Centaur Media plc

Half-yearly report for the six months ended 31 December 2010

Contents

Highlights

	Six months to 31 December 2010	Six months to 31 December 2009
	£m	£m
Revenue	27.5	23.9
Adjusted EBITDA [1]	1.2	0.0
Loss before tax	(1.6)	(1.7)
Adjusted loss before tax [2]	(0.5)	(1.2)
Basic EPS (pence)	(0.9)	(0.9)
Adjusted basic EPS (pence) [3]	(0.2)	(0.6)

- Revenue increase of 15% led by advertising revenues up 17%
- Recruitment advertising ahead 31% led by our marketing and legal divisions
- Further cost saving initiatives in the period
- Adjusted EBITDA increased to £1.2m (4% margin) compared to break-even last year
- Strong cash conversion (142% of EBITDA converted into operating cash flows)
- Continued growth in digital and paid-for content
- 17% increase in the interim dividend to 0.7p
- Appointment of Rebecca Miskin as non-executive Director brings further digital media experience to the Board

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 exceptional items and other significant non-cash items including share based payments (adjusted EBITDA).
2. Adjusted loss before tax (PBTA) is profit/(loss) 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 on acquired intangibles and exceptional items as detailed in note 4.

Interim results for the six months ended 31 December 2010

Introduction

The Group reports revenue growth of 15% to £27.5m (H1 FY10: £23.9m) for the period and a loss before tax of £1.6m (H1 FY10: £1.7m loss).

The revenue growth reflected continued improvement in almost all of our markets together with an increase in revenues derived from new products and services. In total 9% (H1 FY10: 8%) of Group revenues were derived from products launched in the current and last two preceding financial years and the details of these new products are provided below.

The calculation of earnings per share for the period is detailed in note 4 to the financial statements. We report a basic loss per share for the period of 0.9p (H1 FY10: 0.9p loss) and an adjusted loss per share of 0.2p (HY FY10: 0.6p loss).

The Group had net debt of £0.4m at 31 December 2010 (FY10: £0.2m net cash) reflecting seasonality and the earlier payment of the FY10 final dividend of £1.5m. This position is adequately covered by the Group's £5.0m revolving credit facility and is expected to fully reverse in the six months ending 30 June 2011 when we forecast the Group returning to a net cash position.

The Group has traded in line with the Board's expectations since the start of 2011 and as a result of our continuing confidence in these improved trading conditions the Board has declared a 17% increase in the interim dividend to 0.7p per share (H1 FY10: 0.6p). The interim dividend will be paid on 8 April 2011 to shareholders on the share register at 11 March 2011.

Business overview

An analysis of the results for the period is set out at the end of this business review.

In total, the Group reports revenue growth of 15% for the period led by a 17% improvement in advertising sales. This included a 29% increase in digital advertising which represented 30% of total advertising in the period (H1 FY10: 27%). The growth in digital advertising, which reflects the investment in our web platform over the last two years, was complemented by a 14% increase in print advertising in the period.

By division the strongest areas of advertising growth in the period were Marketing & Creative (+25%) and Legal & Financial (+22%) which reflected a combination of improved recruitment advertising through the Marketing Week and Lawyer brands and increased financial product advertising through the main financial brands of Money Marketing and Fund Strategy.

Paid-for content revenues grew by 14% in the period mainly reflecting the acquisition of Tax Briefs in the last financial year. Revenues from this acquisition are materially H2 weighted. In total, paid-for content sales represented 24% of Group revenues in the period which was unchanged year-on-year.

Event revenues increased by 15% year-on-year although this rate of growth was affected by changes to event timings and discontinuations which are described in more detail below under the General Business services section. On a like-for-like basis event revenues grew by 21% with around 60% of this growth attributable to events launched in this period or in the last two preceding financial years.

In total the Group reported an adjusted EBITDA for the period of £1.2m compared to break even in the same period a year ago. This improvement in adjusted EBITDA equated to 33% of the revenue growth for the period which represents comparatively low operational gearing for the Group reflecting the continued programme of new product development, including new event launches, described in more detail below.

Interim results for the six months ended 31 December 2010 (continued)

Exceptional cost

A number of cost saving initiatives relating to the re-organisation of the Group's publishing operations were completed in the period. An exceptional cost of £0.5m is recognised in respect of this re-organisation which resulted in a further 6% reduction in Group headcount. Cost savings will accrue in the second half of this financial year as a result of these initiatives.

Business development

In total, £2.4m of Group revenues in the period were attributable to products launched in the current or two preceding financial years. This represented a 20% increase year-on-year reflecting the continued pace of new product initiation across the Group and the steady progress of revenues relating to recent event launches.

The main component of these new product revenues were event launches and this included two major new exhibitions. The National Home Improvement Show, held for the second time in October 2010, reported 23% revenue growth and a strong year-on-year improvement in visitor numbers while an expanded Business Travel Show Middle East was held in Dubai, also in October, after a one year absence.

Two new awards, associated with the New Media Age and Pitch brands were held in the period. The New Media Age Reputation Online awards and The Blades awards brought together the respective agency communities and client companies served by the recent launches of interactive digital directory products serving these respective communities (see Marketing & Creative commentary below).

Further sponsored meeting events were also launched in the period across a number of magazine brands including NMA Live events, Marketing Week Roundtables and a further successful extension of Legal and Financial summits (see Legal & Financial commentary below).

Digital and data product launches in the period included a further expansion of the Pitch interactive directory model. Pitch Creative, launched during the last financial year, combines periodic proprietary research and editorial content with continuous user-generated feedback to provide a dynamic and interactive rating process for participating agencies. During this period the service was extended to include the digital and design agency sectors along with the full service advertising agencies served by the original product launch a year ago. In addition, the 8% growth in revenues at Perfect Information was driven by existing product enhancement and new bespoke data product launches described in more detail below in the Perfect Information commentary.

Divisional results

Legal and financial
Print 60%; Digital 23%; Events 17%
(% of divisional revenues)

The Legal and Financial division reported a 33% increase in revenues to £8.8m for the period (H1 FY10: £6.6m) with adjusted EBITDA of £0.7m compared to break even in H1 FY10.

The increase in revenues reflected a continued improvement in this division's target market sectors comprising Lawyers and Independent Financial Advisers ("IFA's"). In total around 70% of the revenue increase related to the division's major print brands and included £0.7m of revenue from Tax Briefs which was acquired at the end of the last financial year.

Advertising revenues were 22% above the corresponding period a year ago and this included 22% growth in recruitment advertising and 30% growth in online financial product advertising.

The recruitment growth related primarily to the legal sector where a recent improvement in business confidence among the top 100 corporate law practices led to a 47% increase in recruitment advertising volume in The Lawyer magazine.

The continuation of low global interest rates and a renewed focus on higher yielding equity-based investments contributed to the steady improvement in world stock markets and a high level of fund inflows which resulted in an increase in financial product advertising through the major financial division brands of Money Marketing and Fund Strategy.

Divisional event revenues were 50% ahead partly attributable to new launches including the St Petersburg Investment Summit held in October. In addition the inaugural The Lawyer Funds Summit, with a focus on regulatory change arising from the EU's Alternative Investment Fund Managers directive ("AIFM"), was well received by the funds lawyers, regulators and investment professionals who gathered in Brussels in October to debate the implications of the directive as well as other changes to funds regulation and practice.

Marketing & Creative
Print 57%; Digital 28%; Events 15%
(% of divisional revenues)

Marketing & Creative division revenues increased by 18% to £6.5m in the period (H1 FY10: £5.5m) including 25% growth in event revenues.

The division's full year profit is weighted to the second half of the financial year principally due to the timing of event activity and as a result a small adjusted EBITDA loss of £0.1m (H1 FY10: £0.2m loss) is reported for the six months to 31 December 2010.

The strongest area of revenue growth in the period was recruitment advertising in the marketing community which increased by 38% year on year mainly through Marketing Week magazine and website. This growth was partly volume-led, reflecting a recovering market as confidence levels continued to improve in the UK private sector but also included a print yield improvement that reflected the growing stature of Marketing Week as an effective medium for this recruitment sector - a position endorsed by the steady gains in market share made by the brand during the period.

The creative sector, led by the Design Week magazine and website, reported some recruitment advertising growth although this was primarily through improved yields on direct client advertising rather than additional volume. Growth of recruitment volume among the broader agency community remained sluggish.

Pitch Creative, the interactive, content-rich directory product for full service advertising agencies, launched in the last financial year, was extended to include digital agencies and design agencies during the period and has been well received in both of these sub-sectors. The concept also resulted in an event launch with The Blades awards held in September 2010 which uniquely awarded exceptional creativity within agencies, as judged by their clients, rather than the effectiveness of individual campaigns.

Construction & Engineering
Print 55%; Digital 17%; Events 28%
(% of divisional revenues)

In total revenues increased by 7% year-on year to £6.5m (H1 FY10: £6.1m) and we reported an adjusted EBITDA loss of £0.2m for the period (H1 FY10: £0.3m loss).

The portfolio of Homebuilding shows, which for the full year accounts for around half of the Group's exhibition revenue, is reported through this division although activity is substantially second-half weighted. The two regional shows held in the period reported combined revenues 14% ahead year-on-year and this continues to reflect some recovery in both the self-build sector and the broader home improvement/renovation market. This recovery profile is set in the context of continued difficult conditions in the broader housing market including private dwelling construction although low interest rates, availability of land and excess supply capacity appear to be providing some greater stability in our served markets. Further evidence of this effect was provided by a strong performance from the National Home Improvement show which ran for the second time in October with revenues 23% ahead and visitor numbers 30% ahead compared to last year's show.

Perfect Information ("PI")
Digital 100%
(% of divisional revenues)

Revenue for the period increased by 8% to £2.7m (H1 FY10:£2.5m) while adjusted EBITDA was 11% ahead at £1.0m (H1 FY10: £0.9m) representing a margin of 37% (H1 FY10: 36%).

The revenue growth in the period reflected a combination of high renewal rates of existing customers and incremental sales relating to new product launches.

Perfect Information's core product offering provides bespoke desktop access to an integrated electronic library of regulatory and corporate filing documents. The launch in 2009 of the Perfect Navigator front end, providing enhanced search functionality and deeper workflow integration has been a key factor in maintaining renewal rates at 99% for the period.

The Private Company Data service launched in the last financial year resulted in increased revenues from existing PI customers together with new business sales with the service often offering a more cost effective and tailored data solution than some of the alternative providers of data in this sector. Sales of Equity Capital Markets Insight, which also launched in the last financial year, built more slowly in the period although the product has been well received and should perform well in a recovering global IPO market.

General Business Services ("GBS")
Print 37%; Digital 13%; Events 40%; Other 10%
(% of divisional revenues)

The GBS division reports the combined results of the product portfolios serving the Business Travel, HR, Recruitment and Logistics sectors.

In total, year-on-year revenues for the period decreased by 6% to £3.0m (H1 FY10: £3.2m) although this reduction was mainly due to a change in the timing of the Business Travel Show in Dusseldorf, which will now run in April 2011 and the discontinuation of the Enable Show which ran for the last time a year ago. Excluding these changes, on a like-for-like basis, GBS revenues reported a year-on year increase for the period including strong growth from the Employee Benefits Live Show held in September 2010.

In total 40% of revenues were derived from event activity in the period although the principal events within GBS take place in the second half of the financial year. As a result the division is loss-making in the six months to 31 December although despite the revenue reduction for the period, the adjusted EBITDA loss of £0.2m represented a 50% improvement against the loss reported at this stage a year ago (H1 FY10: £0.4m loss) reflecting an 11% reduction in divisional costs.

Beyond events a strong aspect of growth in this division was digital sales, representing 13% of GBS revenues in the period (H1 FY10: 6%), where a 55% year-on-year increase is reported spread across the branded websites associated with Employee Benefits, The Recruiter and Logistics Manager.

Board changes

On 13 January 2011 the Board announced the appointment of Rebecca Miskin as a non-executive director and member of the Group's Remuneration Committee with immediate effect. Rebecca has also been appointed to the Nomination Committee with effect from 23 February 2011.

Rebecca has extensive experience in digital media and product development including senior roles at Reed Elsevier and IPC Media and as CEO of The Ministry of Sound. Until recently, she was General Manager of iVillage Networks for NBC Universal, based in New York and London, where she was responsible for editorial oversight, product development strategy, community, and partnership maximization of the iVillage core sites. Having returned to the UK, Rebecca is currently working with the National Magazine Company to expand the Cosmopolitan brand across all platforms in the UK.

Outlook

The trading performance in January and February 2011 included further year-on-year advertising growth which continued to be led by the Financial and Marketing divisions while revenues from the principal events in this two month period, including the main Business Travel Show in London, were also ahead year-on-year.

The Board is confident that the steady recovery in our markets will continue and trading for the remainder of the financial year is forecast to be in line with the Board's expectations.

Interim results for the six months ended 31 December 2010 (continued)

Analysis of results

	Six months to 31 December 2010		Six months to 31 December 2009	
	Turnover £m	**Adjusted EBITDA (2) £m**	Turnover £m	Adjusted EBITDA (2) £m
By Division				
Legal and Financial	**8.8**	**0.7**	6.6	-
Marketing and Creative	**6.5**	**(0.1)**	5.5	(0.2)
Construction and Engineering	**6.5**	**(0.2)**	6.1	(0.3)
Perfect Information	**2.7**	**1.0**	2.5	0.9
General Business Services	**3.0**	**(0.2)**	3.2	(0.4)
	27.5	**1.2**	23.9	-
By Source				
Recruitment advertising	**3.4**		2.6	
Other advertising	**11.7**		10.3	
Total advertising	**15.1**		12.9	
Events	**5.5**		4.8	
Paid-for content (1)	**6.6**		5.8	
Other	**0.3**		0.4	
	27.5		23.9	
By Client Type				
Marketers	**19.8**		17.0	
Audiences	**7.7**		6.9	
	27.5		23.9	
By Product Type				
Print	**13.7**	**0.3**	11.8	(0.3)
Events	**5.5**	**(0.6)**	4.8	(0.8)
Digital	**8.0**	**1.5**	6.9	1.1
Other	**0.3**	**-**	0.4	-
	27.5	**1.2**	23.9	-
Underlying				
Underlying	**26.8**	**1.2**	23.2	-
Acquisitions (3)	**0.7**	**-**	0.7	-
Total	**27.5**	**1.2**	23.9	-
By Maturity				
New (4)	**2.4**	**(1.0)**	2.0	(0.9)
Existing and acquired	**25.1**	**2.2**	21.9	0.9
Total	**27.5**	**1.2**	23.9	-

(1) "Paid-for content" is a new category combining the previous categories of "Circulation revenue" and "Online subscriptions."
(2) 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 exceptional items and other significant non-cash items including share based payments (adjusted EBITDA).
(3) Acquisitions are defined as those made within the current or preceding financial year.
(4) New products are defined as any product launched in the current and two preceding financial years.

Reconciliation of profit measures

The different measures of profit referred to above are summarised in the following table:

	Six months to 31 December 2010	Six months to 31 December 2009
	£m	£m
Revenue	**27.5**	23.9
Adjusted EBITDA	**1.2**	-
Depreciation of property, plant and equipment	**(0.4)**	(0.4)
Amortisation of software	**(1.1)**	(0.9)
Share based payments	**(0.1)**	0.2
Interest payable	**(0.1)**	(0.1)
Adjusted loss before tax	**(0.5)**	(1.2)
Amortisation of acquired intangibles	**(0.6)**	(0.5)
Exceptional administrative costs	**(0.5)**	-
Loss before taxation	**(1.6)**	(1.7)

Principal risks and uncertainties

Each division considers strategic, operational and financial risks and identifies actions to mitigate those risks. These risk profiles are updated at least annually. The principal risks and uncertainties for the remaining six months of the financial year are discussed below. Further details of the Group's risk profile analysis can be found in our 2010 Annual Report.

The Group's performance is broadly linked to the strength of the UK economy, and general economic factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have the potential to affect the Group's operations, business and profitability. The range of markets served by Centaur's products together with the continuing strategy of extending the reach of established brands through the delivery of new products in a diverse range of media formats provides some ability to spread this exposure.

Changes in advertising trends could have some impact on the Group's profitability. However the diversity of served markets and the strength of market-leading brands together with continued diversification into alternative media formats all serve to limit this exposure.

It is essential that the Group successfully develops and markets new products and integrates acquired businesses. The proven record of organic growth over the past several years, and the successful integration of the businesses acquired in previous years clearly demonstrate the Group's ability to deliver this strategy.

Domestic and international competitors market their products at the Group's target audiences. New technology, changing commercial circumstances and new entrants to the markets in which the Group operates may adversely affect the Group's business. Through a deep understanding of the information needs of the markets it serves and by maintaining the highest standards of editorial integrity, the Group can continually adapt and develop existing products thus protecting market leading positions and thereby limiting the opportunities for competitors.

Interim results for the six months ended 31 December 2010 (continued)

Principal risks and uncertainties (continued)

The Group's future success is substantially dependent on the continued services and continuing contributions of its Directors, senior management and other key personnel. The entrepreneurial culture of the Group and the incentive programmes in place enable us to attract and retain the key management team.

Certain divisions of the Group are dependent on the efficient and uninterrupted operation of their IT and computer systems and of services from third-party providers. The Group has taken precautions to limit its exposure to the risk of material disruption to systems.

Forward looking statements

Certain statements in this half-yearly report are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

Statement of directors' responsibilities

The directors confirm that this condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8.

A list of current directors is maintained on the Centaur Media plc website: www.centaur.co.uk.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future and for this reason, they continue to adopt the going concern basis in preparing the financial statements.

The half-yearly report was approved by the Board of Directors and authorised for issue on 23 February 2011 and signed on behalf of the board by:

Geoff Wilmot, Chief Executive Officer
Mike Lally, Group Finance Director

Independent Review Report to Centaur Media plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly report for the six months ended 31 December 2010, which comprises the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated balance sheet, consolidated cash flow statement, basis of preparation and the notes to the condensed set of financial statements. We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in the basis of preparation on page 14, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency 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.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 31 December 2010 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP
Chartered Accountants
London

23 February 2011

NOTES:
(a) The maintenance and integrity of the Centaur Media 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.
(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Consolidated Statement of Comprehensive Income for the six months ended 31 December 2010

	Notes	**Unaudited Six months ended 31 December 2010** £m	Unaudited Six months ended 31 December 2009 £m	Audited Year ended 30 June 2010 £m
Continuing operations				
Revenue	1	**27.5**	23.9	59.9
Cost of sales		**(15.9)**	(14.5)	(33.4)
Gross profit		**11.6**	9.4	26.5
Distribution costs		**(1.4)**	(1.4)	(2.9)
Administrative expenses		**(11.7)**	(9.6)	(20.9)
Adjusted EBITDA	1	**1.2**	-	6.6
Depreciation of property, plant and equipment		**(0.4)**	(0.4)	(0.9)
Amortisation of software		**(1.1)**	(0.9)	(1.9)
Amortisation of acquired intangibles		**(0.6)**	(0.5)	(1.1)
Share-based payments		**(0.1)**	0.2	0.3
Exceptional administrative costs	2	**(0.5)**	-	(0.3)
Operating (loss)/profit		**(1.5)**	(1.6)	2.7
Interest payable		**(0.1)**	(0.1)	(0.1)
(Loss)/profit before tax		**(1.6)**	(1.7)	2.6
Taxation	3	**0.4**	0.5	(0.6)
(Loss)/profit for the period attributable to equity shareholders		**(1.2)**	(1.2)	2.0
Total comprehensive (loss)/income for the period attributable to owners of the company		**(1.2)**	(1.2)	2.0
Earnings per share for (loss)/profit attributable to the owners of the company				
- Basic	4	(0.9)p	(0.9)p	1.4p
- Fully diluted	4	(0.9)p	(0.9)p	1.4p

Consolidated Statement of changes in equity for the six months ended 31 December 2010

Group – unaudited	Share capital	Treasury shares	Share premium	Retained earnings	Reserve for shares to be issued	Deferred shares	Total
	£m	£m	£m	£m	£m	£m	£m
At 1 July 2009	15.0	(9.8)	0.7	147.6	3.4	0.1	157.0
Loss for the period and total comprehensive loss for the period	-	-	-	(1.2)	-	-	(1.2)
Transactions with owners:						-	
- Dividends	-	-	-	(1.4)	-	-	(1.4)
Share options:							
- Fair value of employee services	-	-	-	-	(0.2)	-	(0.2)
As at 31 December 2009	**15.0**	**(9.8)**	**0.7**	**145.0**	**3.2**	**0.1**	**154.2**
At 1 July 2009	15.0	(9.8)	0.7	147.6	3.4	0.1	157.0
Profit for the year and total comprehensive income for the year	-	-	-	2.0	-	-	2.0
Transactions with owners:							
- Dividends	-	-	-	(2.2)	-	-	(2.2)
Share options:							
- Fair value of employee services	-	-	-	-	(0.3)	-	(0.3)
As at 30 June 2010	**15.0**	**(9.8)**	**0.7**	**147.4**	**3.1**	**0.1**	**156.5**
At 1 July 2010	15.0	(9.8)	0.7	147.4	3.1	0.1	156.5
Loss for the period and total comprehensive loss for the period	-	-	-	(1.2)	-	-	(1.2)
Transactions with owners:						-	
- Dividends	-	-	-	(1.5)	-	-	(1.5)
- Purchase of shares	-	(0.1)	-	-	-	-	(0.1)
Share options:							
- Fair value of employee services	-	-	-	-	0.1	-	0.1
As at 31 December 2010	**15.0**	**(9.9)**	**0.7**	**144.7**	**3.2**	**0.1**	**153.8**

Consolidated Balance Sheet at 31 December 2010

	Notes	Unaudited 31 December 2010 £m	Unaudited 31 December 2009 £m	Audited 30 June 2010 £m
Assets				
Non-current assets				
Goodwill		**140.7**	140.3	140.7
Other intangible assets		**15.4**	15.5	16.2
Property, plant and equipment		**3.4**	4.1	3.8
Deferred tax assets		**0.7**	0.4	0.5
		160.2	**160.3**	**161.2**
Current assets				
Inventories		**2.1**	1.9	1.2
Trade and other receivables		**11.5**	10.5	11.7
Cash and cash equivalents		**0.4**	0.2	1.1
		14.0	**12.6**	**14.0**
Liabilities				
Current liabilities				
Financial liabilities	**5**	**1.0**	0.2	0.1
Trade and other payables		**6.6**	6.2	8.8
Deferred income		**10.8**	9.1	7.1
Current tax liabilities		**-**	-	0.5
Provisions		**0.3**	-	0.3
Dividends payable		**-**	1.4	-
		18.7	**16.9**	**16.8**
Net current liabilities		**(4.7)**	**(4.3)**	**(2.8)**
Non-current liabilities				
Financial liabilities	**5**	**0.5**	0.7	0.6
Provisions		**0.1**	-	0.2
Deferred tax liabilities		**1.1**	1.1	1.1
		1.7	**1.8**	**1.9**
Net assets		**153.8**	**154.2**	**156.5**
Shareholders' equity				
Ordinary shares		**15.0**	15.0	15.0
Treasury shares		**(9.9)**	(9.8)	(9.8)
Share premium		**0.7**	0.7	0.7
Other reserves		**3.3**	3.3	3.2
Retained earnings		**144.7**	145.0	147.4
Total shareholders' equity		**153.8**	**154.2**	**156.5**

The condensed set of financial statements on pages 10 to 22 was approved by the Board of Directors on 23 February 2011 and was signed on its behalf by:

MJ Lally
Group Finance Director

Consolidated Cash Flow Statement for the six months ended 31 December 2010

	Notes	**Unaudited Six months ended 31 December 2010**	Unaudited Six months ended 31 December 2009	Audited Year ended 30 June 2010
		£m	£m	£m
Continuing operations				
Cash flows from operating activities				
Cash generated from operations	7	**1.7**	0.3	6.6
Tax (paid)/repaid		**(0.5)**	0.2	(0.3)
Net cash flows from operating activities		**1.2**	0.5	6.3
Cash flows from investing activities				
Acquisition of subsidiaries (net of cash acquired)		**-**	-	(1.3)
Purchase of property, plant and equipment		**(0.1)**	(0.1)	(0.2)
Purchase of software		**(0.8)**	(0.8)	(1.9)
Net cash flows from investing activities		**(0.9)**	(0.9)	(3.4)
Cash flows from financing activities				
Purchase of shares by employee benefit trust		**(0.1)**	-	-
Repayment of loan notes		**-**	-	(0.1)
Interest paid		**(0.1)**	(0.1)	(0.1)
Finance lease repayments		**(0.1)**	-	(0.1)
Dividends paid to shareholders		**(1.5)**	-	(2.2)
Net cash flows from financing activities		**(1.8)**	(0.1)	(2.5)
Net decrease in cash and cash equivalents		**(1.5)**	(0.5)	0.4
Cash and cash equivalents at start of period		**1.1**	0.7	0.7
Cash and cash equivalents	8	**(0.4)**	0.2	1.1
Represented by:				
Cash at bank and in hand		**0.4**	0.2	1.1
Revolving credit facility	5	**(0.8)**	-	-
		(0.4)	0.2	1.1

Basis of preparation

This condensed set of financial statements in the half-yearly report for the period ended 31 December 2010 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with IAS 34, 'Interim financial reporting' as adopted by the European Union. The half-yearly report should be read in conjunction with the annual financial statements for the year ended 30 June 2010, which have been prepared in accordance with IFRSs as adopted by the European Union.

Accounting policies
The accounting policies adopted are consistent with those of the annual financial statements for the year ended 30 June 2010, as described in those annual financial statements. The following new standards and amendments to standards are mandatory for the first time for the financial year ending 30 June 2011 and have been adopted in this half-yearly report although there has been no significant impact on the Group as a result of adopting these new standards and amendments to standards.

- Annual improvements 2009;
- Amendments to IFRS 2 – Share-based payment: Group cash-settled share-based transactions;
- Amendments to IFRS 1 for additional exemptions;
- Amendments to IAS 32 financial instruments: Presentation on classification of rights issues;
- Amendment to IFRS 1: First time adoption on financial instrument disclosures;
- IFRIC 15 Arrangements for construction of real estates;
- IFRS 19 Extinguishing financial liabilities with equity instruments.

Additional presentation within the statement of comprehensive income
The Group has presented separately on the face of the statement of comprehensive income on page 13 an additional profit measure of adjusted EBITDA. Adjusted EBITDA is earnings before interest, tax, depreciation, amortisation and excluding exceptional costs 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. Share based payments are treated as a significant non-cash item.

General information
The company is a limited liability company incorporated and domiciled in the UK. The address of its registered office is St Giles House, 50 Poland Street, London, W1F 7AX. The Company has its listing on the London Stock Exchange.

The condensed set of financial statements in the half-yearly report was approved for issue on 23 February 2011.

This half-yearly report is unaudited and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2010 were approved by the Board of Directors on 15 September 2010 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

1 Segmental reporting:

The Group is organised into five main business segments. The products and services that each segment offers are described in detail on pages 4 to 6.

The Board of directors has been identified as the chief operating decision-maker. The Board reviews the Group's internal monthly reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers the business from a divisional perspective. The basis of measurement used for allocating overheads is the headcount for each division.

Six months ended 31 December 2010	**Legal and Financial**	**Marketing and Creative**	**Construction and Engineering**	**Perfect Information**	**General Business Services**	**Unallocated**	**Group**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Continuing operations							
Revenue	**8.8**	**6.5**	**6.5**	**2.7**	**3.0**	**-**	**27.5**
Adjusted EBITDA	0.7	(0.1)	(0.2)	1.0	(0.2)	-	1.2
Depreciation of property, plant and equipment	(0.1)	(0.1)	(0.1)	-	(0.1)	-	(0.4)
Amortisation of software	(0.2)	(0.2)	(0.2)	(0.4)	(0.1)	-	(1.1)
Amortisation of acquired intangibles	(0.1)	-	(0.2)	-	(0.3)	-	(0.6)
Share based payments	-	-	-	-	-	(0.1)	(0.1)
Exeptional administrative costs	(0.1)	-	(0.1)	(0.2)	(0.1)	-	(0.5)
Segment result	0.2	(0.4)	(0.8)	0.4	(0.8)	(0.1)	(1.5)
Interest payable	-	-	-	-	-	(0.1)	(0.1)
Profit/ (loss) before tax	0.2	(0.4)	(0.8)	0.4	(0.8)	(0.2)	(1.6)
Taxation	-	-	-	-	-	0.4	0.4
Profit/ (loss) for the period attributable to equity shareholders	**0.2**	**(0.4)**	**(0.8)**	**0.4**	**(0.8)**	**0.2**	**(1.2)**
Segment assets	60.4	45.8	37.5	11.7	17.5	-	172.9
Corporate assets	-	-	-	-	-	1.3	1.3
Consolidated total assets	**60.4**	**45.8**	**37.5**	**11.7**	**17.5**	**1.3**	**174.2**
Segment liabilities	4.4	3.9	4.6	2.2	3.3	-	18.5
Corporate liabilities	-	-	-	-	-	1.9	1.9
Consolidated total liabilities	**4.4**	**3.9**	**4.6**	**2.2**	**14.2**	**1.9**	**20.4**
Other items							
Capital expenditure	0.1	0.3	0.1	0.4	-	-	0.9
Impairment of trade receivables	-	-	0.1	-	-	-	0.1

Notes to the condensed set of financial statements for the six months ended 31 December 2010

1 Segmental reporting (continued)

Six months ended 31 December 2009	Legal and Financial	Marketing and Creative	Construction and Engineering	Perfect Information	General Business Services	Unallocated	Group
	£m	£m	£m	£m	£m	£m	£m
Continuing operations							
Revenue	**6.6**	**5.5**	**6.1**	**2.5**	**3.2**	**-**	**23.9**
Adjusted EBITDA	-	(0.2)	(0.3)	0.9	(0.4)	-	-
Depreciation of property, plant and equipment	(0.1)	(0.1)	(0.1)	-	(0.1)	-	(0.4)
Amortisation of software	(0.1)	(0.2)	(0.2)	(0.3)	(0.1)	-	(0.9)
Amortisation of acquired intangibles	-	-	(0.2)	-	(0.3)	-	(0.5)
Share based payments	-	-	-	-	-	0.2	0.2
Segment result	(0.2)	(0.5)	(0.8)	0.6	(0.9)	0.2	(1.6)
Interest payable	-	-	-	-	-	(0.1)	(0.1)
Profit/ (loss) before tax	(0.2)	(0.5)	(0.8)	0.6	(0.9)	0.1	(1.7)
Taxation	-	-	-	-	-	0.5	0.5
Profit/ (loss) for the period attributable to equity shareholders	**(0.2)**	**(0.5)**	**(0.8)**	**0.6**	**(0.9)**	**0.6**	**(1.2)**
Segment assets	58.5	46.4	38.3	11.2	17.8	-	172.2
Corporate assets	-	-	-	-	-	0.7	0.7
Consolidated total assets	**58.5**	**46.4**	**38.3**	**11.2**	**17.8**	**0.7**	**172.9**
Segment liabilities	2.7	3.6	4.4	1.9	5.0	-	17.6
Corporate liabilities	-	-	-	-	-	1.3	1.3
Consolidated total liabilities	**2.7**	**3.6**	**4.4**	**1.9**	**5.0**	**1.3**	**18.9**
Other items							
Capital expenditure	0.3	0.3	0.5	0.4	0.3	-	1.8
Impairment of trade receivables	-	0.1	0.1	-	0.1	-	0.3

2 Exceptional costs

A number of cost saving initiatives relating to the re-organisation of the Group's publishing operations were completed in the period. An exceptional cost of £0.5m is recognised in respect of this re-organisation.

Exceptional costs in the 12 months to 30 June 2010 included costs related to the acquisition of Taxbriefs Holdings Limited ("Taxbriefs"). Following the acquisition a decision was made to relocate the Taxbriefs business to the Centaur West End offices, resulting in an exceptional charge for the remaining costs for the lease over the empty premises.

	Six months ended 31 December 2010	Six months ended 31 December 2009	Year ended 30 June 2010
	£m	£m	£m
Reorganisation of publishing operations			
Redundancies	0.4	-	-
Post closure costs	0.1	-	-
	0.5	-	-
Acquisition related costs	-	-	0.1
Onerous lease provision	-	-	0.2
Total	**0.5**	-	0.3

3 Taxation

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the year. The tax assessed for the period is equal to the standard rate of corporation tax in the UK of 27.75% (2009: 28%), as explained below:

	Six months ended 31 December 2010	Six months ended 31 December 2009	Year ended 30 June 2010
	£m	£m	£m
Continuing operations			
(Loss)/profit before tax	**(1.6)**	(1.7)	2.6
(Loss)/profit before tax multiplied by standard rate of corporation tax in the UK of 27.75% (31 December 2009 and 30 June 2010: 28%)	**(0.4)**	(0.5)	0.7
Effects of:			
Expenses not deductible for tax purposes	**0.1**	-	-
Deferred tax charge on share based payments	**(0.1)**	-	(0.1)
Total taxation	**(0.4)**	(0.5)	0.6

4 Earnings per share

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

	Six months ended 31 December 2010			Six months ended 31 December 2009		
Continuing operations	**Earnings**	**Weighted average no. of shares**	**Per-share amount**	Earnings	Weighted average no. of shares	Per-share amount
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Basic EPS						
Earnings attributable to ordinary shareholders	**(1.2)**	**140.2**	**(0.9)**	(1.2)	140.2	(0.9)
Effect of dilutive securities						
Options		-			-	
Fully diluted basic EPS	**(1.2)**	**140.2**	**(0.9)**	(1.2)	140.2	(0.9)
Adjusted EPS						
Earnings attributable to ordinary shareholders	**(1.2)**	**140.2**	**(0.9)**	(1.2)	140.2	(0.9)
Amortisation of acquired intangibles	**0.6**	**-**	**0.4**	0.5	-	0.4
Exceptional administrative costs	**0.5**	**-**	**0.4**	-	-	-
Tax effect	**(0.2)**	**-**	**(0.1)**	(0.1)	-	(0.1)
Adjusted loss for the period	**(0.3)**	**140.2**	**(0.2)**	(0.8)	140.2	(0.6)
Effect of dilutive securities						
Options		-			-	
Fully diluted adjusted EPS	**(0.3)**	**140.2**	**(0.2)**	(0.8)	140.2	(0.6)

915,000 shares held in an employee benefit trust (2009: 725,000) and 9,309,102 (2009 9,326,467) shares held in treasury (2009: 9,326,467) have been excluded in arriving at the weighted average number of shares.

There is no dilutive impact in respect of share options as their conversion to ordinary shares would decrease the loss per share.

Notes to the condensed set of financial statements for the six months ended 31 December 2010

5 Financial liabilities

	Six months ended 31 December 2010	Six months ended 31 December 2009
	£m	£m
Current liabilities		
Revolving credit facility	**0.8**	-
Loan notes	**-**	0.1
Finance lease creditor	**0.2**	0.1
	1.0	0.2
Non-current liabilities		
Finance lease creditor	**0.5**	0.7
	0.5	0.7

6 Dividends

A final dividend in relation to the year ended 30 June 2010 of 1.1 pence (2009: 1.0 pence) per 10p ordinary share was paid on 10 December 2010. This amounted to £1,541,912 (2009: £1,401,613).

An interim dividend of 0.7 pence (2009: 0.6 pence) per 10p ordinary share is proposed. This amounts to £979,887 (2009: £840,968) and will be paid on 8 April 2011 to all shareholders on the register as at 11 March 2011.

7 Cash flow from operating activities

Cash generated from continuing operations

	Six months ended 31 December 2010	Six months ended 31 December 2009	Year ended 30 June 2010
	£m	£m	£m
(Loss) / profit for the period	**(1.2)**	(1.2)	2.0
Adjustments for:			
Tax	**(0.4)**	(0.5)	0.6
Depreciation of property, plant and equipment	**0.4**	0.4	0.9
Amortisation of intangible assets	**1.7**	1.4	3.0
Interest expense	**0.1**	0.1	0.1
Share based payment charge / (credit)	**0.1**	(0.2)	(0.3)
Changes in working capital (excluding effects of acquisitions and disposals of subsidiaries):			
Increase in inventories	**(0.9)**	(0.9)	(0.2)
Decrease / (increase) in trade and other receivables	**0.3**	0.5	(0.3)
Increase / (decrease) in trade and other payables	**1.7**	0.7	0.6
(Decrease) / increase in provisions	**(0.1)**	-	0.2
Cash generated from continuing operations	**1.7**	0.3	6.6

8 Share based incentives

As part of a review of all employee equity incentives, on 15 September 2010 the Remuneration Committee and Board of Directors adopted the rules of the "The Centaur Media plc 2010 Retention Plan" (the "Plan"). The main impact of the adoption of the Plan was the cancellation, with the agreement of option holders, of outstanding vested share options granted on 9 March 2004 and 29 September 2004 under the Centaur Media plc Share Option Plan and their replacement with a lower number of forfeitable nil-priced options ("Retention Awards"), granted on the basis of 1 Retention forfeitable nil-cost option for every 3 existing vested options surrendered. Executive Directors were not eligible to participate in this Plan. The Retention Awards will vest 50% on the second anniversary of the date of grant and the balance on the third anniversary.

Following the adoption of the Plan, the following table summarises the outstanding potential issues of ordinary shares.

Year of grant	Plan	Exercise price (pence)	Exercise period	31 December 2010 Number of potential issues of shares	30 June 2010 Number of potential issues of shares
30 June 2004	Rollover options	41.67	10 March 2005 to 9 March 2014	**172,777**	172,777
30 June 2004	Rollover options	57.87	10 March 2005 to 9 March 2014	**103,415**	130,158
30 June 2004	Share Option plan	100.00	10 March 2007 to 9 March 2014	**805,010**	1,692,418
30 June 2005	Share Option plan	88.50	29 September 2007 to 29 September 2014	**100,000**	1,120,000
30 June 2008	Sharesave plan	64.70	1 June 2011 to 1 December 2011	**92,682**	101,398
30 June 2008	Sharesave plan	64.70	1 June 2013 to 1 December 2013	**55,835**	70,926
30 June 2009	Share Option plan	51.75	29 September 2012 to 29 October 2018	**3,190,000**	3,190,000
30 June 2009	Sharesave plan	20.92	July 2012 to 1 January 2013	**1,864,255**	2,004,913
30 June 2009	Sharesave plan	20.92	1 July 2014 to 1 January 2015	**1,258,268**	1,333,076
30 June 2010	Sharesave plan	41.24	1 July 2013 to 1 January 2014	**237,209**	242,490
30 June 2010	Sharesave plan	41.24	1 July 2015 to 1 January 2016	**33,933**	33,933
30 June 2011	Retention plan	-	50% between 15 December 2012 and 15 June 2014, and 50% between 15 December 2013 and 15 June 2014	**644,727**	-
				8,558,111	10,092,089

8 Share based incentives (continued)

In addition to the above, The Centaur Media Plc 2010 Senior Executive Long Term Incentive Plan (SELTIP) was approved by shareholders at a General Meeting of the Company on 18 August 2010. The key features of the SELTIP are as follows:

- At the beginning of the Plan Period of three financial years, participants will receive an Award of Bonus Units. There is a maximum contribution of 100% of salary p.a. that can be attributed to the value of a Participant's Award of Bonus Units in respect of any financial year. These Bonus Units will only have value if the Company makes a SELTIP Contribution to the Bonus Pool.

- Performance will be measured at three Measurement Dates (at the end of each financial year). At each Measurement Date up to 30% of the growth in Profit before Tax and Amortisation ("PBTA") above a threshold level (usually the PBTA earned in the previous financial year) will be converted into restricted shares to create the Bonus Pool. The Remuneration Committee will set the Threshold Profit at the beginning of each financial year, and will decide the level of the contribution.

- Where the actual PBTA for the financial year is less than the Threshold Profit, 30% (the "SELTIP Deduction Percentage") of the difference will be deducted from the value of the Bonus Pool (the "SELTIP Deduction") provided that the value of the Bonus Pool cannot be less than zero.

- The restricted shares will be held in an Employee Benefit Trust ("EBT").

- At the end of the three year Plan Period 50% of the award of Bonus Units is capable of vesting with the balance of the Bonus Units capable of vesting 12 months later subject to the following conditions:
  - The vesting of all Bonus Units shall be subject to the Participant's continued employment at the relevant dates; and
  - 50% of the Bonus Units subject to Awards to Executive Directors will only be capable of vesting on the above dates based on the Company's comparative total shareholder return ("TSR") compared to the constituents of the FTSE Small Cap Index measured over the three year Plan Period.

The Plan Period commenced on 1 July 2010. Awards of bonus units have been made during the period. The first SELTIP contribution will be made by the Company in July 2011 based on the growth in PBTA in the first year of the Plan Period.

Notes