

| 12 Adjusted profit | | | |
|---|------------------------|-----------------|-------------------|
| (before exceptional operating costs and amortisation and impairment of goodwill and intangible assets) | | | |
| | Unaudited | Unaudited | Audited |
| | Half year ended | Half year ended | Year Ended |
| | 1st April, 2007 | 2nd April, 2006 | 1st October, 2006 |
| | | (restated) | |
| | £m | £m | £m |
| Profit before tax continuing | 132.8 | 192.5 | 311.5 |
| Profit before tax discontinued | 0.8 | - | - |
| | 133.6 | 192.5 | 311.5 |
| Add back: | | | |
| Amortisation of intangible assets in Group and in joint ventures and associates | 43.1 | 21.9 | 51.5 |
| Impairment of goodwill and intangible assets in Group and in associates | - | 7.8 | 59.8 |
| Exceptional operating costs | 6.5 | 16.3 | 41.1 |
| Profit on sale of tangible fixed assets | - | 0.2 | (26.0) |
| Profit on sale of businesses | (3.3) | (122.5) | (174.8) |
| Profit on deemed disposal of subsidiaries | (42.3) | - | - |
| (Profit) on sale and deemed disposal of joint ventures and associates | - | - | (0.8) |
| Impairment of available for sale assets | - | 0.2 | 13.0 |
| Foreign exchange loss/(profit) on tax equalisation swaps | 1.6 | (7.7) | (15.6) |
| Change in fair value of short life options | (3.1) | - | - |
| Change in fair value of put options | (3.6) | - | - |
| Premium on repurchase of bonds | 2.8 | - | - |
| Profit before exceptional operating costs and amortisation and impairment of goodwill and intangible assets and taxation | 135.3 | 108.7 | 259.7 |
| Taxation charge | (39.0) | (31.4) | (62.0) |
| Interest of minority shareholders | (10.7) | (3.5) | (14.8) |
| Adjusted profit after tax | 85.6 | 73.8 | 182.9 |

13 Analysis of Net Debt

| | Unaudited | Unaudited | Audited |
|--|------------------------|-----------------|-------------------|
| | Half year ended | Half year ended | Year Ended |
| | 1st April, 2007 | 2nd April, 2006 | 1st October, 2006 |
| | £m | £m | £m |
| Net debt at start | (738.2) | (767.0) | (767.0) |
| Cash flow | (238.8) | 3.6 | 11.2 |
| Issued on acquisition of subsidiaries | (12.9) | - | (0.5) |
| Arising with acquisitions | (12.6) | - | (3.2) |
| Sold on disposals | - | - | 7.0 |
| Foreign exchange movements | 3.0 | (2.5) | 13.6 |
| Other non-cash movements | 0.4 | 0.4 | 0.7 |
| Net debt at period end | (999.1) | (765.5) | (738.2) |
| Analysed as : | | | |
| Cash and cash equivalents | 85.0 | 209.4 | 97.3 |
| Cash and cash equivalents included within assets held for resale | 2.4 | - | - |
| Bank overdrafts | (7.3) | (0.4) | (1.2) |
| Net cash and cash equivalents | 80.1 | 209.0 | 96.1 |
| Debt due within one year | 0.2 | (16.9) | (1.7) |
| Bonds | (641.3) | (656.6) | (653.9) |
| Loan notes | (21.6) | (10.4) | (9.4) |
| Loans | (416.1) | (290.6) | (169.3) |
| Net debt at period end | (999.1) | (765.5) | (738.2) |

14 Acquisition of subsidiaries and businesses

On October 5th, 2006 the Group acquired 100% of the issued share capital of Metal Bulletin plc (Metal Bulletin) for a consideration of £239.6 million. Metal Bulletin is the parent company of a group of companies operating as a leading global information provider of must have market sensitive data in niche, business to business markets. Its revenues are derived from a range of publications, electronic products and services, conferences, research and ancillary functions provided to customers. This acquisition has been accounted for using the purchase method of accounting.

The Directors have adjusted the consolidated balance sheet of Metal Bulletin at October 6th, 2006 for adjustments which they believe more accurately represent the fair value of the assets at acquisition. At April 1st, 2007 these adjustments are provisional and will be finalised during the second half of the year.

The intangibles acquired represent trade marks, subscriber relationships, advertiser relationships and databases. Goodwill attributable to the deemed value of the workforce and anticipated future operating synergies. Non-current liabilities includes primarily a deferred tax liability arising on the intangible assets.

The impact of the acquisition on businesses net assets was:

| | Metal Bulletin book value £m | Accounting policy alignments £m | Fair value adjustments £m | Metal Bulletin at provisional fair value £m |
|---|---------------------------------------|--|---------------------------------|--|
| Goodwill | 38.6 | - | 143.4 | 182.0 |
| Intangible assets | 5.5 | - | 133.0 | 138.5 |
| Other non-current assets | 1.1 | - | - | 1.1 |
| Current assets | 13.9 | 0.1 | 5.0 | 19.0 |
| Trade creditors and other payables | (29.9) | (0.4) | (4.1) | (34.4) |
| Other current liabilities | (6.0) | - | (0.1) | (6.1) |
| Non-current liabilities | (15.4) | (1.6) | (43.5) | (60.5) |
| Net assets | 7.8 | (1.9) | 233.7 | 239.6 |
| Provisional fair value of consideration | | | | 239.6 |
| Consideration satisfied by : | Non cash | Cash paid in prior period | Cash | Total |
| | £m | £m | £m | £m |
| Cash paid for initial purchase | - | 21.8 | - | 21.8 |
| Shares | 65.0 | - | - | 65.0 |
| Loan notes | 12.7 | - | - | 12.7 |
| Cash | - | - | 134.7 | 134.7 |
| Directly attributable costs | - | - | 5.4 | 5.4 |
| | 77.7 | 21.8 | 140.1 | 239.6 |
| Other acquisitions | | | | |
| Acquisition of other subsidiaries | - | - | 10.0 | 10.0 |
| Consideration paid for additional interests in existing subsidiaries | - | - | 14.1 | 14.1 |
| Cash paid in respect of deferred consideration from prior year acquisitions | - | - | 27.9 | 27.9 |
| Cash and cash equivalents acquired with subsidiaries | - | - | 1.6 | 1.6 |
| | 77.7 | 99.5 | 193.7 | 292.2 |

Other major acquisitions completed during the period, the percentage of voting rights acquired and the dates of acquisition were as follows:

| | | | |
|-------------------|-----|--------------|--|
| Total Derivatives | 67% | October 2006 | On line derivatives information provider |
| Tau on line | 60% | March 2007 | On line recruitment |

If all acquisitions had been completed on the first day of the financial year, contribution to Group revenues for the year would have been £33.3 million and contribution to Group profit attributable to equity holders of the parent would have been £1.8 million. This information takes into account the amortisation of acquired intangible assets for a full year, together with related income tax effects but excludes any pre-acquisition finance costs and should not be viewed as indicative of the results of operations that would have occurred if the acquisitions had actually been completed on the first day of the financial year.

Copies of the interim report are being posted to shareholders on or around 15th June, 2007 and will be available for inspection thereafter from the Secretary, Daily Mail and General Trust plc, Northcliffe House, 2 Derry Street, London, W8 5TT, or electronically from the Company's web site at www.dmgmt.co.uk.

Highlights of this announcement will be advertised on 24th May, 2007 in the Evening Standard and London Lite, on 25th May, 2007 in the Daily Mail, Metro, Western Morning News and the Western Daily Press and on 27th May, 2007 in The Mail on Sunday.