

Vitesse Media Plc

Unaudited interim results for the six months ended 31st July 2015

Comment on the results for the six months to 31 July 2015

Revenue for the six months ended 31 July 2015 of £828k was down on the corresponding prior year period (2014: £1,042k). The principal reasons for this reduction were the elimination of two one-off managed events as the Company decided to concentrate on its own higher margin business and the decision to hold Techinvest Manchester in September 2015 rather than in July. The effect of this change to the events schedule is to shift revenue into the second half. The reduced revenue in the first half resulted in increased pre-tax losses of £125k (2014: £72k), although year-on-year underlying costs were reduced significantly and the gross profit margin improved to 71% (2014: 67%).

Outlook

While there are inevitable challenges ahead, the Board believes that the outlook for the Company remains positive and it is confident that the Company will meet its business and financial objectives for the year.

About Vitesse Media plc

Vitesse Media plc is a leading B2B media business, specialising in technology, SME business and high-net worth investment through events, digital activities, data and research. Our flagship titles include *SmallBusiness.co.uk*, *Growth Company Investor*, *Information Age*, *GrowthBusiness.co.uk*, and *What Investment*. We develop innovative products and services, and continually search for further business opportunities in our fragmented B2B space. Vitesse Media plc is quoted on AIM.

For further information:

Vitesse Media plc

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Consolidated statement of comprehensive income

	6 months ended 31 July 2015 (unaudited) £'000	6 months ended 31 July 2014 (unaudited) £'000	Year ended 31 January 2015 (audited) £'000
Revenue	828	1,042	2,260
	<hr/> 828	<hr/> 1,042	<hr/> 2,260
Cost of sales	(244)	(344)	(736)
Gross profit	584	698	1,524
Administrative expenses	(706)	(761)	(1,544)
Operating loss	(122)	(63)	(20)
Finance costs	(3)	(9)	(8)
Loss before tax	(125)	(72)	(28)
Tax expense	-	-	-
Loss for the period attributable to owners of the parent	<hr/> (125)	<hr/> (72)	<hr/> (28)
Loss per share			
Basic	<hr/> (0.25p)	<hr/> (0.14p)	<hr/> (0.06p)
Diluted	<hr/> (0.25p)	<hr/> (0.14p)	<hr/> (0.06p)

Consolidated statement of financial position
As at

	31 July 2015 (unaudited) £'000	31 July 2014 (unaudited) £'000	31 January 2015 (audited) £'000
ASSETS			
Non-current assets			
Goodwill	739	729	739
Other intangible assets	1,529	1,414	1,465
Property, plant and equipment	4	3	4
	2,272	2,146	2,208
Current assets			
Inventories	16	16	16
Trade and other receivables	442	341	556
Cash and cash equivalents	117	177	27
	575	534	599
Total assets	2,847	2,680	2,807
EQUITY AND LIABILITIES			
Equity			
Share capital	2,811	2,805	2,811
Share premium account	3,258	3,239	3,258
Share option reserve	101	133	101
Other reserves	104	104	104
Retained earnings	(4,787)	(4,749)	(4,662)
Total equity attributable to owners of the parent	1,487	1,532	1,612
Current liabilities			
Trade and other payables	1,010	827	798
Borrowings	240	211	287
	1,250	1,038	1,085
Non-current liabilities			
Borrowings	110	110	110
Total liabilities	1,360	1,148	1,195
Total equity and liabilities	2,847	2,680	2,807

Consolidated statement of cash flows

	6 months ended 31 July 2015 (unaudited) £'000	6 months ended 31 July 2014 (unaudited) £'000	Year ended 31 January 2015 (audited) £'000
Cash flows from operating activities			
Loss before taxation	(125)	(72)	(28)
Adjustments			
Finance cost	3	9	8
Amortisation	18	23	41
Depreciation of property, plant and equipment	-	1	1
Share-based payment charge	-	-	11
Operating cash flows before movements in working capital	(104)	(39)	33
Decrease/(increase) in inventories	-	-	1
(Increase)/decrease in receivables	114	(22)	(237)
Increase/(decrease) in payables	212	11	6
Cash flows from (used in) operating activities	222	(50)	(197)
Interest received	-	-	-
Interest paid	(3)	(9)	(8)
Net Cash from/(used in) operating activities	219	(59)	(205)
Investing Activities			
Purchases of property, plant and equipment	-	-	(1)
Purchases of intangible assets	(82)	(70)	(149)
Net cash used in investing activities	(82)	(70)	(150)
Financing Activities			
Proceeds from issue of share capital	-	56	56
Share issue costs	-	-	-
Short term loan	40	23	90
Drawdown on invoice discounting facility	(87)	-	9
Proceeds from long-term borrowings	-	-	-
Net cash (used in)/generated from financing activities	(47)	79	155
Net increase/(decrease) in cash and cash equivalents	90	(50)	(200)
Cash and cash equivalents at beginning of period	27	227	227
Cash and cash equivalents at end of period	117	177	27

Consolidated Statement of Changes in Equity

6 months ended 31 July 2015	Share capital £ '000	Share premium Account £ '000	Share options reserve £ '000	Other reserves £ '000	Retained earnings £ '000	Total £ '000
ATTRIBUTABLE TO OWNERS OF PARENT						
As at 1 st February 2015	2,811	3,258	101	104	(4,662)	1,612
Profit for the period	-	-	-	-	(125)	(125)
Total comprehensive income for the period	-	-	-	-	(125)	(125)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	-	-	-	-	-	-
Issue costs	-	-	-	-	-	-
TOTAL TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS	-	-	-	-	-	-
Recognition of share-based payments	-	-	-	-	-	-
Share options lapsed	-	-	-	-	-	-
As at 31 July 2015	2,811	3,258	101	104	(4,787)	1,487
12 months ended 31 January 2015						
ATTRIBUTABLE TO OWNERS OF PARENT						
As at 1 February 2014	2,779	3,209	133	104	(4,677)	1,548
Profit for the year	-	-	-	-	(28)	(28)
Total comprehensive income for the period	-	-	-	-	(28)	(28)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS						
Issue of share capital	32	49	-	-	-	81
Issue costs	-	-	-	-	-	-
TOTAL TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS	32	49	-	-	-	81
Recognition of share-based payments	-	-	11	-	-	11
Share options lapsed	-	-	(43)	-	43	-
As at 31 January 2015	2,811	3,258	101	104	(4,662)	1,612

6 months ended 31 July 2014

ATTRIBUTABLE TO OWNERS OF PARENT

As at 1 st February 2014	2,779	3,209	133	104	(4,677)	1,548
Profit for the period	-	-	-	-	(72)	(72)
Total comprehensive income for the period	-	-	-	-	(72)	(72)

TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS

Issue of share capital	26	30	-	-	-	56
Issue costs	-	-	-	-	-	-
TOTAL TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS	26	30	-	-	-	56
Recognition of share-based payments	-	-	-	-	-	-
Share options lapsed	-	-	-	-	-	-
As at 31 July 2014	2,805	3,239	133	104	(4,749)	1,532

Notes to the Interim Results

1. Basis of preparation

These unaudited condensed consolidated interim financial statements are for the six months ended 31 July 2015. They have been prepared in accordance with recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted by the European Union. This report should be read in conjunction with the annual financial statements for the year ended 31 January 2015, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Interpretations Committee ('IFRIC') Interpretations and the Companies Act 2006, as applicable to companies reporting under IFRS.

The financial information in this interim announcement does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The unaudited interim financial statements were approved by the Board on 22nd October 2015.

The comparative financial information for the year ended 31 January 2015 does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The statutory accounts of Vitesse Media plc for the year ended 31 January 2015 have been reported on by the Company's auditor, Baker Tilly UK Audit LLP, and have been delivered to the Registrar of Companies.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 January 2015.

These financial statements have been prepared under the historical cost convention.

The financial information for the six months ended 31 July 2015 is unaudited.

Nature of operations and general information

Vitesse Media plc and subsidiaries' ('the Group') principal activities include the provision of online, print publishing and events, specialising in growing businesses. The Group provides a network for CEOs and other directors, their investors, advisers and suppliers.

Vitesse Media plc is the Group's ultimate parent company. It is incorporated and domiciled in England. The address of Vitesse Media plc's registered office is 5th Floor, 6 St. Andrew Street, London, EC4A 3AE. Vitesse Media plc's shares are admitted to trading on the AIM Market of the London Stock Exchange.

Vitesse Media plc's consolidated interim financial statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

2. Segmental information

	Events £'000	SME £'000	Investment £'000	Technology £'000	Total £'000
6 months ended 31 July 2015					
Segmental revenue - continuing	215	236	187	190	828
Total segmental revenue	<u>215</u>	<u>236</u>	<u>187</u>	<u>190</u>	<u>828</u>
Segment result	<u>215</u>	<u>236</u>	<u>187</u>	<u>190</u>	<u>828</u>
6 months ended 31 July 2014					
Segmental revenue - continuing	325	250	221	246	1,042
Total segmental revenue	<u>325</u>	<u>250</u>	<u>221</u>	<u>246</u>	<u>1,042</u>
Segment result	<u>325</u>	<u>250</u>	<u>221</u>	<u>246</u>	<u>1,042</u>
12 months ended 31 January 2015					
Segmental revenue - continuing	733	533	414	580	2,260
Total segmental revenue	<u>733</u>	<u>533</u>	<u>414</u>	<u>580</u>	<u>2,260</u>
Segment result	<u>733</u>	<u>533</u>	<u>414</u>	<u>580</u>	<u>2,260</u>

3. Earnings/(loss) per share

The calculation of loss per share is based on the following losses and numbers of shares. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options.

	6 months to 31 July 2015 (unaudited)	6 months to 31 July 2014 (unaudited)	Year end 31 January 2015 (audited)
	£'000	£'000	£'000
Earnings/(loss) for the period	(125)	(72)	(28)
	No.	No.	No.
Weighted average number of shares	50,672,743	49,772,912	49,864,444

4. Dividends

No dividend is proposed for the six months ended 31 July 2015.

5. Copies of Interim Results

Copies of this Interim Results announcement will be available from www.vitessemedia.co.uk.