Centaur Media plc
Interim Report
6 months ended 31 December 2006

CENTAUR MEDIA PLC

Contents

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Interim Report
6 months ended 31 December 2006

Vision and Values

Finding new ways to inform and connect in strong markets

Vision
To be market leaders in the provision of information and marketing solutions to specialist market communities

Strategy
To develop an intimate knowledge of our markets, establish leading content-based brands and extend those brands across multiple platforms

Values
Our success is based on integrity and enterprise

Centaur Media plc ("Centaur") announces its results for the six months ended 31 December 2006

	6 months ended 31 December 2006	6 months ended 31 December 2005	Movement %
	£m	£m	
Revenue	37.7	33.8	12%
Adjusted EBITDA (1)	5.6	4.1	37%
Adjusted EBITDA margin	15%	12%	
Adjusted profit before tax (2)	4.2	2.9	45%
Profit before tax	3.8	4.9	(22)%
Adjusted basic EPS (pence) (3)	2.2	1.3	69%
Basic EPS (pence)	2.0	2.7	(26)%
Cash conversion rate (4)	95%	154%	
Net cash	4.2	7.9	
Interim dividend per share (pence)	1.0	0.6	67%

- 12% growth in Group revenue, led by advertising up 19%, due to impact of acquisitions and increasing strength of online products and Legal & Financial division.
- High operational gearing supports adjusted EBITDA margin improvement by 3 percentage points to 15%.
- Revenue growth leads to adjusted profit before tax ahead by 45% and adjusted EPS ahead by 69%.
- High levels of new product development activity since June 2006 – see details below.
- Interim dividend of 1.0 pence per share proposed.

(1) One of Centaur's key measures of profit, which is used to measure the relative performance of divisional units of the Group, is earnings before interest, tax, depreciation and amortisation, excluding exceptionals and other significant non-cash items (Adjusted EBITDA).

(2) Adjusted PBT is profit before tax, excluding the impact of amortisation of acquired intangibles and of exceptional items.

(3) Adjusted EPS is based on the basic EPS but after making adjustments for amortisation of acquired intangibles and exceptional items as detailed in note 4 to the interim report.

(4) Cash conversion rate is free cash flow expressed as a percentage of adjusted operating profit. Free cash flow is defined as cash generated from operations (note 7 to the interim report), less capital expenditure on property, plant and equipment and software. Adjusted operating profit is operating profit after making adjustments for amortisation of acquired intangibles and exceptional items.

Business Development Highlights since June 2006

July 2006
- Launch of Newbury Homebuilding Show to run in June 2007

August 2006
- Televisual magazine sold to former publisher

September 2006
- Launch of marketingweek.co.uk
- Launch of precisionmarketing.co.uk
- Launch of Healthservicetalk

October 2006
- Launch of NMA training events

November 2006
- Launch of designweek.co.uk

December 2006
- Centaur ceases publication of Finance Week and transfers to Sift Media Ltd

January 2007
- First issue of monthly Mortgage Distributor
- First Mortgage Packager Summit run in Nice
- First Lawyer HR awards
- Relaunch of Perfect Debt with new CDO collection
- Logistics Europe relaunched as Supply Chain Standard
- First Marketing Week Interactive Marketing Summit
- Headlineproperty web service launched
- Creative Review publishes first ever guest-edited issue by world-leading ad agency Mother
- Money Marketing commences web TV service

February 2007
- mad.co.uk launches madcomment and madspace – new community networking site
- Launch of Perfect Analysis version 7 Excel add-in
- Joint initiative announced between Centaur Events and Dnata World of Events to run Business Travel Show (Dubai)
- Mortgage Strategy commences web TV service
- Joint venture with YouGov announced
- PI launches unique indexed SEC Edgar Filings prospectus database

March 2007
- Headlineauto web service launched
- Launch of Marketingservicestalk
- Launch of Insidemoneytalk

Interim Business Review

Introduction

I am pleased to announce that Centaur achieved further impressive growth in both turnover and profit before tax in the six months to 31 December 2006. In what is seasonally Centaur's weaker half of the year (due to the low levels of publishing and event activity in August and December) revenue grew 12% to £37.7 million and adjusted profit before tax increased by 45% to £4.2 million (FY2006: £2.9 million).

Reported profit before tax was £3.8 million (FY2006: £4.9 million). The Company's results for the six months ended 31 December 2005 included an exceptional gain of £2.0 million arising from the release of a provision for contingent consideration relating to the acquisition of Synergy Software Solutions Ltd. In addition, in the current period the Company reported amortisation of acquired intangibles of £0.4 million (FY2006: £nil).

The board has declared an interim dividend of 1.0p per share (2006: 0.6p). The interim dividend will be paid on 20 April 2007 to shareholders on the share register at 23 March 2007.

Business Overview

Centaur benefits from a strong presence in a number of high-value vertical market sectors, in which it pursues its strategy of building market leading positions through multiple media platforms. During the period, it has continued to experience growth in a number of these sectors, shown by the analysis of results set out at the end of this business review.

Advertising remains the principal source of revenue, generating 59% of revenues during the first half. Overall advertising revenues grew 19% in the period, led by the impact of acquisitions in the previous financial year and by the strength in online advertising. Recruitment and other advertising, principally display, both recorded solid growth in the period.

Total revenues from online products grew 30%, reflecting the continued strong growth in internet advertising, particularly online recruitment, which increased by 41% year on year, supplementing a relatively robust recruitment performance in the magazines. Events revenues declined by 8%, largely due to the highly successful Mortgage Strategy Summit moving to April 2007 in Dubai in order to accomodate significant growth.

Centaur has a strong record of successful organic growth, with most of its current portfolio having been launched rather than acquired. During the period, our new developments included four new websites. These new websites are now trading at or above break-even and are expected to make a significant contribution in the medium term. The most important of these are marketingweek.co.uk and designweek.co.uk. These two websites will build on the strength of their related magazine brands and will enable us to extend our service offering to these important communities.

The pace of new business activity has increased since the period end. In January 2007 we launched a new monthly magazine, Mortgage Distributor, part of the Mortgage Strategy portfolio. We launched the title alongside a new event, the Packager Summit, which ran successfully in Nice in January. Both products are expected to make a positive profit contribution in this financial year. Also in January, we launched The Lawyer HR awards, which has further cemented our relationship with our core law firm clients and key sponsors. The event made a small positive contribution.

We have also launched a series of important podcast and web TV services in several of our online products, which we believe will generate good growth in the medium term. During January we also launched Headline Property ("HP"), an extension of our highly successful news service for financial journalists, Headline Money. HP will perform a similar service for professional property journalists. January also saw the launch of the Marketing Week Interactive Summit, a successful and profitable new conference and workshop-based event designed to equip senior marketers to develop effective digital strategies.

In February we agreed to partner with Dnata World of Events, a leading events and travel management business based in Dubai and part of the Emirates Group. The joint venture's first initiative will be a Dubai edition of the successful Business Travel show, which will be staged in October 2007. Planning for other shows with Dnata will commence in the next few months.

> “Centaur has a strong record of successful organic growth, with most of its current portfolio having been launched rather than acquired”

We have also just announced a joint venture with the leading online research business YouGov. The joint venture, YouGovCentaur Ltd, will establish specialist online research panels in each of Centaur's vertical markets. These will be used to create customised and syndicated research-based products for our core markets. Two such projects are already underway. This is an exciting new venture that strongly supports our strategic goal of increasing the proportion of our revenues derived from content.

Review of Divisional Results

We continue to report our results in five major operating business segments. These are Legal & Financial; Marketing, Creative & New Media; Construction & Engineering; Perfect Information and General Business Services (formerly Other).

Legal & Financial

Revenues grew 15% in the period compared with the corresponding period in 2005 and this led to adjusted EBITDA margins rising to 28% (2005: 26%). This division's target markets – lawyers and IFA's – remained strong, benefiting the major established brands in this division. In the financial sector, Mortgage Strategy and Headline Money in particular delivered rapid growth in turnover and profits. In the legal sector, The Lawyer magazine and thelawyer.com delivered further strong growth to new record levels, reflecting the strength of the market and the growing value of The Lawyer brand. Revenue growth in the division was advertising-driven, with recruitment ahead by 25% and other advertising up 18%.

Marketing, Creative & New Media

Revenues declined 4% on the corresponding period in 2005 but earlier cost savings led to adjusted EBITDA margins improving to 9% (2005: 8%). Ongoing weakness in the media, retail and consumer goods sectors continued to have an adverse impact on the marketing and creative division, although market shares were broadly stable in the period. Marketingweek.co.uk and designweek.co.uk were both successfully launched, partly offsetting the overall revenue decline. Both websites traded close to break-even in the period and are now generating a small profit. There are some signs of an improving outlook for the sector, including recruitment revenues growing 7% in the period and good growth in the interactive marketing area, with New Media Age strongly ahead and a successful launch of the Interactive Marketing Summit referred to above. Looking forward, the latest quarterly Bellwether Report (published by the Institute of Practitioners in Advertising in January 2007), which is an important forward indicator of activity in the marketing services sector, reported that new budget-setting for 2007-08 marketing budgets was at its most buoyant level for seven years.

Engineering & Construction

Revenues grew 41% helped by the impact of recent bolt-on acquisitions. Adjusted EBITDA margins remained unchanged at 17% reflecting the impact of lower margins currently being achieved on the recent new launch, Move or Improve. The engineering sector remains challenging but The Engineer and its associated website continued to deliver satisfactory growth. In Construction, the self-build market showed modest improvement, though the DIY market remained challenging. Nevertheless, Homebuilding & Renovating and its extensions, especially the regional shows, delivered further healthy growth, whilst the newly launched Move or Improve recorded an improved profit in the period. Period Living, acquired in February 2006, performed well in the period, in line with expectations.

Perfect Information

Revenues were flat but adjusted EBITDA margin improved to 23% (2005: 20%). The underlying market remained favourable, but growth in the core filings product was offset by continued declines in revenues from non-core services acquired with the Synergy acquisition. Perfect Analysis' Excel add-in was successfully launched in early February 2007, after an extensive period of testing. It is currently being trialled by several existing and prospective new clients. On the filings side, we have recommenced development activity previously deferred due to the focus of our development resources on Perfect Analysis. We have recently launched a unique new database of collateralised debt obligations and an approved SEC filings product. These and other planned initiatives are expected to support renewed growth in revenues in the next few months. We have also identified further cost savings that should positively impact the second half.

General Business Services

Revenues grew 10% in the period, and adjusted EBITDA losses reduced to £0.6 million (2005: £0.9 million loss). Growth was led by The Recruiter, which we acquired in December 2005, which performed well, in line with expectations. The Employee Benefits portfolio experienced a decline in revenues due to a loss of advertising relating to the home computing initiative, the tax benefit of which was discontinued a year ago. However, we expect to recover some of this shortfall in the second half. Business Travel

Interim Business Review (continued)

> With a strong pipeline of new products and further growth in our established business, we are confident of a positive outcome for the full year

Germany performed well in September, as did the main London show which has just taken place in February 2007.

The logistics portfolio also grew steadily and we relaunched the monthly title Logistics Europe under the brand Supply Chain Standard in January. It has moved into profit in the second half, after making a small loss in the interim period. As previously announced, we sold the loss-making Televisual magazine to its former publisher in August 2006. During the period, we also discontinued publication of Finance Week. We entered into an agreement with Sift Media Ltd, publishers of Accountingweb, who are continuing to publish Finance Week as part of that business. Centaur will share advertising revenues with Sift and will deliver events for the Finance Week community.

Management changes

As we reported last autumn, Geoff Wilmot (former CFO) was appointed Chief Executive Officer of the Company on 1st November 2006. Graham Sherren remains as Chairman. Mike Lally (former Finance Director) joined the board as Group Finance Director.

Current trading & outlook

The overall outlook for the second half is positive and we expect further year on year growth in revenues and profits in the six months to June 2007. Most parts of the business are currently trading comfortably ahead of last year. With a strong pipeline of new products and further growth in our established business, we are confident of a positive outcome for the full year.

Geoff Wilmot, Chief Executive Officer

Analysis of results

	Six months to 31 December 2006		Six months to 31 December 2005	
	Turnover £m	**Adjusted EBITDA £m**	Turnover £m	Adjusted EBITDA £m
By Division				
Legal and Financial	**11.6**	**3.2**	10.1	2.6
Marketing, Creative and New Media	**10.2**	**0.9**	10.6	0.8
Construction and Engineering	**8.3**	**1.4**	5.9	1.0
Perfect Information	**3.0**	**0.7**	3.0	0.6
General Business Services	**4.6**	**(0.6)**	4.2	(0.9)
	37.7	**5.6**	33.8	4.1
By Source				
Recruitment advertising	**6.7**	**-**	5.4	-
Other advertising	**15.7**	**-**	13.4	-
Circulation Revenue	**3.2**	**-**	2.6	-
Online subscriptions	**3.7**	**-**	3.6	-
Events	**7.8**	**-**	8.5	-
Other	**0.6**	**-**	0.3	-
	37.7	**-**	33.8	-
By Client Type				
Audiences	**9.5**	**-**	8.4	-
Marketers	**28.2**	**-**	25.4	-
	37.7	**-**	33.8	-
By Product Type				
Magazines	**21.8**	**3.9**	18.6	2.1
Events	**7.8**	**0.8**	8.5	1.0
Online products	**7.3**	**1.0**	5.6	0.9
Other	**0.8**	**(0.1)**	1.1	0.1
	37.7	**5.6**	33.8	4.1
Underlying				
Underlying	**34.8**	**5.3**	33.2	4.2
Acquisitions (1)	**2.9**	**0.3**	0.6	(0.1)
Total	**37.7**	**5.6**	33.8	4.1
By Maturity				
New (2)	**3.6**	**(1.1)**	5.2	(0.7)
Existing and acquired	**34.1**	**6.7**	28.6	4.8
Total	**37.7**	**5.6**	33.8	4.1

(1) Acquisitions are defined as those made within the current or preceding financial year.
(2) New products are defined as any product launched in the current or two preceding financial years.

Independent Review Report to Centaur Media plc

Introduction
We have been instructed by the company to review the financial information for the six months ended 31 December 2006 which comprises the consolidated interim balance sheet and statement of changes in shareholders' equity as at 31 December 2006 and the related consolidated interim statements of income and cash flows for the six months then ended and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Directors' responsibilities
The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The Listing Rules of the Financial Services Authority require that the accounting policies and presentation applied to the interim figures should be consistent with those applied in preparing the preceding annual accounts, except where any changes and the reasons for them are disclosed.

This interim report has been prepared in accordance with the basis set out on page 13.

Review work performed
We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of group management and applying analytical procedures to the financial information and underlying financial data and, based thereon, assessing whether the disclosed accounting policies have been applied. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance. Accordingly we do not express an audit opinion on the financial information. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Listing Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Review conclusion
On the basis of our review we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 31 December 2006.

PricewaterhouseCoopers LLP
Chartered Accountants
London

14 March 2007

Notes
(a) The maintenance and integrity of the Centaur Media plc web site 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 interim report since it was initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Consolidated Income Statement

Consolidated income statement for the 6 months ended 31 December 2006

		Unaudited 6 months ended 31 December 2006	Unaudited 6 months ended 31 December 2005	Audited year ended 30 June 2006
	Notes	£m	£m	£m
Revenue	1	**37.7**	33.8	82.3
Cost of sales		**(20.3)**	(18.6)	(42.8)
Gross profit		**17.4**	15.2	39.5
Distribution costs		**(2.2)**	(2.1)	(4.5)
Administrative expenses		**(11.5)**	(8.5)	(20.3)
Adjusted EBITDA	1	**5.6**	4.1	15.7
Depreciation of property, plant and equipment		**(0.4)**	(0.3)	(0.7)
Amortisation of software		**(0.9)**	(1.0)	(1.8)
Amortisation of acquired intangibles		**(0.4)**	-	(0.3)
Share-based payments		**(0.2)**	(0.2)	(0.4)
Exceptional administrative credit	5	**-**	2.0	2.2
Operating profit		**3.7**	4.6	14.7
Interest receivable		**0.1**	0.2	0.3
Share of post tax profit from associate		**-**	0.1	0.1
Profit before tax		**3.8**	4.9	15.1
Taxation	2	**(0.8)**	(0.9)	(3.7)
Profit for the period		**3.0**	4.0	11.4
Earnings per share				
- Basic	4	**2.0p**	2.7p	7.6p
- Fully diluted	4	**2.0p**	2.7p	7.6p

Consolidated balance sheet at 31 December 2006

	Notes	Unaudited 31 December 2006 £m	Unaudited 31 December 2005 £m	Audited 30 June 2006 £m
Assets				
Non-current assets				
Goodwill		**142.0**	138.3	142.0
Other intangible assets		**12.6**	8.3	13.1
Property, plant and equipment		**2.5**	2.2	2.5
Investments accounted for using equity method		**0.3**	0.3	0.3
Deferred tax assets		**1.6**	0.5	1.6
		159.0	149.6	159.5
Current assets				
Inventories		**2.7**	1.9	1.5
Trade and other receivables		**17.5**	14.5	18.7
Cash and cash equivalents		**5.4**	10.2	7.8
		25.6	26.6	28.0
Liabilities				
Current liabilities				
Financial liabilities - borrowings		**1.2**	2.3	1.6
Trade and other payables		**8.8**	8.3	11.3
Deferred income		**13.5**	12.9	10.5
Current tax liabilities		**0.9**	-	2.6
Provisions		**-**	-	0.6
		24.4	23.5	26.6
Net current assets		**1.2**	3.1	1.4
Non-current liabilities				
Deferred tax liabilities		**1.1**	1.1	1.1
Provisions		**1.9**	0.5	1.9
		3.0	1.6	3.0
Net assets		**157.2**	151.1	157.9
Shareholders' equity				
Ordinary shares		**14.5**	14.9	14.9
Share premium		**0.3**	0.3	0.3
Other reserves		**2.7**	2.2	2.4
Retained earnings		**139.7**	133.7	140.3
Total shareholders' equity	6	**157.2**	151.1	157.9

The interim financial statements on pages 10 to 18 were approved by the Board of Directors on 14 March 2007 and were signed on its behalf by

M Lally
Director

Consolidated Cash Flow

Consolidated cash flow statement for the 6 months ended 31 December 2006

	Notes	**Unaudited 6 months ended 31 December 2006 £m**	Unaudited 6 months ended 31 December 2005 £m	Audited year ended 30 June 2006 £m
Cash flows from operating activities				
Cash generated from operations	**7**	**5.2**	5.2	14.4
Tax paid		**(2.6)**	(0.6)	(1.8)
Net cash from operating activities		**2.6**	4.6	12.6
Cash flows from investing activities				
Interest received		**0.1**	0.2	0.3
Acquisition of subsidiaries (net of cash acquired)		**0.9**	-	(4.8)
Proceeds from the sale of subsidiary		**-**	0.4	0.4
Purchase of property, plant and equipment		**(0.4)**	(0.4)	(1.0)
Proceeds from sale of property, plant and equipment		**-**	-	-
Purchase of intangible assets		**(1.2)**	(5.1)	(8.6)
Net cash used in investing activities		**(0.6)**	(4.9)	(13.7)
Cash flows from financing activities				
Treasury shares		**(0.4)**	-	-
Repayment of loan notes		**(0.4)**	(0.2)	(0.9)
Dividends paid to shareholders		**(3.6)**	(1.8)	(2.7)
Net cash used in financing activities		**(4.4)**	(2.0)	(3.6)
Net decrease in cash and cash equivalents		**(2.4)**	(2.3)	(4.7)
Cash and cash equivalents at 1 July		**7.8**	12.5	12.5
Cash and cash equivalents		**5.4**	10.2	7.8

Basis of Preparation

These interim financial statements have been prepared in accordance with International Financial Reporting Standards and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention in accordance with the accounting policies the Group expects to be applicable at 30 June 2007.

The IFRS's and interpretations issued by both the Standing Interpretations Committee and the International Financial Reporting Interpretations Committee ("IFRIC") that will be applicable at 30 June 2007, including those that will be applicable on an optional basis, are not known with certainty at the time of preparing these interim financial statements. These figures may therefore require amendment to change the basis of accounting or presentation of certain financial information, before their inclusion in the IFRS financial statements for the year ending 30 June 2007.

As permitted, the interim financial statements have been prepared in accordance with the UK listing rules and not in accordance with IAS 34 "Interim Financial Reporting".

These interim financial statements are unaudited and do not constitute statutory accounts within the meaning of Section 240 of the Companies Act 1985.

Additional presentation within the consolidated income statement
The Group has presented separately on the face of the consolidated income statement on page 10 an additional profit measure of adjusted EBITDA. Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation and excluding exceptionals and other significant non-cash items.
This presentation has been provided as the Directors believe that this measure reflects more clearly the ongoing operations of the Group. In 2006 and 2005, share based payment costs have been treated as a significant non-cash item.

Notes to the Interim Financial Statements

1 Segmental reporting – Primary reporting format – business segments

6 months ended 31 December 2006	Legal and Financial	Marketing, Creative & New Media	Construction and Engineering	Perfect Information	General Business Services	Unallocated	Group
	£m	£m	£m	£m	£m	£m	£m
Revenue	**11.6**	**10.2**	**8.3**	**3.0**	**4.6**		**37.7**
Adjusted EBITDA	3.2	0.9	1.4	0.7	(0.6)		5.6
Depreciation of property, plant and equipment	(0.1)	(0.1)	(0.1)	(0.1)	-	-	(0.4)
Amortisation of software	(0.1)	(0.1)	(0.1)	(0.4)	(0.2)	-	(0.9)
Amortisation of acquired intangibles	(0.1)	-	(0.2)	(0.1)	-	-	(0.4)
Share based payments	-	-	-	-	-	(0.2)	(0.2)
Segment result	**2.9**	**0.7**	**1.0**	**0.1**	**(0.8)**	**(0.2)**	**3.7**
Interest receivable	-	-	-	-	-	0.1	0.1
Share of post tax profit from associate	-	-	-	-	-	-	-
Profit before tax	2.9	0.7	1.0	0.1	(0.8)	(0.1)	3.8
Taxation	-	-	-	-	-	(0.8)	(0.8)
Profit for the period	**2.9**	**0.7**	**1.0**	**0.1**	**(0.8)**	**(0.9)**	**3.0**

The group is organised into five main business segments.
The General Business Services segment was formerly named Other.

1 Segmental reporting (continued)

6 months ended 31 December 2005	Legal and Financial	Marketing, Creative & New Media	Construction and Engineering	Perfect Information	General Business Services	Unallocated	Group
	£m	£m	£m	£m	£m	£m	£m
Revenue	**10.1**	**10.6**	**5.9**	**3.0**	**4.2**	**-**	**33.8**
Adjusted EBITDA	2.6	0.8	1.0	0.6	(0.9)	-	4.1
Depreciation of property, plant and equipment	(0.1)	(0.1)	-	(0.1)	-	-	(0.3)
Amortisation of software	(0.2)	(0.2)	(0.1)	(0.4)	(0.1)	-	(1.0)
Share based payments	-	-	-	-	-	(0.2)	(0.2)
Exceptional administrative credit	-	-	-	2.0	-	-	2.0
Segment result	**2.3**	**0.5**	**0.9**	**2.1**	**(1.0)**	**(0.2)**	**4.6**
Interest receivable	-	-	-	-	-	0.2	0.2
Share of post tax profit from associate	0.1	-	-	-	-	-	0.1
Profit before tax	2.4	0.5	0.9	2.1	(1.0)	-	4.9
Income Taxation	-	-	-	-	-	(0.9)	(0.9)
Profit attributable to equity shareholders	**2.4**	**0.5**	**0.9**	**2.1**	**(1.0)**	**(0.9)**	**4.0**

Notes to the Interim Financial Statements

2 Taxation

	6 months ended 31 December 2006	6 months ended 31 December 2005	Year Ended 30 June 2006
	£m	£m	£m
Profit before tax	**3.8**	4.9	15.1
Profit before tax multiplied by standard rate of corporation tax in the UK of 30% (2005: 30%)	**1.1**	1.5	4.5
Effects of:			
Non taxable release of deferred consideration provision	**-**	(0.6)	(0.8)
Expenses not deductible for tax purposes	**0.1**	-	0.2
Deferred tax credit on share based payments taken to income statement	**(0.4)**	-	(0.1)
Adjustments to tax charge in respect of previous periods	**-**	-	(0.1)
Total taxation	**0.8**	0.9	3.7

The tax assessed for the period is lower (2005: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained above.

3 Dividends

An interim dividend of 1p (2005: 0.6p) per 10p ordinary share is proposed. This amounts to £1,491,045 (2005: £896,000) and will be paid on 20 April 2007 to all shareholders on the register as at 23 March 2007.

4 Earnings per share

The calculations of earnings per share are based on the following profits and numbers of shares:

	6 months to 31 December 2006			6 months to 31 December 2005		
	Earnings	**Weighted average no. of shares**	**Per-share amount**	Earnings	Weighted average no. of shares	Per-share amount
	£m	**millions**	**pence**	£m	millions	pence
Basic EPS						
Earnings attributable to ordinary shareholders	**3.0**	**149.1**	**2.0**	4.0	149.3	2.7
Effect of dilutive securities						
Options	**-**	**1.7**	**-**	-	0.5	-
Contingent shares	**-**	**0.4**	**-**	-	-	-
Diluted basic EPS	**3.0**	**151.2**	**2.0**	4.0	149.8	2.7
Adjusted EPS						
Earnings attributable to ordinary shareholders	**3.0**	**149.1**	**2.0**	4.0	149.3	2.7
Amortisation of brands and publishing rights	**0.4**	**-**	**0.3**	-	-	-
Exceptional administrative credit	**-**	**-**	**-**	(2.0)	-	(1.4)
Tax effect	**(0.1)**	**-**	**(0.1)**	-	-	-
Adjusted profit for the period	**3.3**	**149.1**	**2.2**	2.0	149.3	1.3
Effect of dilutive securities						
Options	**-**	**1.7**	**-**	-	0.5	-
Contingent shares	**-**	**0.4**	**-**	-	-	-
Diluted adjusted EPS	**3.3**	**151.2**	**2.2**	2.0	149.8	1.3

Shares held in an employee benefit trust have been excluded in arriving at the weighted average number of shares.

5 Exceptional administrative credit

In the six month period to 31 December 2005 the exceptional credit of £2.0 million related to the release of a provision for deferred consideration payable to the previous shareholders of the Synergy group.

During the year to 30 June 2006 the exceptional credit of £2.5 million related to the release of the full provision for deferred consideration payable to the previous shareholders of the Synergy group. Also, during the year to 30 June 2006 shares were issued to a minority interest in a subsidiary, Perfect Information Limited, reducing Centaur's interest in this company and its subsidiaries (the "PI group") by 3.94%. This has resulted in a reduction of Centaur's share of the goodwill relating to the PI group and a charge to the income statement of £0.3m.

6 Statement of changes in shareholders' equity

	6 months ended 31 December 2006	6 months ended 31 December 2005	Year Ended 30 June 2006
	£m	£m	£m
At 1 July	**157.9**	148.6	148.6
Treasury shares purchased	**(0.4)**	-	-
Share options – value of employee services	**0.2**	0.2	0.4
Deferred tax taken directly to equity	**0.1**	0.1	0.2
Profit for the period	**3.0**	4.0	11.4
Dividends	**(3.6)**	(1.8)	(2.7)
At 31 December	**157.2**	151.1	157.9

7 Cash flow from operating activities

	6 months ended 31 December 2006	6 months ended 31 December 2005	Year Ended 30 June 2006
	£m	£m	£m
Profit for the period	**3.0**	4.0	11.4
Adjustments for:			
Tax	**0.8**	0.9	3.7
Depreciation	**0.4**	0.3	0.7
Loss on disposal of goodwill	**-**	-	0.3
Amortisation of intangibles	**1.3**	1.0	2.1
Interest income	**(0.1)**	(0.2)	(0.3)
Share of associates' profit	**-**	(0.1)	(0.1)
Share option charge	**0.2**	0.2	0.4
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries)			
Increase in inventories	**(1.1)**	(0.6)	(0.2)
Decrease / (increase) in trade and other receivables	**0.1**	1.0	(2.0)
Increase in payables	**0.6**	0.7	0.9
Decrease in provisions	**-**	(2.0)	(2.5)
Cash generated from operations	**5.2**	5.2	14.4

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