brand leadership and content:
        - Online users[3] stabilisation from H2 2023 with growth in Technology and Gaming verticals with total online users of 222m in HY 2024, exiting the half year with 232m online users (HY 2023: 247m, H2 2023: 234m).
        - We now have four top 3 leadership positions[2] in key strategic verticals in the US and/or UK (HY 2023: three), which we believe will enable higher yields through improved revenue per user and greater resilience.

- **Diversifying and increasing revenue per user** - adding new routes of monetisation and driving market-leading positions to improve yield:
    - First steps in expanding digital product range in email, social video including social commerce, and digital subscriptions.
    - Go.Compare year-on-year revenue growth of +30% driven by strong car insurance performance.
    - B2B returned to year-on-year growth with organic revenue growth of +7%.
- **Optimising our portfolio**
    - This is a continuous process and is supported by the brand segmentation between Hero, Halo and Cash Generators and the recently announced reorganisation of the Group into three distinct business units - B2C, Go.Compare and B2B.
    - The Board's view is that the businesses making up the Group are significantly undervalued. The Board will continue to keenly appraise performance and will actively look at further options to accelerate value creation across the Group's business units.

CFO appointment

As announced on 3 May 2024, Sharjeel Suleman will join the Group as CFO no later than October 2024, replacing Penny Ladkin-Brand who will be leaving the Group and stepping down from the Board on 28 July 2024.

Outlook

- The stabilisation of trends and return to Group organic revenue growth in Q2 give us confidence in delivering full year performance in line with expectations.
- We expect to deliver Group organic revenue growth in H2 2024 and a full year adjusted operating margin of approximately 28%.
- Longer-term, we are confident that the focused execution of our GAS investment programme will drive accelerating organic revenue growth of mid-single digit compound annual growth ("CAGR") over the next three years with an adjusted margin of 28-30%.

Jon Steinberg, Future's Chief Executive, said:

"In December we set out plans to ensure that Future is best positioned to capitalise on opportunities in our markets. These plans are centred on growing a highly engaged audience, diversifying and increasing Revenue Per User and optimising our portfolio. I'm pleased to report that in the early stages of this two-year plan we have made good progress, which will enable us to drive accelerating revenue growth.

Overall trading in the first-half was in line with our expectations. Whilst the market environment remains challenging, we are encouraged by a return to organic revenue growth in Q2, progress which has continued into Q3. Our focus for the balance of the year is on continued implementation of the Growth Acceleration Strategy, with a particular focus on optimising the portfolio and accelerating value creation for shareholders."

Presentation

A live webcast of the analyst presentation will be available at 08.30 am (UK time) today at https://stream.brrmedia.co.uk/broadcast/6631f9e03d21e42c1c32b967

A copy of the presentation will be available on our website at: https://www.futureplc.com/investor-results/

A recording of the webcast will also be made available.

The definitions below apply throughout the document.

1) A reconciliation of adjusted results to statutory measures is included in the Glossary section at the end of this document

2) Comscore Media Metrix Demographic Profile, March 2024 - Mobile and Desktop Age 2+ and Total Mobile 18+ US and UK

3) Online users defined as monthly online users from Google Analytics and, unless otherwise stated, is the monthly average over the financial year and excludes Gardening Know How. Forums are excluded as they are non-commercial websites for which Future does not write content, and are not actively managed or monetised.

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About Future

We are the platform for creating and distributing trusted, specialist content, to build engaged and valuable global communities. We operate c.230 brands in diversified content verticals, with multiple market leading positions and three core monetisation frameworks: advertising, eCommerce affiliate and direct consumer monetisation (subscriptions and newstrade magazine sale). Our content is published and distributed through a range of formats including websites, email newsletters, videos, magazines and live events. The successful execution of our strategy is focused on three pillars: grow engaged audience, diversify and grow revenue per user and optimise the portfolio.

Chief Executive Officer's review

Media has always been, and will always be, one of the most dynamic industries. Therefore, the agility to lean into opportunities and capacity to fund growth opportunities are paramount. This is the genesis of the **Growth Acceleration Strategy** or **GAS**, announced at the full year results in December 2023. It requires a two-year investment programme that will translate into accelerating organic revenue growth of mid-single digit CAGR growth over the next three years for the Group. We expect this to translate into high-single digit to low double-digit growth for Media and mid-single digit decline in Magazines. Our financial characteristics of healthy adjusted operating margins (28-30%) and strong cash flow generation will remain.

GAS builds on our strong foundation of innovation and content expertise, but, at the same time, recognises the requirement for a rigorous focus, and greater diversification in the way in which our audiences reach our content.

Our strategic objectives

Our strategy is structured around a simple equation: reach valuable audiences and grow Revenue Per User and apply this to as many monetisation routes available, whilst optimising our portfolio to accelerate value creation.

1. **Reach valuable audiences**

Key to our operating model remains great content which drives the audience.

We are evolving our approach to content for reviews and news, focused on improving the overall user experience notably through video and improved buying guides. In the period, we have hired 30 editorial heads to support content creation. Importantly, this has driven an increase in content output (articles updated or created) in Q2 2024. We have focused our editorial efforts on the most valuable content, driving an improved performance by articles which have been updated or created by 10-20% compared to articles which have not been updated. Additionally, we leverage our data to inform editorial prioritisation to improve the return on editorial investment whilst managing a good balance of news, 'how to' guides and buying guides.

In the period, we have also made progress on diversifying our acquisition of audience, notably in social media and email newsletters. Email newsletter subscribers are a loyal audience, with rich first-party data that feed into our data audience platform, Aperture, which in turn enables more effective contextual premium advertising.

A key measure of success to assess the value of our audience is our Comscore ranking. In the period, we have added one top 3 Comscore position (Fashion & Beauty in the UK) and now hold a total of four top 3 positions in the US and in the UK.

2. **Diversify and grow revenue per user**

This strategic objective is broken down into two objectives: diversify monetisation by adding new routes, and driving more value in our existing core business (premiumisation).

Starting with our core business, the US digital advertising market is seven times the size of the UK market, yet as it stands today, our US digital revenue is only 2.4x the size of our UK revenue. The other opportunity in the US (and UK) market is to move more of our advertising inventory out of open auction into premium inventory to generate a higher yield and create resilience. Today, only one third of our advertising inventory is sold directly or through premium programmatic at a yield which is four times the price of the open auction inventory, highlighting the tangible potential growth opportunities. To drive these initiatives, we need to leverage our brands, leadership positions and our sales expertise. These are already starting to pay off, with growth in our US yield, supported by more inventory being sold directly, as well as organic growth in US digital advertising in Q2.

Looking at new opportunities, we aim to generate greater revenues from our 218m social followers (FY 2023: 217m) through branded content. In the period, we have established a branded content team which connects editorial and sales. Tom's Guide's successful TikTok video on foldable phones has enabled the US sales team to produce branded content campaigns for a blue chip technology company. The trend for advertisers now is to focus on both display and branded content, therefore, having this capability not only drives a new route of monetisation, but is also valuable to secure display campaigns.

3. Portfolio optimisation

As mentioned at the FY 2023 results in December 2023, we divided our brands into three categories; Hero brands (~50% of Group revenue), Halo brands (~30% of Group revenue) and Cash Generators (~20% of Group revenue) to prioritise investment and create an ecosystem to leverage successful initiatives. This is part of our portfolio optimisation strategic pillar with further work being done to accelerate the optimisation of the portfolio. The segmentation is driving results with organic revenue growth from Hero and Halo brands of +3% in the period compared to (19)% organic decline in Cash Generators.

In the period, we went further in our approach by segmenting the Group into three distinct businesses with newly appointed business leaders: B2C, Go.Compare and B2B. This new structure will make the Group more agile and less complex, enabling faster execution of the strategy to deliver improved growth.

Further work to refine the portfolio is currently being undertaken, creating a philosophy of continuous assessment, driving focus and accountability to ensure execution of our strategy.

The Board will continue to keenly appraise performance and will actively look at further options to accelerate value creation across the Group's business units.

Execution underpinned by values

Since joining a year ago, I've been extremely impressed by the depth of talent and energy throughout Future, and I want to personally thank our colleagues for their hard work. I am incredibly proud to be leading this organisation.

We operate as a purpose-driven organisation creating value for all stakeholders. We aim to operate as a responsible business and everything we do is underpinned by our purpose and values which fosters an aligned culture across the organisation. We are extremely fortunate that our brands give us the platform and opportunities to influence and inspire people across the globe to encourage positive change.

Outlook

- The stabilisation of trends and return to Group organic revenue growth in Q2 give us confidence in delivering full year performance in line with expectations.
- We expect to deliver Group organic revenue growth in H2 2024 and a full year adjusted operating margin of approximately 28%.
- Longer-term, we are confident that the focused execution of our GAS investment programme will drive accelerating organic revenue growth of mid-single digit compound annual growth ("CAGR") over the next three years with an adjusted margin of 28-30%.

Financial summary

The financial summary is based primarily on a comparison of results for the half-year ended 31 March 2024 with those for the half-year ended 31 March 2023.

	HY 2024 £m	HY 2023 £m
Revenue	**391.5**	404.7
Adjusted EBITDA	**113.9**	141.9
Adjusted operating profit	**105.8**	130.3
Adjusted profit before tax	**88.8**	113.1
Operating profit	**63.7**	83.9
Profit before tax	**46.6**	66.4
Basic earnings per share (p)	**29.2**	46.9
Diluted earnings per share (p)	**29.0**	46.7
Adjusted basic earnings per share (p)	**57.5**	71.7
Adjusted diluted earnings per share (p)	**57.2**	71.2

The Directors believe that adjusted results provide additional useful information on the core operational performance of the Group and review the results on an adjusted basis internally. Refer to the Glossary section at the end of this document for a reconciliation between adjusted and statutory results.

Revenue

Revenue movement[1]	**HY 2024 vs HY 2023 %**
Organic decline	(2)%
Impact of acquisitions and disposals	+1%
Year-on-year decline at constant rate	**(1)%**
Impact of foreign exchange	(2)%
Reported revenue change	**(3)%**

[1] The Glossary section of this document provides definitions of, and reconciliations to, adjusted measures.

Group revenue was down (3)% at actual currency and (2)% on an organic basis with a further (2%) decline from adverse foreign exchange. HY 2023 acquisitions which have not been acquired for a full financial year and HY 2024 disposals contributed a net £7.0m (HY 2023: £2.4m) of revenue in the period.

Revenue	**HY 2024 £m**	HY 2023 £m	YoY Var	Organic YoY Var
Advertising & other	***40.0***	*44.3*	*(10)%*	*(9)%*
Affiliates	***113.2***	*94.5*	*+20%*	*+20%*
Media	**153.2**	138.8	+10%	+11%
Magazines	**95.2**	99.1	(4)%	(6)%
Total UK	**248.4**	**237.9**	**+4%**	**+3%**
*Advertising & other**	***72.8***	*84.5*	*(14)%*	*(9)%*
*Affiliates**	***35.2***	*42.2*	*(17)%*	*(18)%*
Media	**108.0**	126.7	(15)%	(12)%
Magazines	**35.1**	40.1	(12)%	(8)%
Total US	**143.1**	**166.8**	**(14)%**	**(11)%**
Advertising & other	***112.8***	*128.8*	*(12)%*	*(9)%*
Affiliates	***148.4***	*136.7*	*+9%*	*+10%*
Media	***261.2***	***265.5***	***(2)%***	***0%***
Magazines	***130.3***	***139.2***	***(6)%***	***(7)%***
TOTAL REVENUE	**391.5**	**404.7**	**(3)%**	**(2)%**

**£3.3m of ActualTech revenue from HY 2023 has been represented from events (advertising & other) to demand gen (affiliates)*

UK revenue increased by +4% or +£10.5m to £248.4m (HY 2023: £237.9m). Total UK organic revenue was stronger than in the US with an increase of +3% with +11% organic revenue growth in Media, marginally offset by a (6)% decline in Magazines. This resilient performance was driven by a more diversified revenue mix with the benefit of strong growth in price comparison, despite a higher proportion of magazines. UK Media organic performance reflected a (9)% decline in digital advertising with other media more stable, whilst affiliates were up +20% as a result of strong growth of +30% in Go.Compare offset by a decline in affiliate products. Q2 organic revenue growth accelerated from Q1 to +7% as a result of the momentum from Go.Compare.

US revenue declined by (14)% or £(23.7)m to £143.1m (HY 2023: £166.8m), including the negative impact of foreign exchange and contributions from acquisitions. Organic revenue was down (11)% in the half but only down year-on-year (5)% in Q2 as digital advertising returned to growth. Digital advertising and other media revenue were down (9)% organically, whilst affiliates revenue declined (18)% in the period, impacted by challenging market dynamics. Magazines, which are a small proportion of the US revenue, were down (8)% on an organic basis in the period, driven by market secular decline.

Media revenue decreased by £(4.3)m or (2)% to £261.2m (HY 2023: £265.5m) and was flat on an organic basis.

Organic **digital advertising** revenue declined by (12)% due to the impact of lower online audiences year-on-year and challenging market conditions. Importantly, the value of our audience combined with the effectiveness of our sales teams has driven improvement in the direct digital advertising mix driving yield resilience. This demonstrates the Group's ability to deliver valuable audiences to advertisers. Organic other digital revenue increased +15% organically due to the phasing shift of a big event, the Photography show, from FY 2023.

Organic **affiliate** revenue grew by +10% in the period, with the very strong growth in Go.Compare (+30%), vouchers (+4%) and B2B partially offset by a decline of (24)% in eCommerce products. This performance highlights the benefit of our diversification strategy. In Affiliate products, we have been impacted by the wider macroeconomy, through lower demand as seen in the lower audience numbers, as well as a reduction in the average basket size. In our price comparison business, performance was strong, notably in car and home insurance, benefiting from a high volume of quotes due to high renewal premiums and the benefit of marketing effectiveness across the period.

HY 2024 Media revenues included £7.0m relating to the acquisitions of Shortlist Media, ActualTech and Gardening Know How in the prior period.

Magazine revenue declined by £(8.9)m or (6)% to £130.3m (HY 2023: £139.2m). Magazine organic revenue was down (7)% year-on-year. Subscriptions (49% of Magazines revenue) experienced a (6)% organic decline, mainly in specialist brands with more resilience in premium brands. The rest of the magazine portfolio was down (8)% organically, largely due to a challenging comparative for print advertising in the prior period.

REVENUE	HY 2024	HY 2023	Reported change	Organic change
B2C	263.4	301.0	(13)%	(11)%
Go.Compare	96.1	73.8	+30%	+30%
B2B	32.0	29.9	+7%	+7%
Total revenue	**391.5**	**404.7**	**(3)%**	**(2)%**

Following the reorganisation of the Group into three divisions, we are starting to display the revenue performance, as evidenced in the table above. Going forwards, we expect to disclose further divisional information (see note 1).

Revenue for **B2C** was impacted by the challenging digital advertising market, consumer spend on affiliates in Media with an improving trend in Q2, and secular decline in magazines.

Revenue for our price comparison business **Go.Compare** grew +30% in the period due to favourable market conditions and effective marketing, with particularly strong car insurance performance.

Revenue in our **B2B** business grew by 7% in the period. During the course of the year, we brought together our four separate B2B organisations to form a new B2B division, having completed the earnout of ActualTech. We are excited about the potential of this new business unit, which will be fully integrated across the course of FY 2024. The encouraging start of a return to growth was driven by strong performance in our email newsletter publishing business.

Operating profit

Cost of sales including distribution costs were up 2% year-on-year with an adverse mix in Media and very strong revenue growth in Go.Compare, reduced by the benefit from lower rates in Magazines cost of sales and lower revenue. During the period the Group has refined its policy for allocating costs between costs of sales and overheads. This is a change in presentation which has been applied prospectively. Applying the same methodology to prior period comparatives would increase cost of sales and reduce other administrative expenses by £3.2m. See note 3 to the accounts for further details.

Other costs have increased by 3% reflecting a 5% pay rise awarded to colleagues from January 2024, which increased salary and wages costs, the accrual of the profit pool in the current period and investment in headcount with 40 heads added since the start of the financial year to support our Growth Acceleration Strategy.

As a result, the adjusted operating profit margin has declined by (5)ppt to 27% (HY 2023: 32%). Being able to deliver a margin of 27% despite inflationary pressures within wages, the largest cost, and adverse revenue mix with lower revenue in digital advertising and affiliates products is a testament to the strength of the Group. The revenue diversification strategy and the strong financial characteristics of the Group, even in a challenging macroeconomic environment, have provided clear benefits. As a result, adjusted operating profit decreased by £(24.5)m to £105.8m (HY 2023: £130.3m). Statutory operating profit decreased by £(20.2)m to £63.7m (HY 2023: £83.9m) and statutory operating margin decreased by (5)ppt to 16% (HY 2023: 21%) driven by the performance in adjusted operating profit.

Earnings per share

	HY 2024	HY 2023
Basic earnings per share (p)	**29.2**	46.9
Adjusted basic earnings per share (p)	**57.5**	71.7
Diluted earnings per share (p)	**29.0**	46.7
Adjusted diluted basic earnings per share (p)	**57.2**	71.2

Basic earnings per share is calculated using the weighted average number of ordinary shares in issue during the period of 115.5m (HY 2023: 120.1m), the decrease reflecting the share buyback programme which ended in January 2024.

The Glossary section at the end of this document provides the definition of adjusted earnings per share and note 10 provides a reconciliation to reported earnings per share. Adjusted profit after tax was £66.4m (HY 2023: £86.1m).

Transaction and integration related costs

Transaction and integration related costs of £1.4m incurred in the period reflect post-integration project costs and fees (HY 2023: £3.2m comprising £1.2m of deal-related fees, £0.8m of restructuring costs related to acquisitions and £2.0m onerous property costs, net of £0.8m released following settlement of a provision for historical legal claims arising on the Dennis opening balance sheet).

Exceptional items

Exceptional costs incurred in the period comprise £1.2m related to onerous properties (HY 2023: £5.3m relating to restructuring costs and £0.6m to onerous properties).

Other adjusting items

Amortisation of acquired intangibles of £33.5m (HY 2023: £30.3m) includes £5.5m accelerated amortisation of the Look After My Bills ('LAMB') brand and customer lists, arising with the Go.Compare acquisition. The useful economic lives of the LAMB assets were reduced during the period, with the revised lives ending on 30 September 2024, following the plan to cease active management of the business during this financial year.

Share-based payment expenses (relating to equity-settled share awards with vesting periods longer than twelve months), together with associated social security costs decreased by £1.0m to £6.0m (HY 2023: £7.0m). The nature of the all-employee Value Creation Plan scheme means that a charge is booked irrespective of the likelihood of achieving the vesting targets.

Net finance costs and refinancing

Following a review of its committed facilities and expected utilisation, the Group reduced the commitments on its Revolving Credit Facility ('RCF') from £500.0m to £350.0m on 16 February 2024 and on its Export Development Guarantee ('EDG') term facility from £400.0m to £300.0m on 29 February 2024. At 31 March 2024, 50.0% (£325.0m) of the Group's facilities remained undrawn (31 March 2023: 52.2% (£469.7m) undrawn).

Net finance costs decreased to £17.1m (HY 2023: £17.5m) which includes net external interest payable of £13.6m reflecting the reduction in the Group's facilities; £2.5m in respect of the amortisation of arrangement fees relating to the Group's bank facilities; £0.2m unwinding of discount offset by £(0.1)m increase in fair value of deferred consideration relating to the ActualTech acquisition which was settled on 31 January 2024. A further £0.9m of net interest was recognised in relation to lease liabilities.

The Group has entered into interest rate swap agreements which swap the interest profile on a notional £300.0m (HY 2023: £150.0m) of the Group's EDG term facility to mitigate the risk of fluctuations in interest rates, whereby it receives a variable interest rate based on SONIA and pays fixed rates of between 3.720% and 4.987%. The swaps have been valued based on the present value of the estimated future cash flows based on observable yield curves. A net asset of £1.9m was recognised on the balance sheet at 31 March 2024 (30 September 2023: £5.9m) with a corresponding decrease in the cash flow hedge reserve.

Taxation

The tax charge for the six months ended 31 March 2024 is based on the effective tax rate, estimated on a full year basis, being applied to the statutory profit for the six months ended 31 March 2024. For FY 2024, the Group's adjusted effective tax rate is expected to be 25.3% (HY 2023: 23.9%).

The Group's statutory effective tax rate is expected to be 27.7% (HY 2023: 15.1%) inclusive of adjustments in respect of previous years. Excluding the adjustment in respect of previous years the statutory tax rate is expected to be 25.6% (31 March 2023: 24.4%). The difference between the statutory rate and the adjusted effective rate is attributable to movements in the Group's share-based payments which are recognised in equity.

The increase in the statutory effective tax rate is due to adjustments in respect of previous years recorded in FY 2023, which reflect revisions to prior year estimates where new information became available as the Group completed its actual tax returns, as well as the correction of a number of immaterial items.

Balance sheet
Property, plant and equipment decreased by £2.0m to £32.4m in the period (FY 2023: £34.4m) primarily reflecting depreciation of £3.2m, offset by capital expenditure of £1.3m.

Intangible assets decreased by £54.4m to £1,585.0m (FY 2023: £1,639.4m) driven by amortisation (£38.4m) and a foreign exchange headwind of £(21.5)m. This was partially offset by the capitalisation of website development costs (£5.5m).

Trade and other receivables decreased by £9.2m to £114.3m (FY 2023: £123.5m) primarily due to an improvement in cash collection during the period, together with the impact of foreign exchange.

Trade and other payables decreased by £5.2m to £123.2m (FY 2023: £128.4m) due to timing of payments over the period end.

Cash flow and net debt
Net debt at 31 March 2024 was £296.7m (FY 2023: £327.2m), driven by a decrease in cash including £32.0m paid in the period for the share buyback programme which concluded in January 2024.

During the period, there was a cash inflow from operations of £130.4m (FY 2023: £241.0m, HY 2023: £117.3m) reflecting strong cash generation. Adjusted operating cash inflow was £132.8m (FY 2023: £265.4m, HY 2023: £136.2m). A reconciliation of cash generated from operations to adjusted free cash flow is included in the Glossary section at the end of this document.

Other significant movements in cash flows include a net repayment of bank loans of £68.0m (HY 2023: £15.7m, including repayment of overdraft and net of arrangement fees), acquisition of own shares of £32.0m (HY 2023: £7.8m), lease payments of £5.0m (HY 2023: £3.1m) and a dividend in the period of £3.9m (HY 2023: £4.1m). Foreign exchange and other movements accounted for the balance of cash flows.

Adjusted free cash flow decreased marginally to £126.0m (HY 2023: £130.0m), representing 119% of adjusted operating profit (HY 2023: 100%), reflecting the ongoing efficient cash management by the Group.

Going concern
The Group has produced forecasts which have been modelled for different plausible downside scenarios. These scenarios confirm that even in the most severe but plausible downside scenarios, the Group can generate positive cash flows.

The Group's £400.0m EDG term facility, maturing in November 2027, was reduced to £300.0m via a prepayment in February 2024. The Group's £500.0m RCF, maturing in July 2026, was reduced to £350.0m in February 2024 via a cancellation of commitments. Together with the Group's strong cash generation, this will ensure the Group has access to sufficient undrawn committed facilities to support ongoing operations.

At the period end the Group had net current liabilities of £45.8m (FY 2023: £7.4m). This is primarily driven by deferred income of £63.2m and the nature of the Group's magazine business, where the profile of cash receipts from wholesalers is typically ahead of the payment of certain magazine related costs. The Group has consistently delivered adjusted free cash flow conversion of around 100% and is forecast to generate sufficient cash flows to meet its liabilities as they fall due. The increase in net current liabilities since 30 September 2023 includes the impact of £68.0m debt repayment and £32.0m in respect of the share buyback programme, which reduced cash in the period.

The Group’s principal risks remain the same as those as set out in the Group’s Consolidated Financial Statements for the year ended 30 September 2023.

After due consideration, the Directors have concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for at least twelve months from the date of this report. For this reason, the Directors continue to adopt the going concern basis in preparing the consolidated financial statements for the HY 2024 results.

Condensed consolidated interim financial statements

Consolidated income statement

for the six months ended 31 March 2024 (unaudited)

	Note	**6 months to 31 March 2024 £m**	6 months to 31 March 2023 £m
Revenue	1,2	**391.5**	404.7
Net operating expenses	3	**(327.8)**	(320.8)
Operating profit		**63.7**	83.9
Net finance costs	7	**(17.1)**	(17.5)
Profit before tax		**46.6**	66.4
Tax charge	8	**(12.9)**	(10.0)
Profit for the period attributable to owners of the parent		**33.7**	56.4

Earnings per 15p Ordinary share

	Note	**6 months to 31 March 2024 pence**	6 months to 31 March 2023 pence
Basic earnings per share	10	**29.2**	46.9
Diluted earnings per share	10	**29.0**	46.7

Consolidated statement of comprehensive income

for the six months ended 31 March 2024 (unaudited)

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Profit for the period	**33.7**	56.4
Items that may be reclassified to the consolidated income statement		
Currency translation differences	**(20.8)**	(50.1)
(Loss)/gain on cash flow hedge (net of tax)	**(3.0)**	1.4
Other comprehensive expense for the period	**(23.8)**	(48.7)
Total comprehensive income for the period attributable to owners of the parent	**9.9**	7.7

Consolidated statement of changes in equity

for the six months ended 31 March 2024 (unaudited)

	Note	Issued share capital	Share premium	Capital redemption reserve	Merger reserve	Treasury reserve	Cash flow hedge reserve	Accumulated exchange differences	Retained earnings	Total
		£m	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 01 October 2023		**17.8**	**197.0**	**0.3**	**581.9**	**(15.3)**	**4.4**	**27.8**	**300.8**	**1,114.7**
Profit for the period		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**33.7**	**33.7**
Currency translation differences		**-**	**-**	**-**	**-**	**-**	**-**	**(20.8)**	**-**	**(20.8)**
Loss on cash flow hedge	13	**-**	**-**	**-**	**-**	**-**	**(4.0)**	**-**	**-**	**(4.0)**
Deferred tax on cash flow hedge		**-**	**-**	**-**	**-**	**-**	**1.0**	**-**	**-**	**1.0**
Other comprehensive expense for the period		**-**	**-**	**-**	**-**	**-**	**(3.0)**	**(20.8)**	**-**	**(23.8)**
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**-**	**(3.0)**	**(20.8)**	**33.7**	**9.9**
Share capital issued during the period		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Acquisition of own shares	15	**(0.5)**	**-**	**0.5**	**-**	**-**	**-**	**-**	**(31.6)**	**(31.6)**
Merger reserve reduction	16	**-**	**-**	**-**	**(472.9)**	**-**	**-**	**-**	**472.9**	**-**
Share premium reduction	16	**-**	**(197.0)**	**-**	**-**	**-**	**-**	**-**	**197.0**	**-**
Share schemes										
- Issue of treasury shares to employees		**-**	**-**	**-**	**-**	**3.9**	**-**	**-**	**(3.9)**	**-**
- Value of employees' services		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6.0**	**6.0**
- Deferred tax on options		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.1**	**0.1**
Dividends paid to shareholders	9	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3.9)**	**(3.9)**
Balance at 31 March 2024		**17.3**	**-**	**0.8**	**109.0**	**(11.4)**	**1.4**	**7.0**	**971.1**	**1,095.2**
Balance at 1 October 2022		18.1	197.0	-	581.9	(8.0)	-	70.7	201.0	1,060.7
Profit for the period		-	-	-	-	-	-	-	56.4	56.4
Currency translation differences		-	-	-	-	-	-	(50.1)	-	(50.1)
Gain on cash flow hedge		-	-	-	-	-	1.4	-	-	1.4
Other comprehensive expense for the period		-	-	-	-	-	1.4	(50.1)	-	(48.7)
Total comprehensive income for the period		-	-	-	-	-	1.4	(50.1)	56.4	7.7
Acquisition of own shares	15	-	-	-	-	(7.8)	-	-	-	(7.8)
Share schemes										
- Issue of treasury shares to employees		-	-	-	-	3.7	-	-	(3.7)	-
- Value of employees' services		-	-	-	-	-	-	-	6.8	6.8
- Current tax on options		-	-	-	-	-	-	-	(0.1)	(0.1)
- Deferred tax on options		-	-	-	-	-	-	-	(6.1)	(6.1)
Dividends paid to shareholders	9	-	-	-	-	-	-	-	(4.1)	(4.1)
Balance at 31 March 2023		18.1	197.0	-	581.9	(12.1)	1.4	20.6	250.2	1,057.1

Consolidated balance sheet

as at 31 March 2024 (unaudited)

	Note	**31 March 2024 £m**	31 March 2023 £m	30 September 2023 £m
Assets				
Non-current assets				
Property, plant and equipment		**32.4**	37.5	34.4
Intangible assets - goodwill	11	**1,043.0**	1,047.3	1,053.6
Intangible assets - other	11	**542.0**	612.1	585.8
Financial asset - derivative	13	**2.6**	1.4	6.0
Total non-current assets		**1,620.0**	1,698.3	1,679.8
Current assets				
Inventories		**0.6**	1.8	1.3
Corporation tax recoverable		**9.9**	15.4	0.3
Deferred tax		**10.8**	3.8	12.8
Trade and other receivables		**114.3**	112.7	123.5
Cash and cash equivalents		**23.1**	30.8	60.3
Finance lease receivable		**2.7**	3.8	3.3
Deferred consideration		**0.1**	-	-
Total current assets		**161.5**	168.3	201.5
Total assets		**1,781.5**	1,866.6	1,881.3
Equity and liabilities				
Equity				
Issued share capital	15	**17.3**	18.1	17.8
Share premium account	16	**-**	197.0	197.0
Capital redemption reserve	16	**0.8**	-	0.3
Merger reserve	16	**109.0**	581.9	581.9
Treasury reserve	16	**(11.4)**	(12.1)	(15.3)
Cash flow hedge reserve	16	**1.4**	1.4	4.4
Accumulated exchange differences	16	**7.0**	20.6	27.8
Retained earnings		**971.1**	250.2	300.8
Total equity		**1,095.2**	1,057.1	1,114.7
Non-current liabilities				
Financial liabilities - interest-bearing loans and borrowings		**319.8**	421.7	387.5
Lease liability due in more than one year		**31.3**	42.4	35.5
Deferred tax		**108.7**	122.4	115.5
Provisions	14	**7.0**	7.6	7.2
Deferred income		**11.5**	12.5	11.9
Financial liability - derivative	13	**0.7**	-	0.1
Total non-current liabilities		**479.0**	606.6	557.7
Current liabilities				
Trade and other payables	12	**123.2**	115.7	128.4
Deferred income		**63.2**	61.0	58.5
Corporation tax payable		**6.1**	-	-
Lease liability due within one year		**9.0**	9.7	9.3
Deferred consideration		**-**	3.6	-
Contingent consideration		**-**	7.0	8.2
Deferred tax		**5.8**	5.9	4.5
Total current liabilities		**207.3**	202.9	208.9
Total liabilities		**686.3**	809.5	766.6
Total equity and liabilities		**1,781.5**	1,866.6	1,881.3

Consolidated cash flow statement

for the six months ended 31 March 2024 (unaudited)

	6 months to 31 March 2024	6 months to 31 March 2023
	£m	£m
Cash flows from operating activities		
Cash generated from operations	**130.4**	117.3
Net interest paid on bank facilities	**(13.6)**	(9.0)
Interest paid on lease liabilities	**(0.9)**	(1.3)
Tax paid	**(19.2)**	(20.7)
Net cash generated from operating activities	**96.7**	86.3
Cash flows from investing activities		
Purchase of property, plant and equipment	**(1.3)**	(1.1)
Purchase of computer software and website development	**(5.5)**	(5.1)
Purchase of subsidiary undertakings, net of cash acquired	**(7.9)**	(44.0)
Proceeds on disposal of magazines	**(0.1)**	-
Net cash used in investing activities	**(14.8)**	(50.2)
Cash flows from financing activities		
Acquisition of own shares	**(32.0)**	(7.8)
Drawdown of bank loans	**140.0**	250.1
Repayment of bank loans	**(208.0)**	(256.0)
Repayment of overdraft	**-**	(4.2)
Bank arrangement fees	**-**	(5.6)
Repayment of principal element of lease liabilities	**(5.0)**	(3.1)
Dividends paid	**(3.9)**	(4.1)
Net cash used in financing activities	**(108.9)**	(30.7)
Net (decrease)/increase in cash and cash equivalents	**(27.0)**	5.4
Cash and cash equivalents at beginning of period	**60.3**	29.2
Effects of exchange rate changes on cash and cash equivalents	**(10.2)**	(3.8)
Cash and cash equivalents at end of period	**23.1**	30.8

Notes to the consolidated cash flow statement
for the six months ended 31 March 2024 (unaudited)

A. Cash generated from operations

The reconciliation of profit for the period to cash generated from operations is set out below:

	6 months to 31 March 2024	6 months to 31 March 2023
	£m	£m
Profit for the period	**33.7**	56.4
Adjustments for:		
Depreciation	**3.2**	4.8
Impairment charge on tangible assets	**0.1**	2.4
Amortisation of intangible assets	**38.4**	37.1
Share-based payments	**6.0**	6.8
Net finance costs	**17.1**	17.5
Tax charge	**12.9**	10.0
Cash generated from operations before changes in working capital and provisions	**111.4**	135.0
Decrease in provisions	**(0.4)**	(12.5)
Decrease/(increase) in inventories	**0.7**	(0.6)
Decrease in trade and other receivables	**9.4**	17.2
Increase/(decrease) in trade and other payables	**9.3**	(21.8)
Cash generated from operations	**130.4**	117.3

B. Analysis of net debt

	30 September 2023 £m	**Net cash flows £m**	**Other non-cash changes £m**	**Exchange movements £m**	**31 March 2024 £m**
Cash and cash equivalents	60.3	(27.0)	-	(10.2)	**23.1**
Debt due after more than one year	(387.5)	68.0	(2.5)	2.2	**(319.8)**
Net debt	**(327.2)**	**41.0**	**(2.5)**	**(8.0)**	**(296.7)**

C. Reconciliation of movement in net debt

	6 months to 31 March 2024	6 months to 31 March 2023
	£m	£m
Net debt at start of period	**(327.2)**	(423.6)
(Decrease)/increase in cash and cash equivalents	**(27.0)**	5.4
Decrease in borrowings	**68.0**	15.7
Amortisation of loan issue costs	**(2.5)**	(2.0)
Exchange movements	**(8.0)**	13.6
Net debt at end of period	**(296.7)**	(390.9)

Basis of preparation

The condensed consolidated interim financial statements for the six-month period ended 31 March 2024 are unaudited but have been subject to an independent review by the auditor. They do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The comparative figures are for the six month period ended 31 March 2023.

This unaudited condensed consolidated interim financial information for the six months ended 31 March 2024 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* in conformity with the requirements of the Companies Act 2006, and in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

The interim financial information contained in the Interim Report should be read in conjunction with the Annual Report and Accounts for the year ended 30 September 2023.

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

As stated in the financial statements for the year ended 30 September 2023 the following amendments to existing standards have been applied where applicable:

- IAS 1 Amendments regarding the disclosure of accounting policies;
- IAS 8 Amendments regarding the definition of accounting estimates;

- IAS 12 Amendments regarding deferred tax on leases and decommissioning obligations;
- IAS 12 Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to Pillar Two corporation taxes.

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

The Group's principal risks and uncertainties remain the same as those as set out in the Group's Consolidated Financial Statements for the year ended 30 September 2023. Reference should be made to pages 48 to 52 of the 2023 Annual Report and Accounts for more detail on the potential impact of risks and examples of mitigation.

The principal risks relevant to the Group's activities at the half year are: Personal data; Economic & geo-political uncertainty; Reliance on key third party service providers; Media market disruption and changing consumer habits; Key person risk; Cyber security; Reliance on third party distribution platforms; Digital advertising market changes; People; IT operational resilience; and Climate change.

Presentation of non-statutory measures

The Directors believe that adjusted results and adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and review the results of the Group on an adjusted basis internally. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

The Glossary section at the end of this document provides definitions of and reconciliations to non-statutory measures.

Notes to the financial information

1. Segmental reporting

Our operating segments are reported based on financial information provided to the Executive Directors and represents the "Chief Operating Decision Maker".

The Group is organised and arranged primarily by reportable segments. The Executive Directors consider the performance of the business from a geographical perspective, namely the UK and the US. The Australian business is considered to be part of the UK segment and is not reported separately due to its size. The Group also uses a sub-segment split of Media (websites and events) and Magazines for further analysis. The Group considers that the assets within each geographical segment are exposed to the same risks.

It is anticipated that with effect from 1 October 2024 the Group will form the B2B, B2C and Go.Compare “new divisional structure”. At 31 March 2024 its components, UK and the US, continued to be managed separately and reported separately to the Executive Directors. It is anticipated that from 1 October 2024 the necessary financial information will be available and provided to the Executive Directors based on the new divisional structure, in order to consider the performance of the business.

(a) Reportable segment:

(i) Segment revenue

			6 months to 31 March 2024 £m			6 months to 31 March 2023 £m
	Sub-segment			Sub-segment		
	Media £m	**Magazines £m**	**Total £m**	Media £m	Magazines £m	Total £m
Segment:						
UK	**153.2**	**95.2**	**248.4**	138.8	99.1	237.9
US	**108.0**	**35.1**	**143.1**	126.7	40.1	166.8
Total	**261.2**	**130.3**	**391.5**	265.5	139.2	404.7

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

(ii) Segment adjusted EBITDA

			6 months to 31 March 2024 £m			6 months to 31 March 2023 £m
	Adjusted EBITDA prior to intra-group adjustments £m	**Intra-group adjustments £m**	**Adjusted EBITDA £m**	Adjusted EBITDA prior to intra-group adjustments £m	Intra-group adjustments £m	Adjusted EBITDA £m
UK	**51.0**	**32.3**	**83.3**	52.7	42.5	95.2
US	**62.9**	**(32.3)**	**30.6**	89.2	(42.5)	46.7
Total	**113.9**	**-**	**113.9**	141.9	-	141.9

(iii) Segment adjusted operating profit

	6 months to 31 March 2024 £m			6 months to 31 March 2023 £m		
	Adjusted operating profit prior to intra-group adjustments £m	**Intra-group adjustments £m**	**Adjusted operating profit £m**	Adjusted operating profit prior to intra-group adjustments £m	Intra-group adjustments £m	Adjusted operating profit £m
UK	**44.4**	**32.3**	**76.7**	43.7	42.5	86.2
US	**61.4**	**(32.3)**	**29.1**	86.6	(42.5)	44.1
Total	**105.8**	**-**	**105.8**	130.3	-	130.3

A reconciliation of total segment adjusted EBITDA and adjusted operating profit to profit before tax is provided in the Glossary section at the end of this document.

2. Revenue

The table below disaggregates revenue according to the timing of satisfaction of performance obligations:

	6 months to 31 March 2024 £m			6 months to 31 March 2023 £m		
	Over time £m	**Point in time £m**	**Total revenue £m**	Over time £m	Point in time £m	Total revenue £m
Total revenue	**7.2**	**384.3**	**391.5**	8.0	396.7	404.7

See note 1 for disaggregation of revenue by geography.

3. Net operating expenses

Operating profit is stated after charging:

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Cost of sales	**(215.9)**	(209.3)
Distribution expenses	**(19.1)**	(21.2)
Share-based payments (including social security costs)	**(6.0)**	(7.0)
Transaction and integration related costs (note 4)	**(1.4)**	(3.2)
Exceptional items (note 5)	**(1.2)**	(5.9)
Depreciation	**(3.2)**	(4.8)
Amortisation	**(38.4)**	(37.1)
Impairment charge on tangible assets	**(0.1)**	(2.4)
Other administration expenses	**(42.5)**	(29.9)
	(327.8)	(320.8)

During the period to 31 March 2024 the Group has refined its policy for allocating costs between costs of sales and overheads. This change in presentation has been applied prospectively. Applying the same methodology to prior period comparatives would increase cost of sales and reduce other administrative expenses by £3.2m.

4. Transaction and integration related costs

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Transaction and integration related costs	**1.4**	1.2
Onerous property costs	**-**	2.0
Total charge	**1.4**	3.2

Transaction and integration related costs of £1.4m incurred in the period reflect post-integration project costs and fees (31 March 2023: £1.2m of deal-related fees, £0.8m of restructuring costs related to acquisitions and £2.0m onerous property costs relating to acquired properties, net of £0.8m released following settlement of a provision for historic legal claims recognised on the Dennis opening balance sheet).

5. Exceptional items

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Onerous property costs	**1.2**	0.6
Restructuring costs	**-**	5.3
Total charge	**1.2**	5.9

Exceptional costs incurred in the period comprise £1.2m relating to onerous properties (31 March 2023: £5.3m relating to restructuring costs and £0.6m relating to onerous properties).

6. Employee costs

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Wages and salaries	**90.8**	84.5
Social security costs	**8.4**	8.1
Other pension costs	**2.7**	2.7
Share schemes:		
Value of employees' services	**6.0**	6.8
Employer's social security costs on share options	**0.5**	-
Total employee costs	**108.4**	102.1

Wages and salaries in the table above include the all-employee profit pool bonus in the current period.

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

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

Key management personnel compensation

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Salaries and other short-term employee benefits	**1.0**	1.0
Share schemes		
Value of employees' services	**1.0**	1.5
Total employee costs	**2.0**	2.5

Key management personnel are deemed to be the members of the Board of Future plc.

7. Finance income and costs

	6 months to 31 March 2024 £m	6 months to 31 March 2023 £m
Interest payable on interest-bearing loans and borrowings	**(14.6)**	(13.9)
Amortisation of bank loan arrangement fees	**(2.5)**	(2.0)
Interest payable on lease liabilities	**(1.0)**	(1.4)
Unwinding of discount on deferred consideration	**(0.2)**	-
Unwinding of discount on contingent consideration	**-**	(0.3)
Total finance costs	**(18.3)**	(17.6)
Interest receivable on interest-bearing loans and borrowings	**1.0**	-
Interest receivable on lease liabilities	**0.1**	0.1
Increase in fair value of deferred consideration	**0.1**	-
Total finance income	**1.2**	0.1
Net finance costs	**(17.1)**	(17.5)

Following a review of its committed facilities and expected utilisation the Group reduced the commitments on its Revolving Credit Facility ('RCF') from £500.0m to £350.0m on 16 February 2024 and on its Export Development Guarantee ('EDG') term facility from £400.0m to £300.0m on 29 February 2024. At 31 March 2024, 50.0% (£325.0m) of the Group's facilities remained undrawn (31 March 2023: 52.2% (£469.7m) undrawn).

8. Tax on profit

The tax charge for the six months ended 31 March 2024 is based on the effective tax rate, estimated on a full year basis, being applied to the statutory profit for the six months ended 31 March 2024. The Group's adjusted effective tax rate is expected to be 25.3% (31 March 2023: 23.9%).

The Group's statutory effective tax rate is expected to be 27.7% (31 March 2023: 15.1%) inclusive of adjustments in respect of previous years. Excluding the adjustment in respect of previous years the statutory tax rate is expected to be 25.6% (31 March 2023: 24.4%). The difference between the statutory rate and the adjusted effective rate is attributable to movements in the Group's share-based payments which are recognised in equity.

The increase in the statutory effective tax rate is due to adjustments in respect of previous years recorded in the year to 30 September 2023, which reflect revisions to prior year estimates where new information became available as the Group completed its actual tax returns, as well as the correction of a number of immaterial items.

The corporation tax recoverable disclosed at 30 September 2023 of £0.3m was presented on a net basis, primarily comprising a £10.3m receivable in the US and a £9.7m payable in the UK. At 31 March 2024 this was presented on a gross basis with the Group concluding the prior year presentation is not material for representation purposes.

9. Dividends

Equity dividends	**6 months to 31 March 2024**	6 months to 31 March 2023
Number of shares in issue at end of period (million)	**115.2**	120.9
Dividends paid in year (pence per share)	**3.4**	3.4
Dividends paid in period (£m)	**(3.9)**	(4.1)

Interim dividends are recognised in the period in which they are paid and final dividends are recognised in the period in which they are approved. The dividend in respect of the year ended 30 September 2023 was paid on 13 February 2024. The Board did not propose a dividend for the six months ended 31 March 2024 (31 March 2023: no dividend).

10. Earnings per share

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

Adjusted earnings per share removes the effect of share based payments, transaction and integration related costs (note 4), exceptional items (note 5), amortisation of intangible assets arising on business combinations, decrease in fair value of deferred consideration, unwinding of discount on contingent and deferred consideration, and any related tax effects from the calculation.

	6 months to 31 March 2024	6 months to 31 March 2023
Adjustments to profit after tax:		
Profit after tax (£m)	**33.7**	56.4
Share-based payments (including social security costs) (£m)	**6.0**	7.0
Transaction and integration related costs (£m)	**1.4**	3.2
Exceptional items (£m)	**1.2**	5.9
Amortisation of intangible assets arising on acquisitions (£m)	**33.5**	30.3
Decrease in fair value of deferred consideration (£m)	**(0.1)**	-
Unwinding of discount on contingent consideration (£m)	**-**	0.3
Unwinding of discount on deferred consideration (£m)	**0.2**	-
Tax effect of the above adjustments and the impact of tax items relating to prior years (£m)	**(9.5)**	(17.0)
Adjusted profit after tax (£m)	**66.4**	86.1
Weighted average number of shares in issue during the period:		
- Basic	**115,471,229**	120,146,502
- Dilutive effect of share options	**661,660**	714,468
- Diluted	**116,132,889**	120,860,970
Basic earnings per share (pence)	**29.2**	46.9
Adjusted basic earnings per share (pence)	**57.5**	71.7
Diluted earnings per share (pence)	**29.0**	46.7
Adjusted diluted earnings per share (pence)	**57.2**	71.2
The adjustments to profit after tax have the following effect:		
Basic earnings per share (pence)	**29.2**	46.9
Share-based payments (including social security costs) (pence)	**5.2**	5.8
Transaction and integration related costs (pence)	**1.2**	2.7
Exceptional items (pence)	**1.0**	4.9
Amortisation of intangible assets arising on acquisitions (pence)	**29.0**	25.2
Increase in fair value of deferred consideration (pence)	**(0.1)**	-
Unwinding of discount on contingent consideration (pence)	**-**	0.2
Unwinding of discount on deferred consideration (pence)	**0.2**	-
Tax effect of the above adjustments and the impact of tax items relating to prior years (pence)	**(8.2)**	(14.0)
Adjusted basic earnings per share (pence)	**57.5**	71.7
Diluted earnings per share (pence)	**29.0**	46.7
Share-based payments (including social security costs) (pence)	**5.2**	5.8
Transaction and integration related costs (pence)	**1.2**	2.6
Exceptional items (pence)	**1.0**	4.9
Amortisation of intangible assets arising on acquisitions (pence)	**28.8**	25.1
Increase in fair value of deferred consideration (pence)	**(0.1)**	-
Unwinding of discount on contingent consideration (pence)	**-**	0.2
Unwinding of discount on deferred consideration (pence)	**0.2**	-
Tax effect of the above adjustments and the impact of tax items relating to prior years (pence)	**(8.1)**	(14.1)
Adjusted diluted earnings per share (pence)	**57.2**	71.2

11. Intangible assets

	Goodwill	Publishing rights	Brands	Customer relationships	Subscribers	Advertiser relationships	Other acquired intangibles	Other	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Cost									
At 1 October 2022	1,340.2	90.9	501.6	57.8	86.4	22.9	43.5	59.2	**2,202.5**
Additions through business combinations	29.2	-	10.5	7.4	-	-	2.0	-	**49.1**
Other additions	-	-	-	-	-	-	-	9.3	**9.3**
Exchange adjustments	(49.1)	(0.3)	(14.9)	(1.7)	(4.8)	(1.8)	(1.5)	(1.3)	**(75.4)**
At 30 September 2023	**1,320.3**	**90.6**	**497.2**	**63.5**	**81.6**	**21.1**	**44.0**	**67.2**	**2,185.5**
Additions	-	-	-	-	-	-	-	5.5	**5.5**
Exchange adjustments	**(12.1)**	**(0.1)**	**(10.0)**	**(0.6)**	**(1.7)**	**(0.6)**	**(0.4)**	**(0.6)**	**(26.1)**
At 31 March 2024	**1,308.2**	**90.5**	**487.2**	**62.9**	**79.9**	**20.5**	**43.6**	**72.1**	**2,164.9**
Accumulated amortisation and impairment									
At 01 October 2022	(270.6)	(29.9)	(63.1)	(22.7)	(17.1)	(3.0)	(33.1)	(47.2)	**(486.7)**
Charge for the year	-	(6.4)	(28.7)	(8.6)	(9.7)	(1.7)	(4.3)	(11.6)	**(71.0)**
Exchange adjustments	3.9	0.2	3.0	0.7	1.2	0.2	1.2	1.2	**11.6**
At 30 September 2023	**(266.7)**	**(36.1)**	**(88.8)**	**(30.6)**	**(25.6)**	**(4.5)**	**(36.2)**	**(57.6)**	**(546.1)**
Charge for the period	**-**	**(3.0)**	**(13.8)**	**(4.3)**	**(4.8)**	**(1.2)**	**(6.4)**	**(4.9)**	**(38.4)**
Exchange adjustments	**1.5**	**0.1**	**1.3**	**0.3**	**0.5**	**0.1**	**0.4**	**0.4**	**4.6**
At 31 March 2024	**(265.2)**	**(39.0)**	**(101.3)**	**(34.6)**	**(29.9)**	**(5.6)**	**(42.2)**	**(62.1)**	**(579.9)**
Net book value at 31 March 2024	**1,043.0**	**51.5**	**385.9**	**28.3**	**50.0**	**14.9**	**1.4**	**10.0**	**1,585.0**
Net book value at 30 September 2023	1,053.6	54.5	408.4	32.9	56.0	16.6	7.8	9.6	1,639.4
Useful economic lives	-	5-15 years	3-20 years	4-10 years	7-11 years	9-15 years	3-10 years	2 years	-

The other acquired intangibles category in the table above includes assets relating to customer lists, content and websites.

Any residual amount arising as a result of the purchase consideration being in excess of the value of acquired assets is recorded as goodwill.

Other intangible assets relate to capitalised software costs and website development costs which are internally generated. Amortisation is included within administration expenses in the consolidated income statement.

12. Trade and other payables

	31 March 2024	30 September 2023
	£m	£m
Trade payables	**24.5**	26.0
Other taxation and social security	**7.5**	8.7
Other payables	**16.5**	18.5
Accruals	**74.7**	75.2
Total	**123.2**	128.4

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial risk management policies in place to ensure all payables are paid within the agreed credit terms.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

13. Financial instruments

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2024:

Financial asset	**31 March 2024**	30 September 2023	
	Level 2	Level 2	Level 3
	Fair value	Fair value	Fair value
	£m	£m	£m
Assets			
Financial asset - derivative	**2.6**	6.0	-
Liabilities			
Financial liability - derivative	**(0.7)**	(0.1)	-
Contingent consideration	**-**	-	(8.2)
Total	**1.9**	5.9	(8.2)

The Group has entered into interest rate swap agreements which swap the interest profile on a notional £300.0m (31 March 2023: £150.0m) of the Group's EDG term facility to mitigate the risk of fluctuations in interest rates, whereby it receives a variable interest rate based on SONIA and pays fixed rates of between 3.720% and 4.987%. The swaps have been valued based on the present value of the estimated future cash flows based on observable yield curves. A net asset of £1.9m has been recognised on the balance sheet at 31 March 2024 (30 September 2023: £5.9m) with a corresponding decrease of £4.0m in the cash flow hedge reserve (see note 16 for further details).

At 30 September 2023 contingent consideration of £8.2m ($10.0m) related to the acquisition of ActualTech, LLC, which was paid in full on 31 January 2024 (being £7.9m after the impact of foreign exchange on settlement).

14. Provisions

	31 March 2024	30 September 2023
	£m	£m
Property	**5.4**	6.7
Other	**1.6**	0.5
Total	**7.0**	7.2

The property provision relates to dilapidations and obligations under short leasehold agreements on vacant property. The majority of the vacant property provision is expected to be utilised over the next two years.

Other provisions of £1.6m (30 September 2023: £0.5m) primarily comprise a legal matter related to corporate transactions.

15. Issued share capital

During the period no shares were issued by the Company pursuant to share scheme exercises throughout the period (31 March 2023: nil). 3,144 (31 March 2023: 2,095) Ordinary shares were issued under the Share Incentive Plan for a combined total cash commitment of £nil.

During the period the Group completed its share buyback programme, resulting in a reduction in share capital of 3.9m shares in the period, at a nominal value of £0.5m and a total cost of £31.6m.

As at 31 March 2024 there were 115,203,420 Ordinary shares in issue with a nominal value of £17.3m (31 March 2023: 120,858,025 with a nominal value of £18.1m; 30 September 2023: 119,077,135 with a nominal value of £17.8m).

16. Reserves

Share premium account
Share premium represents the excess of proceeds received over the nominal value of new shares issued.

In order to create additional distributable reserves to provide flexibility for shareholder returns, during the six months to 31 March 2024 the total share premium reserve of Future plc of £197.0m was cancelled and credited to the reserves of Future plc, increasing distributable reserves by the same amount. The balance at 31 March 2024 is £nil.

See 'Merger reserve' section below for further detail.

Capital redemption reserve
The capital redemption reserve increased by £0.5m during the period to £0.8m, being the nominal value of shares purchased and cancelled as part of the share buyback programme (see note 15 for further details).

Merger reserve
In order to create additional distributable reserves to provide flexibility for shareholder returns, during the six months to 31 March 2024 the total value of the Future plc merger reserve of £472.9m was capitalised, with B ordinary shares issued at a total nominal value equal to £472.9m, then cancelled and extinguished, with £472.9m credited to retained earnings, increasing distributable reserves by the same amount.

An amount of £109.0m in the merger reserve arose in previous years following the 1999 Group reorganisation and is non-distributable.

Treasury reserve

The treasury reserve represents the cost of shares in Future plc purchased in the market and held by the Employee Benefit Trust ('EBT') to satisfy awards made by the trustees.

During the six months to 31 March 2024, 246,138 (31 March 2023: 233,587) of the shares held by the EBT were used to satisfy the vesting of share options and no shares were purchased to fund the future vesting of share options (31 March 2023: 625,000 shares were purchased to fund the future vesting of share options at a total value of £7.8m (31 March 2023: £nil).

Cash flow hedge reserve

During FY 2023 the Group entered into interest rate swaps, in order to hedge against fluctuations in interest rates. The cash flow hedge reserve represents the cumulative amount of gains and losses on the interest rate swap deemed effective.

Accumulated exchange differences

The reserve for accumulated exchange differences comprises the revaluation of the Group's foreign currency entities, principally the US and Australia, on consolidation.

17. Contingent liabilities

There were no material contingent assets or liabilities as at 31 March 2024 (31 March 2023: £nil).

18. Post balance sheet event

On 15 May 2024 the Board approved a share buyback of up to £45.0m, which is expected to commence shortly after this results announcement.

Statement of Directors' responsibilities

We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting in conformity with the requirements of the Companies Act 2006;

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

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

By order of the Board

Directors

Richard Huntingford
Independent Non-Executive Chairman

Jon Steinberg
Chief Executive Officer

Penny Ladkin-Brand
Chief Financial and Strategy Officer

Alan Newman
Independent Non–Executive

Rob Hattrell
Independent Non–Executive

Meredith Amdur
Independent Non–Executive

Mark Brooker
Independent Non–Executive

Angela Seymour-Jackson
Independent Non–Executive

Ivana Kirkbride
Independent Non–Executive

15 May 2024

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

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

GLOSSARY

Presentation of non-statutory measures

The Directors believe that adjusted results and adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and review the results of the Group on an adjusted basis internally. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

Adjustments are made in respect of:

Adjusting item	Explanation
Share-based payments	Share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs, are excluded from the adjusted results of the Group as the Directors believe they result in a level of charge that would distort the user's view of the core trading performance of the Group.
Transaction and integration related costs	Although transactions are a key part of the Group's strategy, the Group adjusts for costs relating to the completion and subsequent integration of acquisitions and other corporate transactions, initiated within 12 months of the completion date, as these costs are not related to the core trading of the Group and not doing so would distort the Group's results, so as to assist the user of the financial statements to understand the results of the core underlying operations of the Group. Details of transaction and integration related costs are shown in note 4.
Exceptional items	The Group considers items of income and expense as exceptional and excludes them from the adjusted results where the nature of the item, or its size, is material and/or is not related to the core trading of the Group so as to assist the user of the financial statements to understand the results of the core underlying operations of the Group. Details of exceptional items are shown in note 5.
Amortisation of acquired intangible assets	The amortisation charge for those intangible assets recognised on business combinations is excluded from the adjusted results of the Group since they are non-cash charges arising from non-trading investment activities. As such, they are not considered to be reflective of the core trading performance of the Group. This is consistent with industry peers and how certain external stakeholders monitor the performance of the business.
Amortisation of non acquired intangible assets, depreciation and interest	Adjusted EBITDA excludes the amortisation charge for computer software and website development, as well as amortisation of acquired intangible assets, depreciation and interest.

Adjusting item	Explanation
Unwinding of discount on deferred and contingent consideration	The Group excludes the unwinding of the discount on deferred and contingent consideration from the Group's adjusted results on the basis that it is non-cash and the balance is driven by the Group’s assessment of the relevant discount rate to apply. Excluding this item ensures comparability with prior periods.
Changes in the fair value of deferred and contingent consideration	The Group excludes the remeasurement of these acquisition-related liabilities from its adjusted results as the impact of remeasurement can vary significantly.

The tax related to adjusting items is the tax effect of the items above, calculated using the standard rate of corporation tax in the relevant jurisdiction.

Reference to 'core or underlying' reflects the trading results of the Group without the impact of amortisation of acquired intangible assets, transaction and integration related costs, exceptional items, share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs and any tax related effects, and unwinding of discount on deferred and contingent consideration, that would otherwise distort the users understanding of the Group's performance.

A summary table of all measures is included below:

APM (Adjusted Performance Measure)	Closest equivalent statutory measure	Definition
Adjusted EBITDA	Operating profit	Adjusted EBITDA represents operating profit before share-based payments (relating to equity-settled awards with vesting periods longer than 12 months) and related social security costs, amortisation, depreciation, transaction and integration related costs and exceptional items. Adjusted EBITDA margin is adjusted EBITDA as a percentage of revenue. Adjusting items are shown in the table below.
Adjusted operating profit	Operating profit	Adjusted operating profit represents operating profit before share-based payments (relating to equity-settled awards with vesting periods longer than 12 months) and related social security costs, amortisation of acquired intangible assets, transaction and integration related costs and exceptional items. This is a key management incentive metric, used within the Group’s Deferred Annual Bonus Plan. Adjusted operating profit margin is adjusted operating profit as a percentage of revenue.

APM (Adjusted Performance Measure)	Closest equivalent statutory measure	Definition
		Adjusting items are shown in the table below.
Adjusted profit before tax	Profit before tax	Adjusted profit before tax represents earnings before share-based payments (relating to equity-settled awards with vesting periods longer than 12 months) and related social security costs, interest, tax, amortisation of acquired intangible assets, transaction and integration related costs, exceptional items, unwinding of discount on deferred and contingent consideration, and any related tax effects. Adjusting items are shown in the table below.
Adjusted diluted earnings per share	Diluted earnings per share	Adjusted diluted earnings per share (EPS) represents adjusted profit after tax divided by the weighted average dilutive number of shares at the year end date. This is a key management incentive metric, used within the Group's Performance Share Plan. A reconciliation is provided in note 10.
Adjusted effective tax rate	Effective tax rate	Adjusted effective tax rate is defined as the effective tax rate adjusted for the tax impact of adjusting items and any other one-off impacts, including adjustments in respect of previous years.
Adjusted operating cash flow	Operating cash flow	Adjusted operating cash flow represents cash generated from operations adjusted to exclude cash flows relating to transaction and integration costs, exceptional items and for payment of employer's taxes on share-based payments relating to equity settled share awards with vesting periods longer than 12 months, and to include lease repayments following the adoption of IFRS 16 *Leases*.
Adjusted free cash flow	Free cash flow	Adjusted free cash flow is defined as adjusted operating cash flow less capital expenditure. Capital expenditure is defined as cash flows relating to the purchase of property, plant and equipment and purchase of computer software and website development.
Net debt	The aggregation of cash and debt	Net debt is defined as the aggregate of the Group's cash and cash equivalents and its external bank borrowings net of capitalised bank arrangement fees. It does not include lease liabilities recognised following the adoption of IFRS 16 *Leases*.
Leverage		Leverage is defined as Net debt as defined above (excluding capitalised bank arrangement fees and lease liabilities, and including any non-cash ancillaries), as a proportion of Adjusted EBITDA and including the 12 month trailing impact of acquired businesses (in line with the Group's bank covenants definition).
Organic growth		Organic growth is defined as the like for like portfolio in the period, including the impact of closures and new launches but excluding acquisitions and disposals which have not been acquired for a full financial year, and at constant foreign exchange rates. Constant foreign exchange rates is defined as the average rate for HY 2024.
Constant currency		Constant currency translates the financial statements at fixed exchange rates to eliminate the effect of foreign exchange on the financial performance. Constant foreign exchange rates is defined as the average rate for HY 2024.
Impact of acquisitions and disposals		The impact of acquisitions and disposals is defined as those which have not been acquired for a full financial year, and at constant foreign exchange rates. Constant foreign exchange rates is defined as the average rate for HY 2024.

APM (Adjusted Performance Measure)	Closest equivalent statutory measure	Definition
Impact of foreign exchange		Impact of foreign exchange is defined as the increase/decrease in results due to the movement in the average foreign exchange rate compared to the comparative period.

A reconciliation of adjusted EBITDA and adjusted operating profit to profit before tax is shown below:

	6 months to 31 March 2024	6 months to 31 March 2023
	£m	£m
Adjusted EBITDA	**113.9**	141.9
Depreciation	**(3.2)**	(4.8)
Amortisation of non-acquired intangible assets	**(4.9)**	(6.8)
Adjusted operating profit	**105.8**	130.3
Share-based payments (including social security costs)	**(6.0)**	(7.0)
Transaction and integration related costs (note 4)	**(1.4)**	(3.2)
Exceptional items (note 5)	**(1.2)**	(5.9)
Amortisation of acquired intangibles	**(33.5)**	(30.3)
Operating profit	**63.7**	83.9
Net finance costs	**(17.1)**	(17.5)
Profit before tax	**46.6**	66.4

A reconciliation of cash generated from operations to adjusted free cash flow is shown below:

	6 months to 31 March 2024	6 months to 31 March 2023
	£m	£m
Cash generated from operations	**130.4**	117.3
Cash flows related to transaction and integration related costs	**4.0**	12.7
Cash flows related to exceptional items	**3.1**	8.9
Settlement of social security costs on share based payments[1]	**0.3**	0.4
Lease payments	**(5.0)**	(3.1)
Adjusted operating cash inflow	**132.8**	136.2
Cash flows related to capital expenditure	**(6.8)**	(6.2)
Adjusted free cash flow	**126.0**	130.0

[1] Relating to equity-settled share awards with vesting periods longer than 12 months.

A reconciliation between adjusted and statutory earnings per share measures is shown in note 10.

Included below is a reconciliation between statutory revenue and organic revenue:

	6 months to 31 March 2024 **£m**	6 months to 31 March 2023 £m	YoY Var
Statutory revenue	**391.5**	404.7	(3)%
Revenue from HY 2024 and HY 2023 transactions which have not been acquired for a full financial year	**(7.0)**	(2.4)	
Impact of FX at constant rates	**(0.2)**	(9.5)	
Organic revenue	**384.3**	392.8	(2)%