

MITIE Group PLC

# Half-year results presentation for the six months to September 2013

18 November 2013

Chief Executive

Ruby McGregor-Smith CBE

# Overview

**+10.5%** (5.1% organic growth)

Headline revenue  
£1,044.6m (2012: £945.0m)

**+13.3%**

Headline operating profit  
£62.3m (2012: £55.0m)

**6.0%**

Headline operating profit margin  
(2012: 5.8%)

**+9.3%**

Headline basic earnings per share  
11.8p (2012: 10.8p)

**£221.8m**

Net debt  
1.5x Headline EBITDA  
(2012: £132.9m or 1.0x Headline EBITDA)

**116.3%**

Cash conversion (106.7% headline)  
(2012: 84.6%)

**+6.5%**

Dividend per share  
4.9p (2012: 4.6p)

**99%**

2014 budgeted revenue secured  
(Prior year: 98%)

**£8.7bn**

Order book -5.4%  
(March 2013: £9.2bn)

**£8.8bn**

Sales pipeline  
(March 2013: £8.7bn excluding engineering)

- Headline numbers exclude other items. Other items comprised acquisition related and integration costs of £2.6m (2012: £2.0m), the amortisation of acquisition related intangible assets of £5.6m (2012: £4.3m) and restructuring costs of £nil (2012: £4.8m). They also include the results of the businesses being exited, with revenue of £41.2m (2012: £81.6m), and a trading loss of £4.3m (2012: £2.8m loss).
- 2012 restated under IAS 19(Revised) and represented to exclude the results of businesses being exited from headline results
- Headline cash conversion is calculated on a rolling 12-month basis and excludes the cash effect of other items

# Highlights

## Excellent progress through a focus on key growth markets

- Delivered 5.1% organic growth this period and margins of 6.0%
- Exit from our cyclical M&E engineering contracting business to be substantially complete by financial year end

## Sector-leading facilities management proposition driving strong organic growth

- Exceptional organic growth of 10.1% in FM division, driven largely by integrated FM portfolio
- Award of significant new contracts with Mitchells & Butlers and Bank of Ireland

## Successful integration of Enara

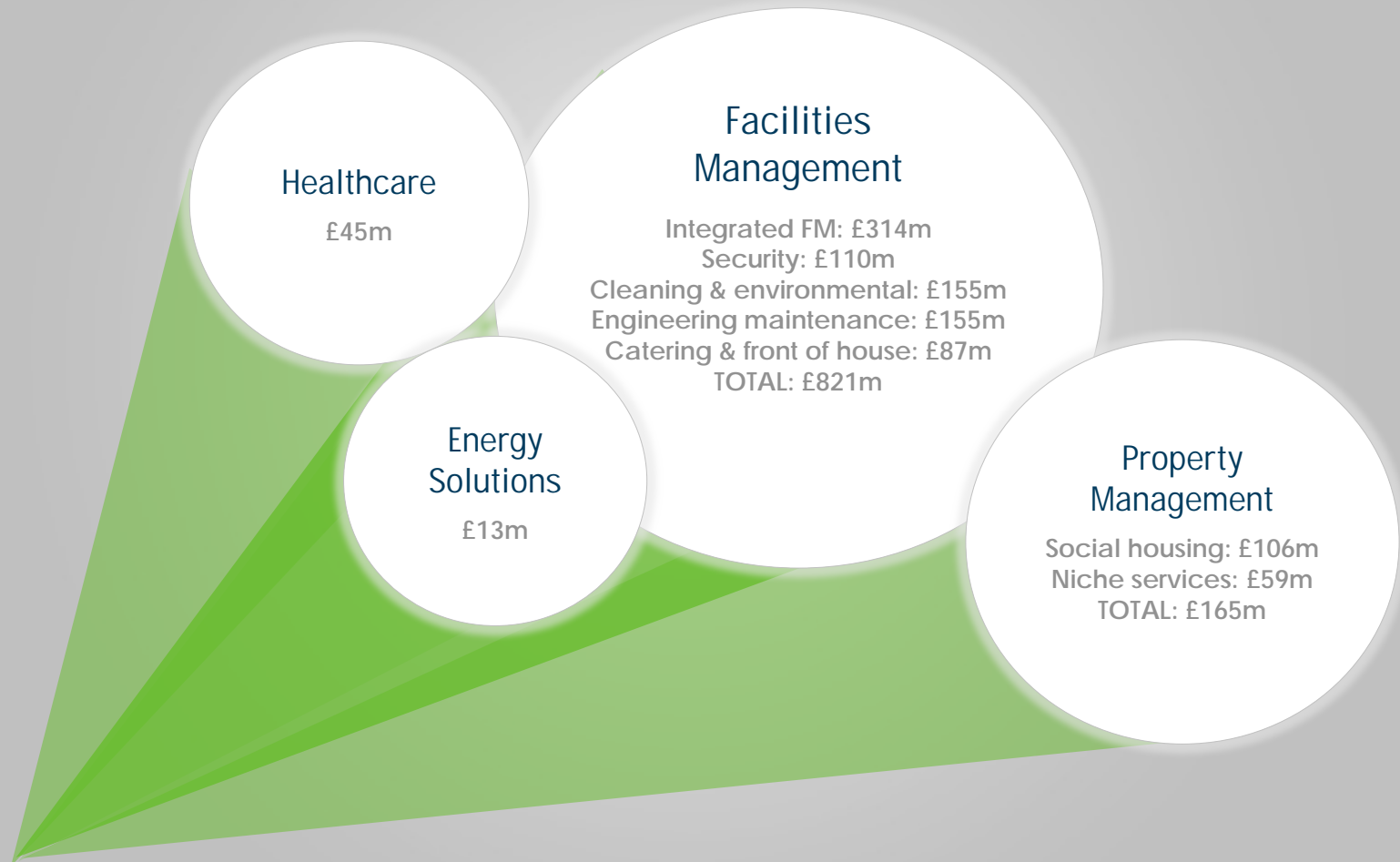
- Integration going very well and business performing in line with expectations
- Already seeing significant opportunities in the healthcare markets

## Significant order book and sales pipeline

## Strong financial position and excellent cash generation

## Well-positioned to deliver growth and maintain strong margins

# The shape of our business



# Focus on higher margin, growth markets

| Division              | Strategy  | Long-term organic growth potential | Acquisition opportunity  |
|-----------------------|---|------------------------------------|--|
| Facilities Management | <ul style="list-style-type: none"> <li>Remain the UK's market leader in integrated FM and continue to grow in this market with existing clients</li> <li>Further grow our specialist single-service businesses and remain a top four provider in each of these markets</li> </ul> | 5-10%                              | No acquisitions of scale required – niche/bolt-on capability only              |
| Healthcare            | <ul style="list-style-type: none"> <li>Grow MiHomecare into the UK's market leading home care business</li> <li>Shape the social care market by delivering transformational healthcare partnerships</li> <li>Expand into more complex care</li> </ul>                             | 10%+                               | Potential for niche bolt-on acquisitions that take us further up acuity chain  |
| Property Management   | <ul style="list-style-type: none"> <li>Focused on long-term contracts with housing associations and local authorities</li> <li>More cyclical niche services to remain at current scale</li> </ul>   | 1% to 10%                          | No acquisitions  |
| Energy Solutions      | <ul style="list-style-type: none"> <li>Energy proposition differentiates us in the FM market</li> <li>Utiyx focused on higher-margin energy consulting</li> <li>No further investment in infrastructure projects – design/consult only</li> </ul>                                 | 5% to 10%                          | Potential for small, niche acquisitions in specific areas of energy consulting |

# Facilities Management – strong organic growth

- Strong performance across the division, generating 10.1% organic revenue growth, driven largely by the integrated FM portfolio
- Growth continues to come predominantly from private sector
- In the public sector we remain focused on opportunities in justice, social housing, healthcare and education
  - Justice: delays continue but confident in long term prospects
  - Social Housing: long term contracts and relationships very attractive
  - Local Authorities: important market as we grow in healthcare

# Integrated FM offering remains sector leading

- Our unique self-delivery capability enables us to offer value to our clients across single, bundled and integrated FM propositions
- Our IFM proposition continues to differentiate us and drive strong organic growth
  - Excellent client relationships are key
  - Energy expertise supports our proposition
- Strength in integrated FM is underpinned by market-leading positions in all of our key single services
  - Cleaning – #2
  - Security – #3
  - Engineering maintenance – #1
  - Catering – #6
  - Pest control – #3
  - Landscaping – #5



# Good flow of contract awards in the first half

- Bank of Ireland
  - Five year contract, £-multi million
  - Facilities management delivered at sites across Republic of Ireland, Northern Ireland and Great Britain
- Leading UK provider of care and nursing homes
  - £50m contract over five years
  - Delivering engineering maintenance services across its estate of care homes
- Mitchells & Butlers
  - £38m total value over three years
  - Waste, cleaning and environmental services
- Novartis Pharmaceuticals
  - Retained a contract to provide waste services
  - Valued at £35m over five years
- High Speed 1
  - Innovative new contract to manage Ashford International train station
- Leading UK luxury fashion retailer
  - Gather & Gather awarded a prestigious new contract valued at £5m over three years

# Successfully diversifying our security offering

- Our Total Security Management business has had a positive first half, delivering a return on our investment in people and technology services
- New contracts awarded include:
  - Major online retailer – new contract to deliver total security management, valued at £16m over three years
  - Arup – three year contract for a range of security services
  - Springfields Fuels Limited – seven year contract for total security management, valued at £6m
  - Network Rail – sentinel partnership to deliver a new ‘competency management’ smart card solution that monitors trackside workers, with over 90,000 cards to be issued

# Select international FM opportunities

- Focused on meeting the needs of key existing clients internationally
  - 3% revenues international
- Continue to partner on selective overseas work and assess acquisition opportunities in appropriate territories
- Successfully mobilised our contract with an international beverage company, valued at £70m over five years
- Awarded a new contract in Norway with Bergen Engines AS
  - £8m contract over three years delivering FM for the engine manufacturer

# Property Management

- Solid first half performance in a market showing significant signs of improvement, particularly in social housing
- Some significant contract gains will result in an improved second half
- Key player in all of our major markets
  - Social housing – #3
  - Painting – #1
  - Roofing – #1
- London & Quadrant Housing
  - New painting contract valued at £7.5m over six years, with a potential further six year extension of equal value
- Raglan Housing
  - Recently appointed to deliver painting services to 5,000 properties
  - Six year contract valued at £4.5m
- Hammersmith & Fulham Council
  - Housing repairs and maintenance contract valued at £18m per annum commences in November 2013

# Healthcare

- Successful integration of Enara and re-brand to MiHomecare
- Anticipate significant future opportunities in this market
  - Potential for niche acquisitions to add capability
  - Fourth largest provider in the UK homecare market
- Encouraging progress with the award of several significant contracts in the first half:
  - Leicestershire
  - Worcestershire
  - Richmond-upon-Thames

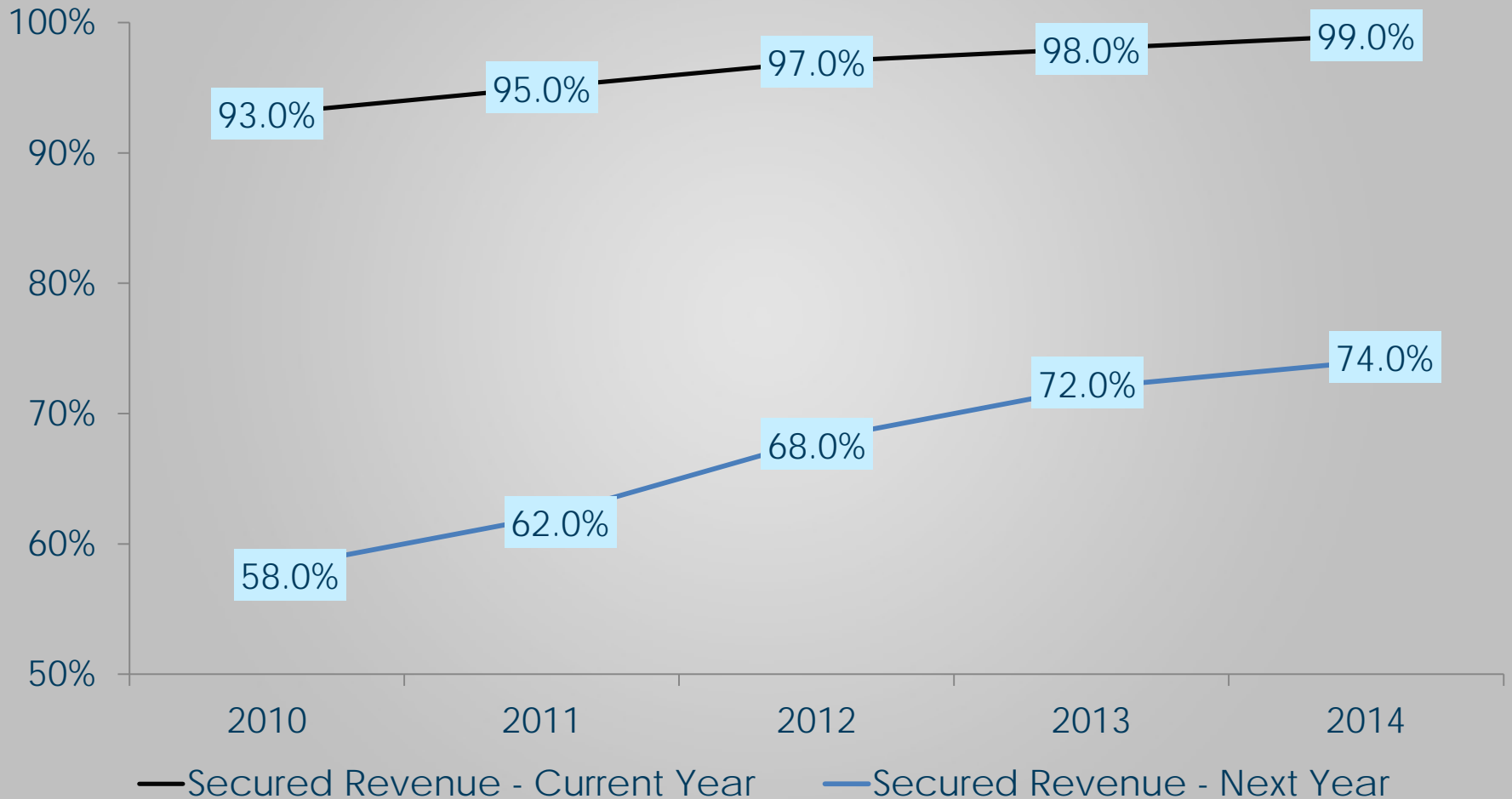
# Energy Solutions

- Helps clients to buy, use and generate energy more cost-efficiently
  - Purchase one-third of industrial and commercial energy spend in the UK on behalf of clients
  - £2.3bn energy spend under management
- Focused on consulting contracts with a large independent client base as well as supporting our larger FM clients with their energy strategies
- Utiyx has strengthened our offering significantly by bringing higher margin, strategic energy consulting capability
- Overall performance of this division has been offset by losses of £5.1m resulting from the costs of reducing our exposure to the construction element of the Asset Management business and contract delays in that area

# Investing for growth

- Acquired UK CRBs on 14 August 2013
  - One of the largest providers of online criminal records checking service in the UK – conducts over 50,000 checks per annum
  - Provides a scalable platform to compete in the growing screening and vetting market
- Invested £1.2m in two new MITIE Models
  - Waste and Environmental Services – recapitalisation of existing waste business
  - Local Services – cleaning services to small and medium sized clients in the London area

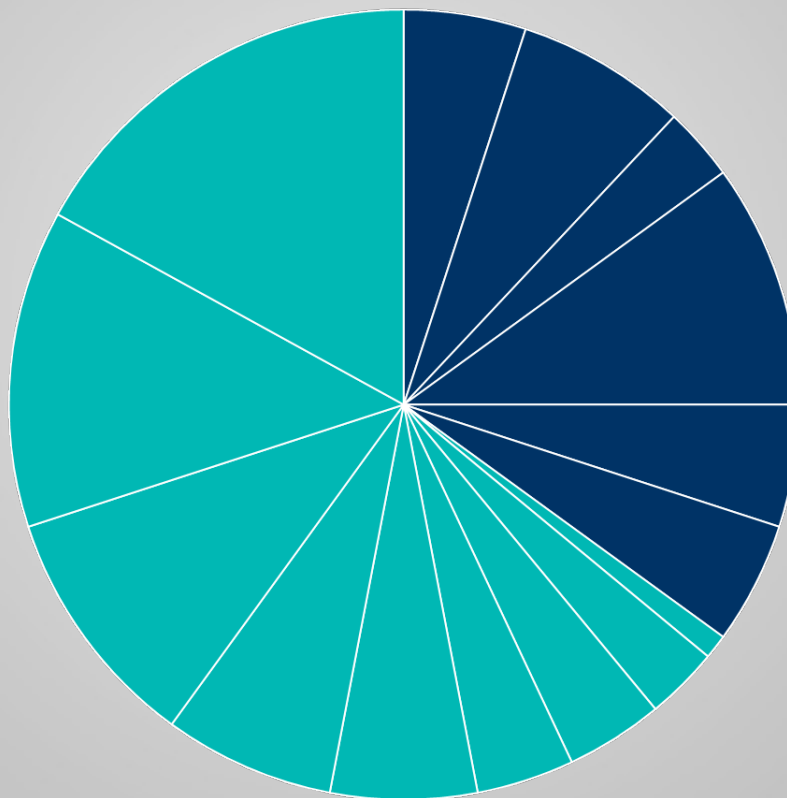
# Secured revenue continues to increase





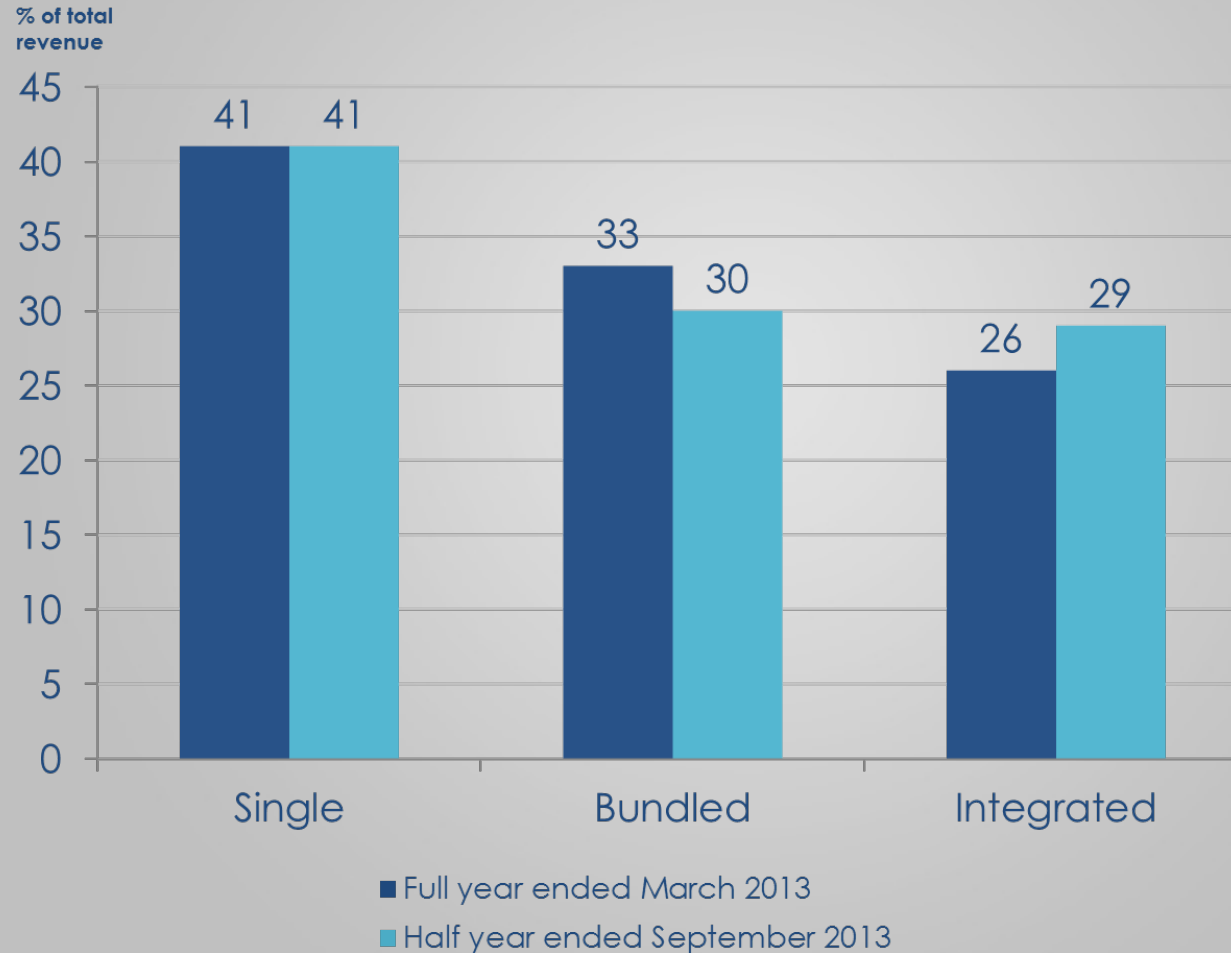
# Revenue by sector

|                                   |     |
|-----------------------------------|-----|
| Finance and professional services | 17% |
| Retail                            | 13% |
| Manufacturing                     | 10% |
| Transport and logistics           | 7%  |
| Technology and communications     | 6%  |
| Utilities                         | 4%  |
| Leisure                           | 4%  |
| Property management               | 3%  |
| Construction                      | 1%  |

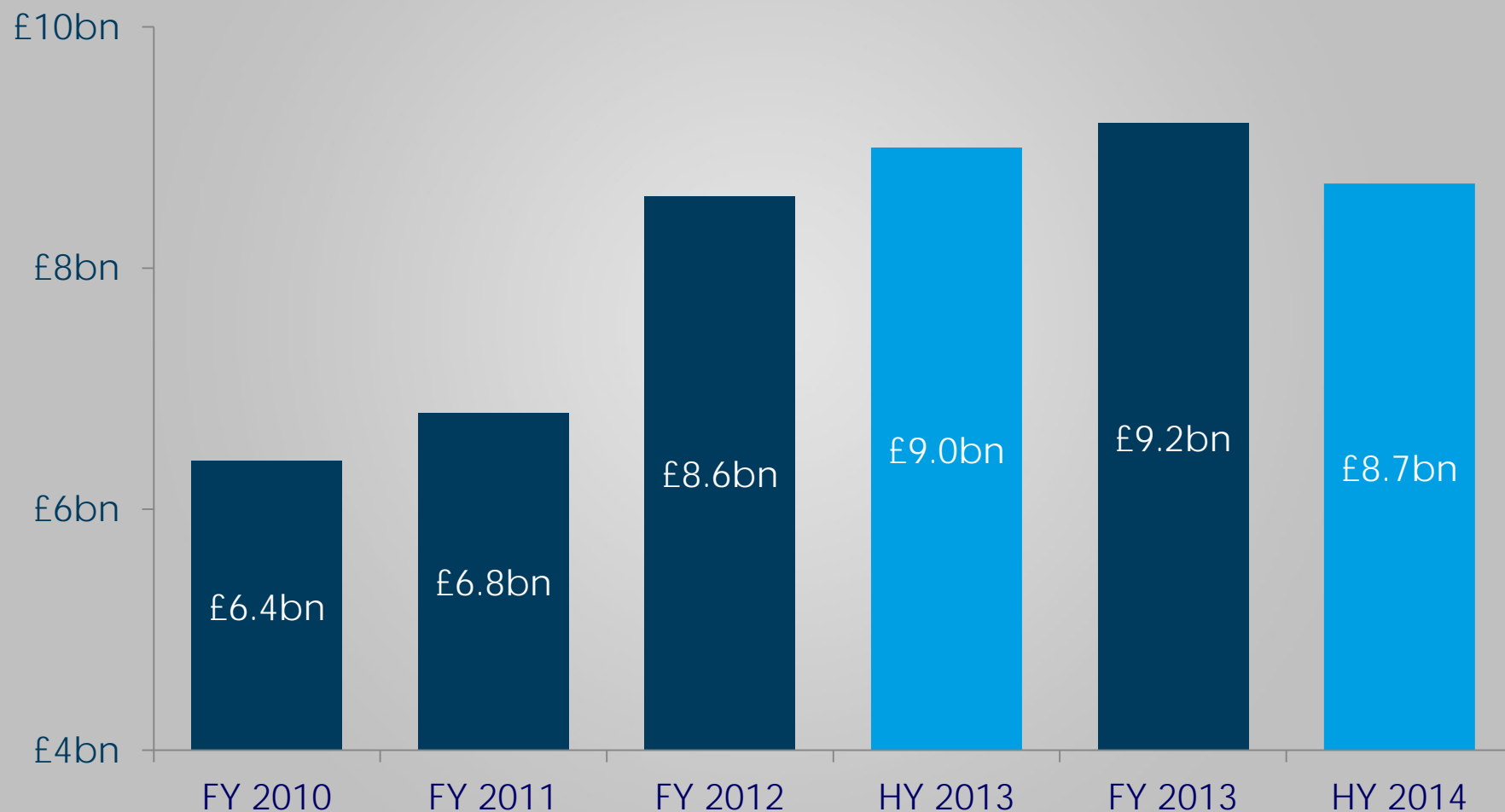


|     |                    |
|-----|--------------------|
| 5%  | Central government |
| 7%  | Local government   |
| 3%  | Other government   |
| 10% | Social housing     |
| 5%  | Health             |
| 5%  | Education          |

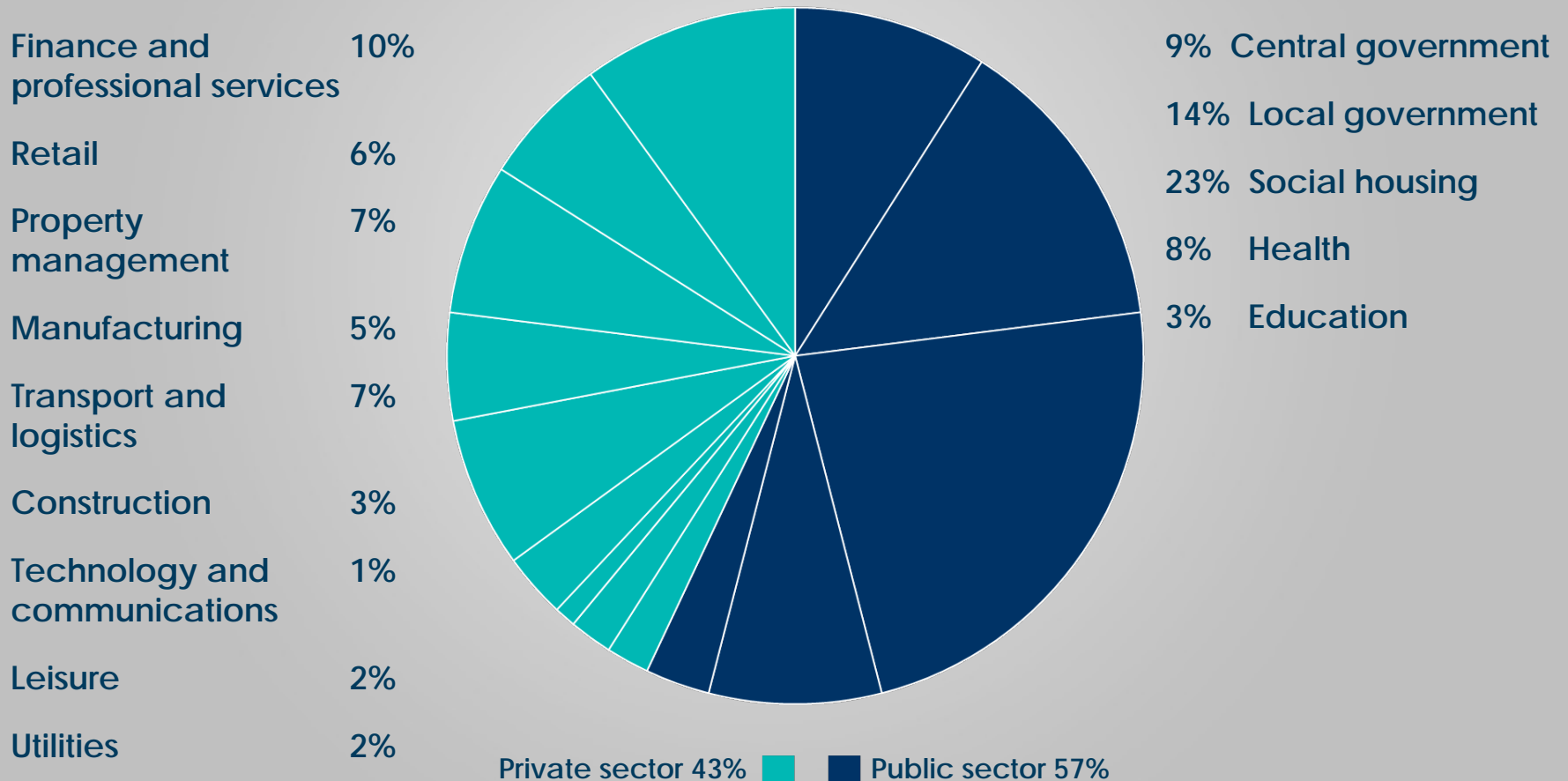
# Revenue by contract type



# Order book remains strong



# Sales pipeline of £8.8 billion



Finance Director

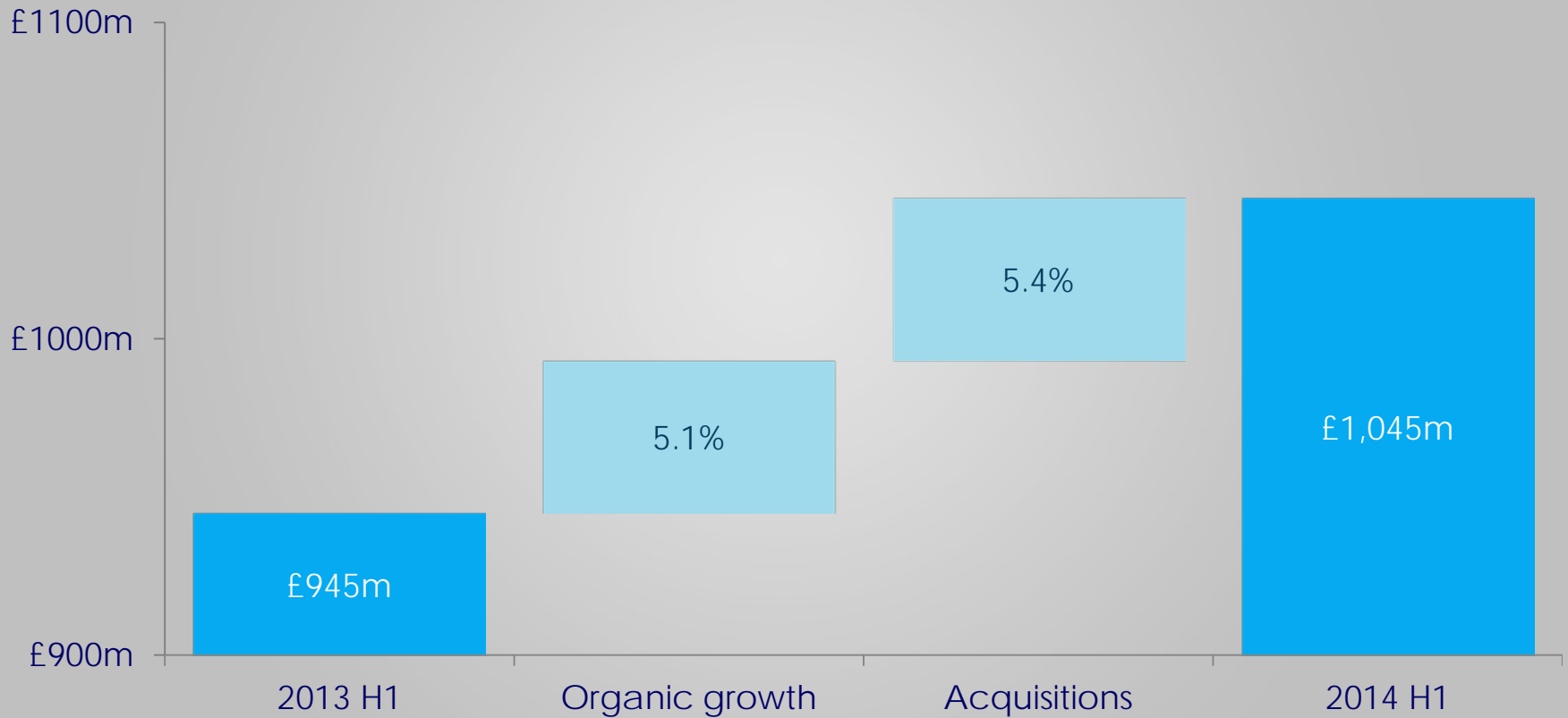
Suzanne Baxter

# Headline financial results - strong headline performance

|                                  | 2014 H1   | 2013 H1 | Growth |
|----------------------------------|-----------|---------|--------|
| Headline revenue                 | £1,044.6m | £945.0m | 10.5%  |
| Headline operating profit        | £62.3m    | £55.0m  | 13.3%  |
| Headline operating profit margin | 6.0%      | 5.8%    | 0.2pp  |
| Headline basic EPS               | 11.8pps   | 10.8pps | 9.3%   |
| Dividend                         | 4.9pps    | 4.6pps  | 6.5%   |

H1 2013 and YE 2013 results have been restated for IAS 19 'Employee Benefits'. H1 2013 results have been re-presented to show the results of businesses being exited within other items

# Revenue bridge



# Segmental revenue – growth led by FM division

|                         | 2014 H1          | 2013 H1*       | Growth       | Organic growth |
|-------------------------|------------------|----------------|--------------|----------------|
| Facilities Management   | £821.2m          | £744.4m        | 10.3%        | 10.1%          |
| Property Management     | £165.2m          | £173.1m        | (4.6%)       | (4.6%)         |
| Healthcare              | £44.9m           | n/a            | n/a          | n/a            |
| Energy Solutions        | £13.3m           | £27.5m         | (51.6%)      | (51.6%)        |
| <b>Headline revenue</b> | <b>£1,044.6m</b> | <b>£945.0m</b> | <b>10.5%</b> | <b>5.1%</b>    |

Re-presented for operating segments effective from 1 April 2013 as disclosed in the Annual Report and Accounts 2013



# Facilities Management – double digit growth

|                                   | 2014 H1 | 2013 H1 | Growth  |
|-----------------------------------|---------|---------|---------|
| Headline revenue                  | £821.2m | £744.4m | 10.3%   |
| Organic growth                    | 10.1%   | 7.5%    | 2.6pp   |
| Headline operating profit         | £49.7m  | £45.2m  | 10.0%   |
| Headline operating profit margin  | 6.1%    | 6.1%    | -       |
| Forward order book                | £7.2bn  | £7.5bn  | (4.0%)  |
| % of MITIE Group headline revenue | 78.6%   | 78.8%   | (0.2pp) |

# Property Management – margins maintained, return to growth expected in H2

|                                   | 2014 H1 | 2013 H1 | Growth   |
|-----------------------------------|---------|---------|----------|
| Headline revenue                  | £165.2m | £173.1m | (4.6%)   |
| Organic growth                    | (4.6%)  | 10.5%   | (15.1pp) |
| Headline operating profit         | £9.9m   | £10.4m  | (4.8%)   |
| Headline operating profit margin  | 6.0%    | 6.0%    | –        |
| Forward order book                | £1.0bn  | £1.1bn  | (9.1%)   |
| % of MITIE Group headline revenue | 15.8%   | 18.3%   | (2.5pp)  |

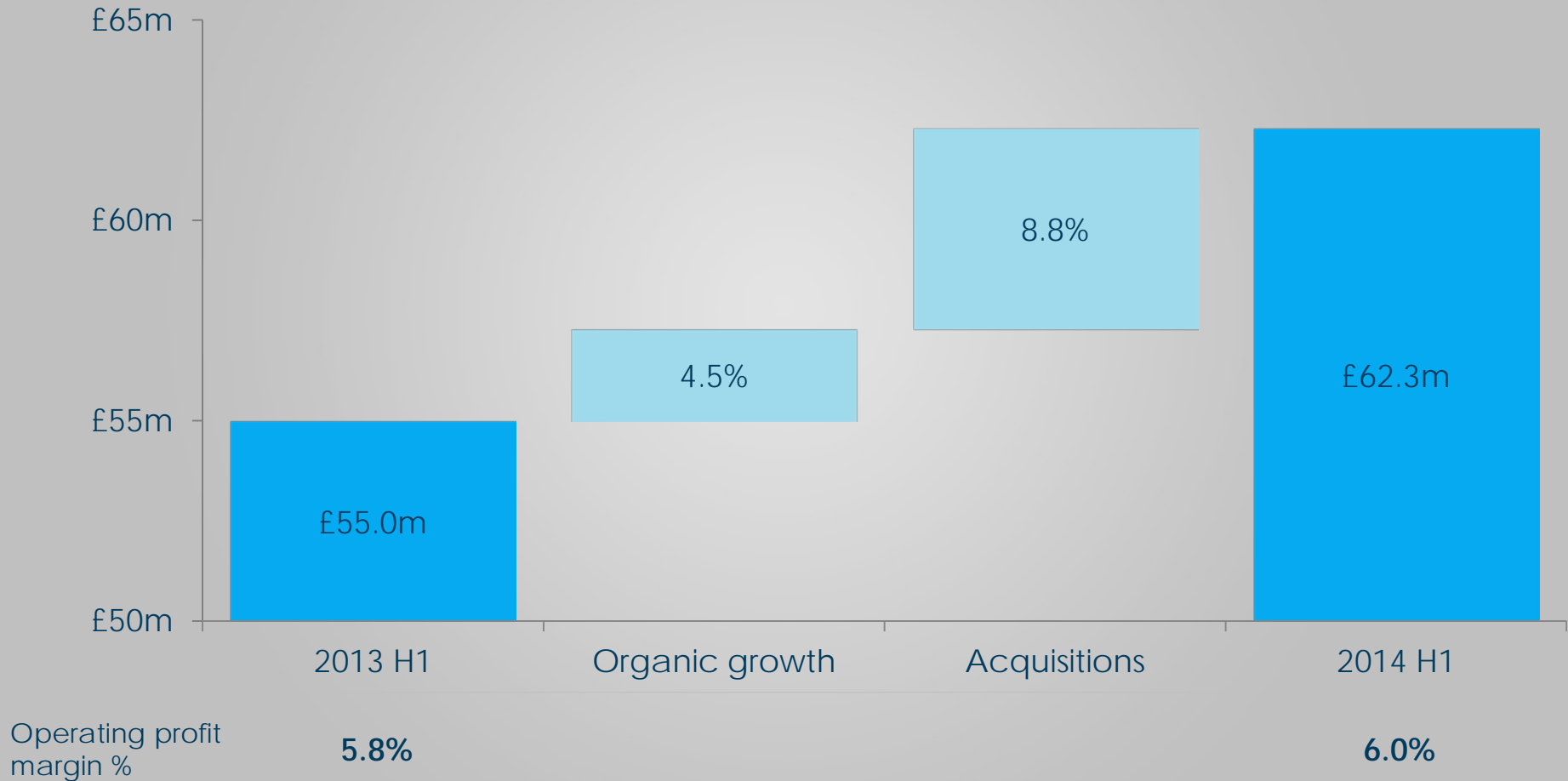
# Healthcare – first full year in line with acquisition expectations

|                                   | 2014 H1 | Reported post acquisition | Acquisition announcement |
|-----------------------------------|---------|---------------------------|--------------------------|
| Headline revenue                  | £44.9m  | £87.9m                    | £93.0m                   |
| Headline operating profit         | £5.6m   | £11.3m                    | £10.1m                   |
| Headline operating profit margin  | 12.5%   | 12.9%                     | 10.9%                    |
| Forward order book                | £0.3bn  | n/a                       | n/a                      |
| % of MITIE Group headline revenue | 4.3%    | n/a                       | n/a                      |

# Energy Solutions – moving towards consultancy model

|                                   | 2014 H1 | 2013 H1 | Growth   |
|-----------------------------------|---------|---------|----------|
| Headline revenue                  | £13.3m  | £27.5m  | (51.6%)  |
| Organic growth %                  | (51.6%) | (34.6%) | (17.0pp) |
| Headline operating profit         | (£2.9m) | (£0.6m) | 383%     |
| Headline operating profit margin  | (21.8%) | (2.2%)  | (19.6pp) |
| Forward order book                | £0.2bn  | £0.2bn  | –        |
| % of MITIE Group headline revenue | 1.3%    | 2.9%    | (1.6pp)  |

# Operating profit – margins improved



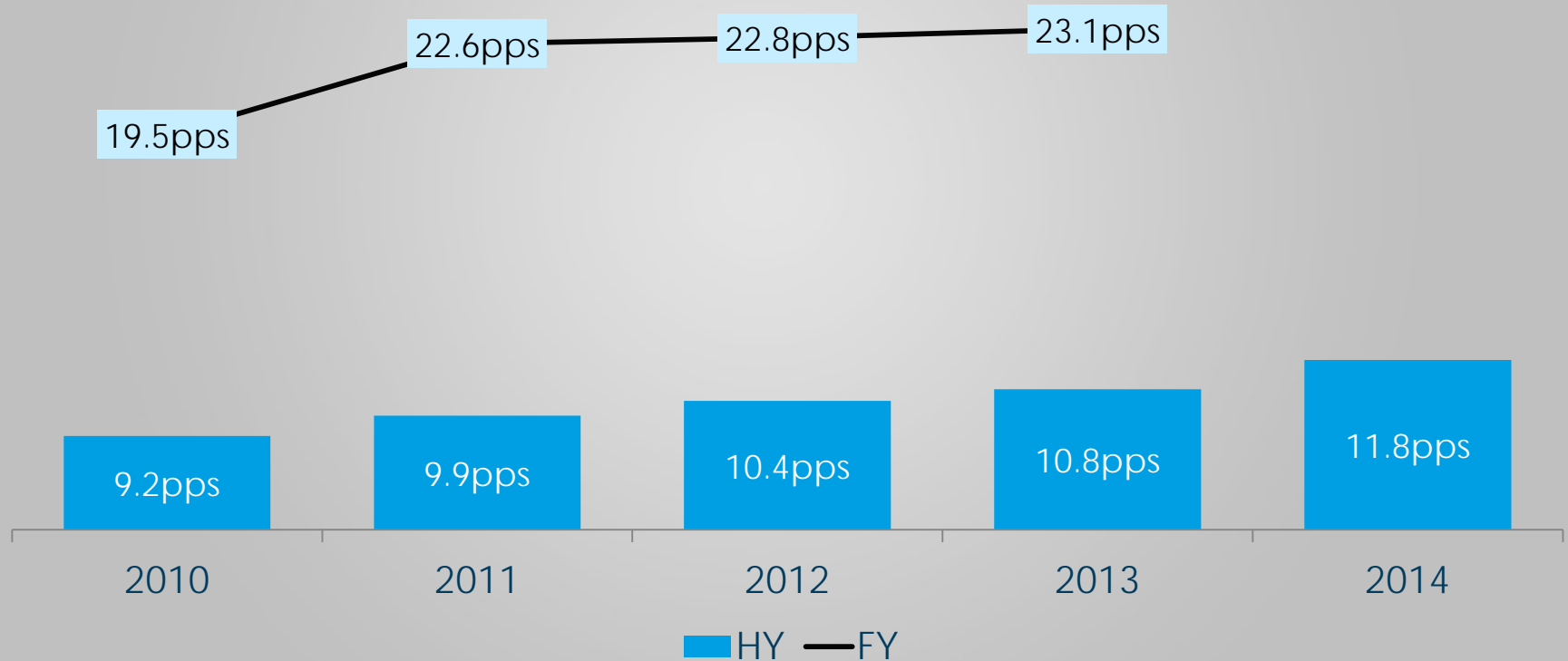
# Finance costs – increased due to funding of Enara acquisition

|                              | 2014 H1        | 2013 H1        | Movement       |
|------------------------------|----------------|----------------|----------------|
| Investment revenue           | £0.7m          | £0.4m          | £0.3m          |
| Finance costs                | (£7.7m)        | (£4.9m)        | (£2.8m)        |
| <b>Net finance costs</b>     | <b>(£7.0m)</b> | <b>(£4.5m)</b> | <b>(£2.5m)</b> |
| <b>EBITDA Interest Cover</b> | <b>9.4x</b>    | <b>12.8x</b>   | <b>(3.4x)</b>  |

# Other items – integration of Enara in line with expectations at acquisition

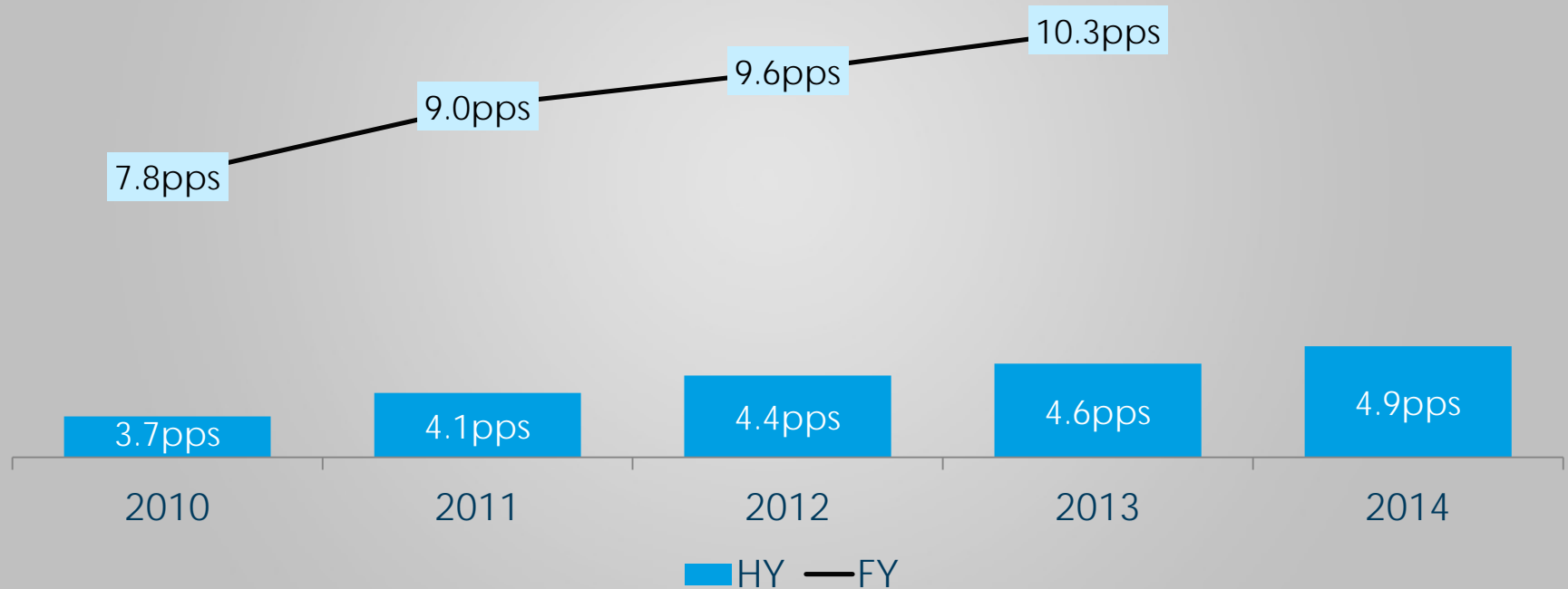
|   | 2014 H1       | 2013 H1       | Movement       |
|---|---------------|---------------|----------------|
| Revenue of businesses being exited              | £41.2m        | £81.6m        | (£40.4m)       |
| Trading losses of businesses being exited       | £4.3m         | £2.8m         | £1.5m          |
| Restructuring costs                             | –             | £4.8m         | (£4.8m)        |
| Integration costs                               | £2.5m         | £0.2m         | £2.3m          |
| Acquisition costs                               | £0.1m         | £1.8m         | (£1.7m)        |
| Amortisation of acquisition-related intangibles | £5.6m         | £4.3m         | £1.3m          |
| <b>Other items before tax</b>                   | <b>£12.5m</b> | <b>£13.9m</b> | <b>(£1.4m)</b> |

# Headline EPS – continued growth, 4 year CAGR 6.4%

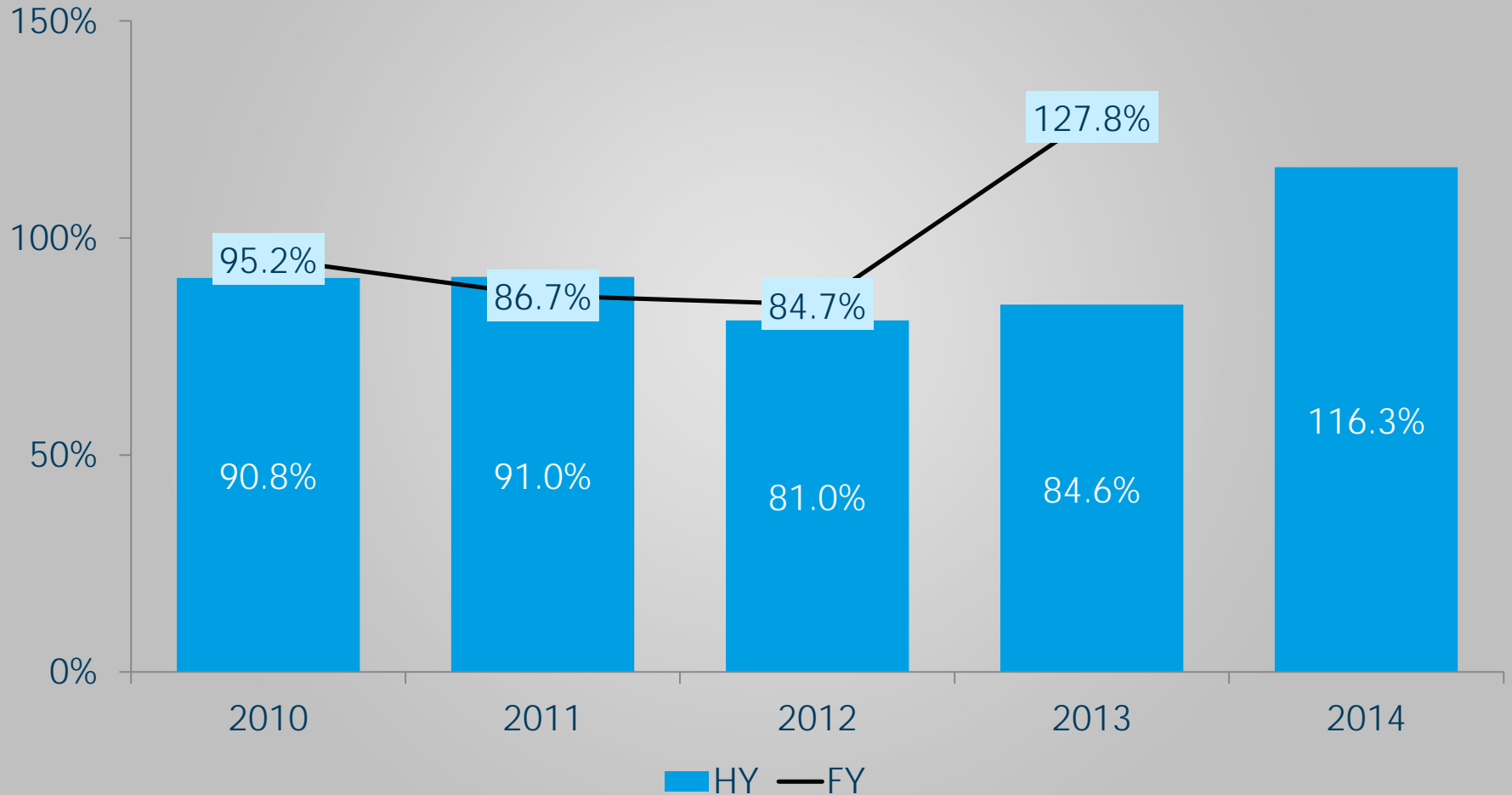




# Dividend per share - year on year growth, 4 year CAGR 7.3%



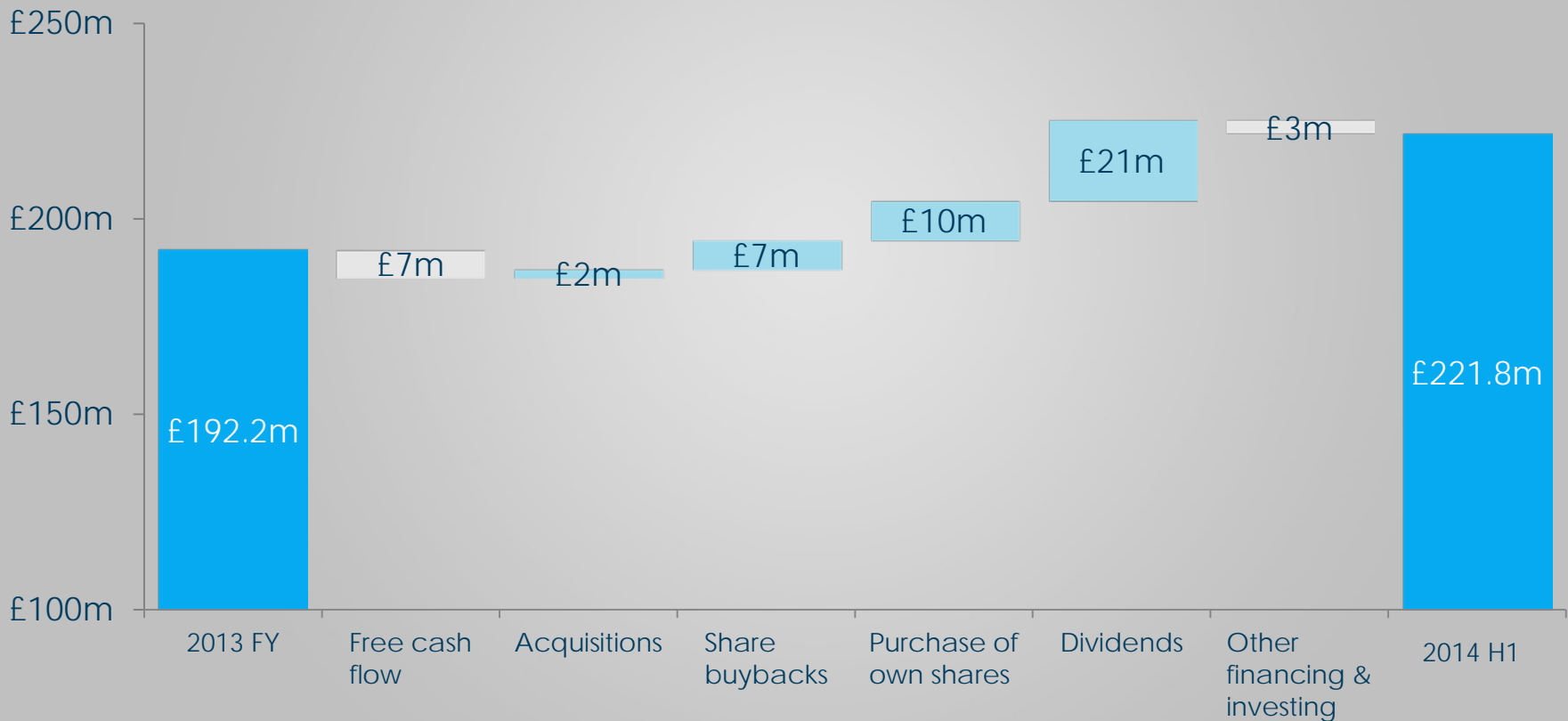
# Excellent rolling 12 month cash conversion



# Working capital

|                                  | 2014 H1         | 2013 H1         | 2013 FY        |
|----------------------------------|-----------------|-----------------|----------------|
| Inventories                      | £6.9m           | £6.9m           | £6.7m          |
| Trade and other receivables      | £510.4m         | £536.0m         | £507.4m        |
|                                  | <b>£517.3m</b>  | <b>£542.9m</b>  | <b>£514.1m</b> |
| Trade and other payables         | (£477.8m)       | (£467.1m)       | (£500.7m)      |
| Provisions                       | (£1.4m)         | (£0.5m)         | (£1.4m)        |
| <b>Working capital</b>           | <b>£38.1m</b>   | <b>£75.3m</b>   | <b>£12.0m</b>  |
| <b>Net cash inflow/(outflow)</b> | <b>(£41.0m)</b> | <b>(£29.9m)</b> | <b>£24.9m</b>  |

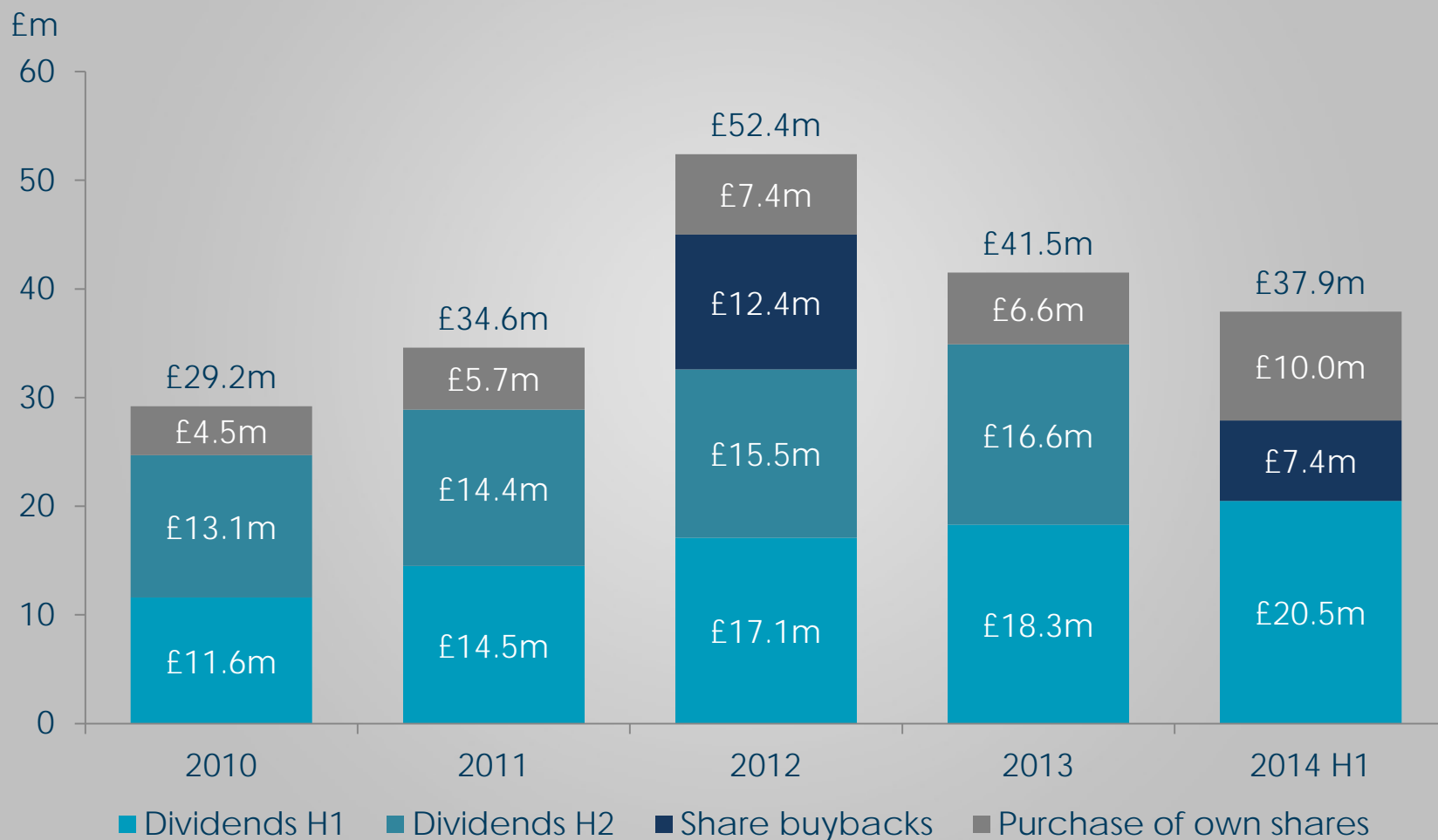
# Net debt bridge



# Use of cash – positive free cash flow of £7.3m in H1

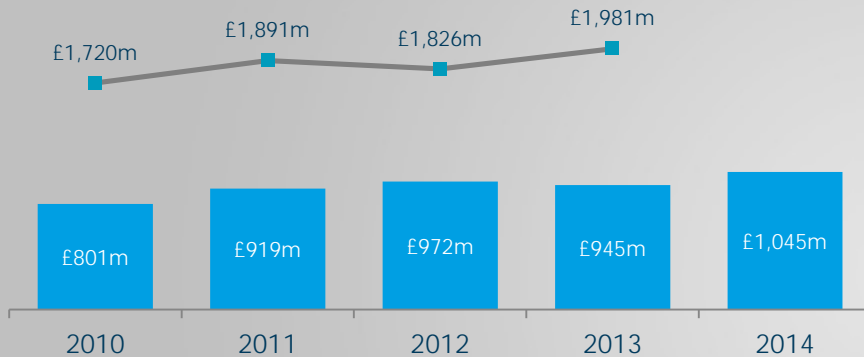
|                         |     |  |
|-------------------------|-----|--|
| Growth                  | ▶ □ | Working capital outflow of £41.0m to support growth of 10.5% in H1   |
| Capex                   | ▶ □ | Capex levels reduced due to the introduction of lease financing for commercial fleet, with £8.4m spend in H1, which is <1% of revenue (2012: £15.5m, 1.5% of revenue)              |
| Acquisitions            | ▶ □ | £1.8m for UK CRBs and share purchases under the MITIE model  |
| Returns to shareholders | ▶ □ | £37.9m returned to shareholders in H1, being payment of £20.5m of dividends, £7.4m of share buybacks and £10.0m of own shares purchased to hedge further share scheme requirements |

# Total cash returned to shareholders

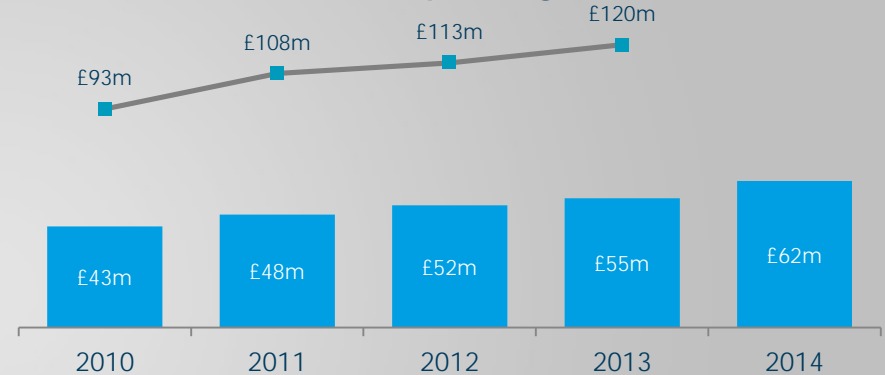


# Continuing track record of sustainable, profitable growth

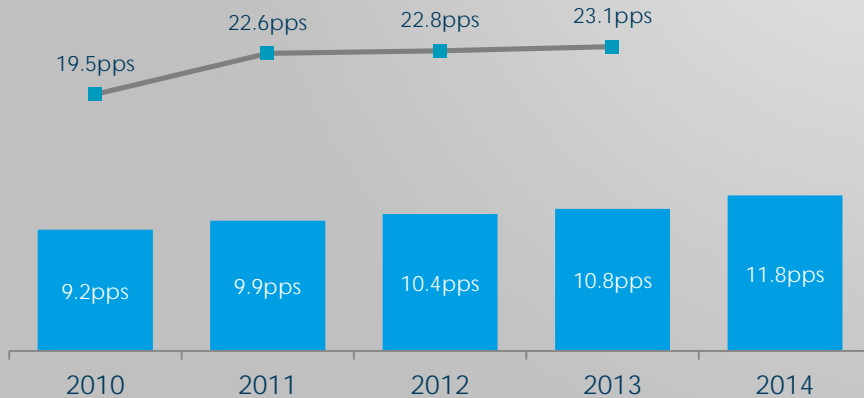
## Headline Revenue



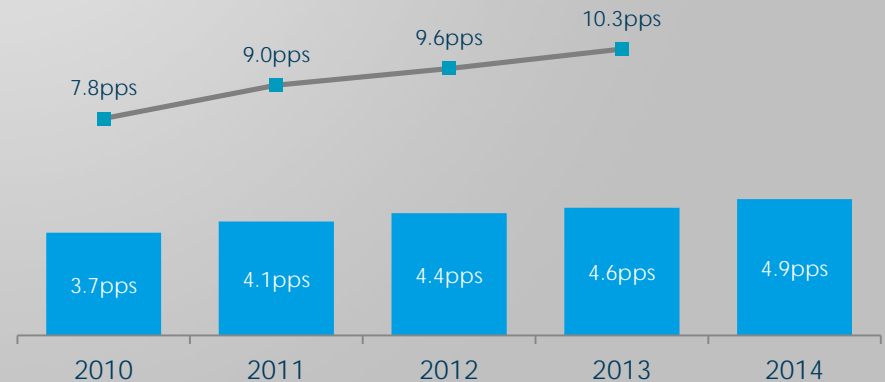
## Headline Operating Profit



## Headline EPS



## Dividend per share



■ HY ■ FY

Chief Executive

Ruby McGregor-Smith



# Highlights

## **Excellent progress through a focus on key growth markets**

- Delivered 5.1% organic growth this period and margins of 6.0%
- Exit from our cyclical M&E engineering contracting business to be substantially complete by financial year end

## **Sector-leading facilities management proposition driving strong organic growth**

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- Award of significant new contracts with Mitchells & Butlers and Bank of Ireland

## **Successful integration of Enara**

- Integration going very well and business performing in line with expectations
- Already seeing significant opportunities in the healthcare markets

## **Significant order book and sales pipeline**

## **Strong financial position and excellent cash generation**

## **Well-positioned to deliver growth and maintain strong margins**

# Outlook

- Diversified portfolio with high quality blue chip client base
- Core exposure is to growth markets and we are well-positioned to increase market share, deliver organic growth and improve margins
  - Market-leading integrated FM capabilities
  - Comprehensive energy proposition will enhance margins
  - Quality homecare acquisition provides platform to grow in healthcare market
  - 90% contract retention rate
- Excellent visibility of revenue, record order book and substantial pipeline of sales opportunities
- Strong cash generation and financial strength provides a platform to grow organically, supported by acquisitions that enhance our capabilities
- Successfully positioned the group for continued, sustainable, profitable growth

# Appendices

# Restatement of prior periods

|                                      | 30 September 2012      |   |                   |                 | 31 March 2013          |                   |                  |
|--------------------------------------|------------------------|---|-------------------|-----------------|------------------------|-------------------|------------------|
|                                      | As originally reported | Re-presentation for businesses being exited | IAS 19 Amendments | As restated     | As originally reported | IAS 19 Amendments | As restated      |
| Headline revenue                     | £1,026.6m              | (£81.6m)                                    | -                 | <b>£945.0m</b>  | £1,980.6m              | -                 | <b>£1,980.6m</b> |
| Headline profit before tax           | £48.8m                 | £2.8m                                       | (£1.1m)           | <b>£50.5m</b>   | £111.1m                | (£2.5m)           | <b>£108.6m</b>   |
| Headline tax                         | (£11.6m)               | (£0.8m)                                     | £0.3m             | <b>(£12.1m)</b> | (£26.3m)               | £0.6m             | <b>(£25.7m)</b>  |
| Headline profit for the period       | £37.2m                 | £2.0m                                       | (£0.8m)           | <b>£38.4m</b>   | £84.8m                 | (£1.9m)           | <b>£82.9m</b>    |
| Headline basic EPS                   | 10.5pps                | 0.5pps                                      | (0.2pps)          | <b>10.8pps</b>  | 23.7pps                | (0.6pps)          | <b>23.1pps</b>   |
| Other items, net of tax              | (£8.9m)                | (£2.0m)                                     | -                 | <b>(£10.9m)</b> | (£40.5m)               | -                 | <b>(£40.5m)</b>  |
| Other comprehensive income/(expense) | (£2.2m)                | -   | £0.8m             | <b>(£1.4m)</b>  | (£14.8m)               | £1.9m             | <b>(£12.9m)</b>  |
| Total comprehensive income           | £26.1m                 | -   | -                 | £26.1m          | £29.5m                 | -                 | £29.5m           |
| Cash conversion                      | 83.1%                  | -   | 1.5%              | <b>84.6%</b>    | 125.7%                 | 2.1%              | <b>127.8%</b>    |

# Balance sheet

| £m                                   | 2014 H1      | 2013 H1      | Growth        |
|--------------------------------------|--------------|--------------|---------------|
| Goodwill and other intangible assets | 535.0        | 416.7        | 28.4%         |
| Other non-current assets*            | 124.5        | 105.9        | 17.6%         |
| Current assets*                      | 517.3        | 542.9        | (4.7%)        |
| Current liabilities*                 | (494.2)      | (479.4)      | 3.1%          |
| Non-current liabilities*             | (51.6)       | (39.9)       | 29.3%         |
| Net debt                             | (221.8)      | (132.9)      | 66.9%         |
| <b>Net assets</b>                    | <b>409.2</b> | <b>413.3</b> | <b>(1.0%)</b> |

\*Excluding financial assets and liabilities included in net debt

# Cashflow

|   | 2014 H1   | 2013 H1** | Growth  |
|---|-----------|-----------|---------|
| Opening net debt                          | (£192.2m) | (£106.9m) | 79.8%   |
| Operating cash flows                      | £70.1m    | £61.0m    | 14.9%   |
| Movement in working capital               | (£41.0m)  | (£29.9m)  | 37.1%   |
| Cash generated by operations              | £29.1m    | £31.1m    | (6.4%)  |
| Tax, interest and other operating items   | (£13.5m)  | (£17.7m)  | (23.7%) |
| Acquisitions                              | (£1.8m)   | (£4.3m)   | (58.1%) |
| Other investing activities                | (£10.2m)  | (£12.9m)  | (20.9%) |
| Financing activities*                     | (£33.2m)  | (£22.2m)  | 49.5%   |
| Increase in net debt                      | (£29.6m)  | (£26.0m)  | 13.8%   |
| Closing net debt                          | (£221.8m) | (£132.9m) | 66.9%   |
| Net debt to EBITDA                        | 2.0x      | 1.1x      | 0.9x    |
| EBITDA cash conversion (rolling 12 month) | 116.3%    | 84.6%     | 31.7pp  |

\*Adjusted for movement in bank loans, private placement notes, loan notes and finance leases

\*\* Re-presented to include acquisition costs as an operating cash flow

# Net working capital movements

|                                  | 6 months to 30 September 2013 | Rolling 12 months to 30 September 2013 | 6 months to 30 September 2012 | Rolling 12 months to 30 September 2012 | 12 months to 31 March 2013 |
|----------------------------------|-------------------------------|--|-------------------------------|--|----------------------------|
| Working capital inflow/(outflow) | (£41.0m)                      | £13.8m                                 | (£29.9m)                      | (£26.5m)                               | £24.9m                     |
| Cash conversion                  | 44.2%                         | 116.3%                                 | 54.1%                         | 84.6%                                  | 127.8%                     |
| EBITDA                           | £65.9m                        | £110.9m                                | £57.5m                        | £125.7m                                | £102.5m                    |
| Cash from operations             | £29.1m                        | £129.0m                                | £31.1m                        | £106.3m                                | £131.0m                    |
| Free cash flow                   | £7.3m                         | £94.0m                                 | £1.0m                         | £48.4m                                 | £87.7m                     |

# Mobilisation costs

|                        | 2014 H1       | 2013 FY       | Movement       |
|------------------------|---------------|---------------|----------------|
| Opening balance        | £23.2m        | £21.0m        | £2.2m          |
| Costs capitalised      | £3.0m         | £9.6m         | (£6.6m)        |
| Costs amortised        | (£4.5m)       | (£7.4m)       | £2.9m          |
| <b>Closing balance</b> | <b>£21.7m</b> | <b>£23.2m</b> | <b>(£1.5m)</b> |



# Provisions

|  | Deferred<br>contingent<br>consideration | Insurance<br>reserve | Total   |
|--|---|----------------------|---------|
| <b>At 1 April 2013</b>                           | £8.0m                                   | £2.2m                | £10.2m  |
| Amounts recognised in the income statement       | –                                       | £0.6m                | £0.6m   |
| Utilised within the captive insurance subsidiary | –                                       | (£0.6m)              | (£0.6m) |
| <b>At 30 September 2013</b>                      | £8.0m                                   | £2.2m                | £10.2m  |
| Included in current liabilities                  |   |                      | £1.4m   |
| Included in non-current liabilities              |   |                      | £8.8m   |
| <b>Total</b>                                     |   |                      | £10.2m  |

# Pensions deficit

|                        | Group Scheme    | Other Schemes  | Total           |
|------------------------|-----------------|----------------|-----------------|
| Pension assets         | £137.1m         | £8.3m          | £145.4m         |
| Pension obligations    | (£164.2m)       | (£8.6m)        | (£172.8m)       |
| <b>Deficit</b>         | <b>(£27.1m)</b> | <b>(£0.3m)</b> | <b>(£27.4m)</b> |
| <b>% of net assets</b> | <b>6.6%</b>     | <b>0.1%</b>    | <b>6.7%</b>     |
| <b>% of market cap</b> | <b>2.5%</b>     | <b>0.0%</b>    | <b>2.5%</b>     |

The total scheme deficit at 31 March 2013 was £29.9m

# Pro-forma prior year

|                                  | H1 2013 | Gross up for full six-month impact of Creativevents and Enara | H1 2013 Pro-forma | H1 2014 (excluding current year acquisitions) | Organic growth |
|----------------------------------|---------|---|-------------------|---|----------------|
| Headline revenue                 | £945.0m | £48.5m  | £993.5m           | £1,044.2m                                     | 5.1%           |
| Headline operating profit        | £55.0m  | £4.6m   | £59.6m            | £62.3m  | 4.5%           |
| Headline operating profit margin | 5.8%    |   | 6.0%              | 6.0%  | –              |

# Headroom and funding maturity

