

Group results for the half year ended 30th March, 2008.

Financial Highlights

	Adjusted results*			Statutory results		
	2008	2007	Change	2008	2007	Change
Revenue	£1,168 m	£1,116 m	+ 5 %	£1,168 m	£1,116 m	+ 5 %
Operating profit	£166 m	£159 m	+ 5 %	£88 m	£111 m	- 21 %
Profit before tax	£144 m	£135 m	+ 7 %	£23 m	£133 m	- 83 %
Earnings per share	27.8 p	21.9 p	+ 27 %	15.3 p	22.3 p	- 31 %
Dividend per share				4.80 p	4.45 p	+ 8 %

*(before amortisation and impairment of intangible assets and exceptional items; see Consolidated Income Statement and reconciliation in Note 11).

RECORD RESULTS IN TOUGH TRADING CONDITIONS

- **First half operating result reflects continued growth from the Group's business to business divisions.**
- **Robust performance by Associated Newspapers despite start up costs of new Didcot plant.**
- **Northcliffe Media's profits reduced due to lower advertising revenue.**
- **Underlying earnings per share boosted by lower tax charge and share purchases.**
- **Dividend increased by 8%, supported by strong operating cash flows.**

The Viscount Rothermere, Chairman, said

“Most of our businesses have performed well despite the conditions in the global financial and property markets. The economic outlook remains uncertain but the Group's strong cash flow allows continued investment to ensure our businesses achieve their full potential. We continue to believe that our strategy of creating a diversified portfolio of market-leading operations across both business and consumer media products leaves us well positioned to deliver long-term growth.”

A webcast of the Half Yearly Results presentation to City analysts will be available for viewing from 9.30 a.m. on 22nd May, 2008 at <http://www.dmgt.co.uk>

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Daily Mail and General Trust plc

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Management report

This half-yearly management report focuses on the adjusted numbers to give a more comparable indication of the Group's underlying business performance. A discussion of other items included in the statutory results is set out after the divisional performance review. The adjusted results are summarised below:

	2008	2007	Change
	£m	£m	
Adjusted results*			
Revenue	1,168	1,116	+5%
Operating profit	166	159	+5%
Income from joint ventures and associates	1	3	
Investment income	-	1	
Net interest payable	(23)	(28)	-18%
Profit before tax	144	135	+7%
Tax charge	(28)	(39)	-28%
Minority interest	(10)	(11)	-9%
Group profit	106	85	+24%
Adjusted earnings per share	27.8 p	21.9p	+27%

*Adjusted results are stated before amortisation and impairment of intangible assets and exceptional items. For a reconciliation of Group profit to adjusted Group profit, see Note 11.

Summary

Group revenue for the six months to 30th March, 2008 was £1,168 million compared with £1,116 million for the prior year, representing growth of 5%. Operating profit* was up 5% to £166 million, with operating margin unchanged at 14%. Adjusted profits* before tax were £144 million, up 7% on the equivalent figure for the previous half year.

The Group continued to follow its strategy of investing in product development to generate long-term growth with 53% of this half year's operating profit* generated from outside the Group's print newspaper titles, up from 52% last year. Further progress was made in building the Group's digital advertising channels.

The Group's non-newspaper divisions have all again produced increased profits*, despite economic conditions affecting DMG Information's property businesses and DMG World Media's consumer exhibitions. Associated almost matched its prior year results, after bearing the start up costs of its new full colour printing facility at Didcot. Display advertising revenues have again grown and circulations have been maintained. Our local media business has experienced tougher market conditions and this has reduced its first half profits. DMG Radio made progress, contributing a modest profit* for the half year.

Statutory profit before tax for the period was £23 million, after charging £63 million of foreign exchange losses on tax equalisation hedging transactions, which cause an equal and opposite reduction in the tax charge. Statutory profit before tax in 2007 was boosted by the profit of £42 million on the deemed disposal of a portion of our holding in Euromoney.

Outlook

We have had a good first half. It seems that economic conditions in the UK will be tough in the second half and this is having an impact on our local media division. To date, however, our national titles are holding up well, and we expect to achieve growth in our business to business divisions, despite a high level of development expenditure.

While achievement of growth in pre-tax profits will be dependent on trading conditions in the later months of this financial year, we look to achieve full year growth in adjusted earnings* per share, although not at the same rate as that achieved in the first half.

Divisional Review

Associated Newspapers

	2008	2007	Movement
	£m	£m	%
Revenue	508	499	+ 2%
Operating profit*	44	46	- 4%
Operating margin*	9%	9%	

Associated Newspapers produced another solid trading performance across its portfolio and increased its total advertising revenues by 4%. The period saw the successful introduction of the new Didcot printing plant in October 2007 and since 1st January, the Mail titles have been printed in full colour, resulting in strong display advertising revenues. Advertising was softer in April, but has recovered well in May.

Associated's newspaper operations

Circulation revenues were unchanged at £188 million. The circulation of the *Daily Mail* for the six-month ABC period to March 2008 fell by 0.6% and that of *The Mail on Sunday* by 1.5%. Both titles, however, grew year on year in April and continued to outperform the national newspaper market. *The Mail on Sunday* increased its cover price by 10 pence on 18th November 2007. The circulation of the *Evening Standard* rose by 7%, *Metro's* distribution by 20% and that of *London Lite* by 0.6%.

Advertising revenues were up 4% to £242 million with growth throughout the period. Display advertising was up by 7% to £195 million. By sector, all categories were up, with the exception of travel. Retail, our largest category, increased by 8%. Classified advertising fell by 10% to £43 million. The last twelve months have seen significant investment for the first time into the titles' companion websites. This has resulted in a substantial increase in traffic (*Mail Online* is currently the No. 2 UK newspaper website) and a trebling of revenues to £4 million.

Operating profits* were down just 1% to £49 million, despite costs of the new Didcot plant coming on stream, as expected, a quarter before full colour was available to the Mail titles. There was little change in the period in the overall cost of the London publishing operations. The average price of newsprint was almost unchanged in the period with a reduction from January 2008 offsetting the increase in January 2007. The benefit of the lower price will be felt in the second half.

Since the end of the period, the Monday to Friday cover price of the *Daily Mail* rose by 5 pence to 50 pence on 21st April 2008. We also continue to win industry awards. The new look two part *The Mail on Sunday* was named *Weekend Newspaper of the Year* at the 2008 Newspaper Awards and the *Daily Mail* was named *Daily Newspaper of the Year* at the 2008 London Press Club Awards.

Associated Northcliffe Digital

AND's revenue grew by 12% to £46 million, with revenues in its core classified portals in jobs (Jobsite), property (Findaproperty and Primelocation) and motors (Motors.co.uk) up 20%. Operating profit* fell by £3.6 million to £2.2 million due to development of the online motors portal, which only launched towards the end of the first half last year, and continued heavy marketing of the property sites.

DMGT continues to focus its digital strategy on driving profitable growth from sustainable business models and optimising its portfolio of assets. While AND's key sites are now facing tougher market conditions, they are growing market share in the digital arena. The utility switching business, Simply Switch, was closed in February and an exceptional provision has been made for the resulting closure costs.

Teletext

Teletext's operating loss* was unchanged at £3 million on revenues which fell by 16% to £17 million. The results were affected by the delay in the rolling out of *Teletext Extra*, although Teletext's online business has now moved into profit*. Seasonal factors mean that we expect the business overall to move back towards breakeven in the full year.

Northcliffe Media

	2008	2007	Movement
	£m	£m	%
Revenue	216	219	- 1%
Operating profit*	40	42	- 5%
Operating margin*	18%	19%	

Our UK local media businesses have seen tougher trading conditions since the start of the second quarter. Excluding the results of acquisitions and disposals, UK operating profits* fell by £4.9 million (13%) to £33.8 million. On a similar basis, revenues were down 2% to £179 million, with advertising revenues down by 3.8% to £131 million (quarter one-1.0%, quarter two-6.2%).

By category, retail revenues grew by 1.5% and notices were up 0.3%, but all other major categories fell with property down 6.8%, recruitment down 1.4% and motors down by 12.5%. Residential property advertising was 9% lower than last year and new homes advertising was down 4%. For the two months to April 2008 (aggregated to eliminate distortions caused by the earlier occurrence of Easter in 2008), underlying UK advertising revenues were down 6.7% with recruitment down 4.7%, property down 12.7%, motors down 9.2% and retail down 3.6%. The first weeks of May indicate worsening trends in these sectors.

UK circulation revenues of £37 million fell by 3%. In the July to December 2007 ABC period, Northcliffe's evening titles marginally outperformed the industry, when adjusted for the closure of certain of its Saturday sports editions. Excluding acquisitions and disposals, operating costs were just 0.6% higher than in the previous period.

Northcliffe grew its operating profits* in Central Europe by 13% to £3.6 million, aided by acquisitions, a favourable exchange rate and a 42% increase in underlying digital revenues.

DMG Information

	2008	2007	Movement
	£m	£m	%
Revenue	150	135	+ 11%
Operating profit*	32	31	+ 4%
Operating margin*	21%	23%	

DMG Information continued its growth with an increase in underlying revenue (at constant exchange rates, but including acquisitions) of 10%, despite a slowdown in its property businesses. Its companies continue to invest in product development and this meant that underlying operating profits* were down by 2%. The overall profit growth was due to acquisitions by Landmark and Hobsons in the second half of the prior year which contributed £4 million.

Despite the tougher trading conditions for some of DMGI's companies, which are likely to continue

through the second half of the year, the ambitious internal development programmes that will fuel longer term growth continue to be pursued confidently. We continue to anticipate full year underlying profit* growth being achieved.

Insurance & Financial

Operating profit* from DMGI's insurance and financial division was unchanged at £17 million on revenues up 19% to £61 million. Risk Management Solutions, Lewtan and particularly Trepp again grew revenues strongly, but extensive investment in new product development left operating profit* at a similar level to last year. Whilst revenue investment will continue in the second half, we anticipate margins returning to in excess of 30% and an increase in full year profits*.

Property

Operating profit* from the property division fell by £2 million to £12 million on revenue down 6% to £47 million. Underlying profits (excluding Quest which was acquired in July 2007) were down 30% and revenues by 15%. Trading conditions deteriorated in the property information markets, with significant declines in the US commercial property market and historically low levels of UK housing transactions.

Other B2B

Operating profit* from DMGI's other business information companies rose by £4 million to £5 million on revenue up 38% to £42 million including organic growth of 24%. Hobsons, Genscape and Sanborn all performed well with margins improving and market conditions remaining favourable.

Euromoney Institutional Investor

	2008	2007	Movement
	£m	£m	%
Revenue	155	144	+ 7%
Operating profit*	34	32	+ 6%
Operating margin*	21%	22%	

Euromoney announced excellent first half results last week which reflect the continued success of its strategy to drive profit growth and build a more robust subscription-driven business. Subscription revenues increased by 15% to £58 million and the proportion of revenues derived from subscriptions increased from 35% to 37%. Advertising revenues rose by 4% to £29 million, but now account for only 18% of total revenues.

The problems in global credit markets had a limited impact on its results. Growth in advertising and sponsorship revenues slowed, as expected, but delegate and training revenue remained strong and demand for subscription products, particularly databases and electronic information services such as BCA's economic research and ISI's emerging market information, has proved very resilient. Emerging markets remain a key driver of Euromoney's growth and have in general continued to perform well, helped by strong commodity prices and relatively little exposure to the credit crisis.

BCA, acquired as part of Metal Bulletin, performed exceptionally well, and the increased investment in the marketing of Metal Bulletin subscriptions and delegates is achieving higher returns than expected and starting to drive revenue growth in this part of the business.

Bookings for Euromoney's third quarter are strong, but there is very limited visibility for key September sales. It remains well placed to meet whatever challenges lie ahead.

DMG World Media

	2008	2007	Movement
	£m	£m	%
Revenue	113	100	+ 12%
Operating profit*	23	20	+ 14%
Operating margin*	21%	20%	

DMG World Media had a good half year, with underlying revenue and operating profit* up by 5% and 4% respectively year on year. These results were driven by a strong performance from B2B, its largest division, offsetting falls within B2C.

Business to business ('B2B')

B2B's operating profits* were up 21% to £14 million on revenues up 16% to £43 million. There was an exceptional performance from the Oil & Gas sector where Gastech was successfully held in Dubai in March. The Technology sector was well up on last year with particularly good results coming from its Evanta business due to organic growth and new launches in Philadelphia and Vancouver. The second half will see the holding of the biennial Global Petroleum Show in Calgary in June.

Business to Retail ('B2R')

B2R's operating profits* grew by £4 million to £8 million on revenues up 110% to £25 million due to the inclusion of George Little Management from the start of the year. Excluding this acquisition, organic revenue growth was 2%. The New York International Gift Fair, GLM's premier brand, performed well with both revenue and profit above last year's result. Surf Expo continues to perform strongly.

Business to Consumer ('B2C')

B2C's operating profits* fell by £3 million to £4 million on revenues down 19% to £44 million. Performance was mixed in a challenging environment with the North American Home Shows performing well, but the UK businesses down significantly, due primarily to lower stand sales.

DMG Radio Australia

	2008	2007	Movement
	£m	£m	%
Revenue	26	19	+ 42%
Operating profit*	-	(2)	N/A
Operating margin*	0%	-12%	

DMG Radio Australia achieved break-even, excluding its two 50% owned profitable stations in Brisbane and Perth. The Nova network has again achieved the number one position for All People 18-39 across Australia in the first three 2008 surveys. Nova Brisbane and 5AA in Adelaide retained their number one rankings for their cities. The Vega stations made some progress, reducing their losses, but their performance continues to be disappointing.

Unallocated central costs

	2008	2007	Movement
	£m	£m	%
Operating loss*	(7)	(10)	- 30%

The fall in unallocated central costs was due to a lower financing component as a result of the surplus on the Group's defined benefit pension schemes at the start of the year.

Other income statement items

- **Net interest payable**

	2008	2007	Movement
	£m	£m	%
Net interest payable and similar charges	(39)	(37)	+5%
Swap premia income	16	9	+ 78%
Total	(23)	(28)	- 18%

Net interest payable and similar charges (excluding swap premia but including deemed finance charges and interest receivable) rose by £2 million to £39 million due to higher average net debt.

Income from tax equalisation swap premia will this year be significantly weighted to the first half of the year due to market movements which enabled us to crystallise profits early.

The tax equalisation swap premia structure includes foreign exchange hedges which generate foreign exchange movements with an equal and opposite movement in the Group's tax position. Last year, this resulted in a £3 million credit to net interest and a corresponding charge to tax. This year, due to the weakness of sterling, it has resulted in a £63 million charge to net interest and an equal credit to taxation. We have treated both items as exceptional and excluded them from underlying results.

During the period, the Group negotiated an additional £90 million of committed short-term bank facilities. The Group's ratio of net debt to forecast EBITDA remains comfortable at 2.88 (on a rolling 12 month basis), although this is above the Group's target of 2.5 times. We are accordingly looking to reduce our debt over the coming months.

- **Other items**

The Group's share of the results* of its joint ventures and associates fell by £2.5 million to £0.3 million. Following the reclassification of GLM as a subsidiary from the start of the year, the main item is DMG Radio Australia's joint ventures which increased their contribution. This was offset by a share of the losses of Mail Today in India.

The Group has charged £2 million as exceptional operating costs. This charge comprised reorganisation costs within Associated and Northcliffe, net of a credit within Euromoney.

The charge for amortisation of intangible assets rose by £3 million to £46 million. The Group has also made an impairment charge of £35 million, principally relating to a number of consumer and gift shows, but including a write down of £14 million of the Group's original investment in GLM, arising purely from the Group's IFRS transition election on 4th October, 2004 and matched by an equal and opposite credit to reserves.

An exceptional gain of £10 million arose within income from associates on the sale of the main business of Centurion (formerly Indigo Holidays). The Group recorded other gains and losses of £15 million, compared to £46 million in the prior period. This comprised mainly an exceptional profit of £12 million on the sale of businesses, principally that of Dolphin Software by DMG Information, and a gain of £5 million on the sale of surplus properties.

- **Taxation**

The adjusted tax charge of £28 million (2007 £39 million) is stated after adjusting for the effect of exceptional items. The adjusted tax rate for the half year fell to 19.7 % from 26.4% in the 2007 full year. The fall reflects tax reductions from tax-efficient financing and increased tax deductible amortisation in the US that are expected to recur. Efficiencies arising from tax equalisation arrangements which are not necessarily sustainable also reduced the rate. Excluding the latter, the underlying rate of tax would have been approximately 24% which is also our best estimate of the Group's underlying rate for the full year.

Pensions

The surplus on the Group's defined benefit pension schemes fell slightly from £81 million at the beginning of the year to £80 million at the half year (calculated in accordance with IAS 19). There was a slight increase on the main schemes due primarily to higher bond yields reducing the value of liabilities more than the fall in asset values in the period.

Net debt and cash flow

Net debt at the end of the period was £1,141 million, an increase of £191 million since the year end. Total acquisition spend was £163 million, capital expenditure £41 million, taxation and interest £53 million and dividends and share repurchases totalled £134 million. These were offset partly by operating cash flows of £173 million and disposals of investments and businesses of £27 million.

The main acquisitions were the cost of buying the balance of GLM for £77 million and the purchase of 6.8 million Euromoney shares for £27 million, increasing the Group's stake from 61.2% to 66.6%. Other smaller acquisitions were made of Inframation, a German property information business, Enva Power, which provides power market traders with trading insight based on complex analytics and real-time market data, Oilcareers, an online job-board for the oil industry principally focused on UK jobs and an investment in a US based advertising solutions business, Spot Runner. The main disposal was of Dolphin Software by DMG Information.

The Group acquired 18.4 million of its 'A' Ordinary shares for £88 million, using 2.8 million of them to settle exercised share options in RMS. Following these purchases, DMGT's weighted average number of shares in issue for the full year is estimated at 377.6 million (2007 390.3 million). No purchases have been made since February as the Group has concentrated on reducing its debt. The Board will consider making further share repurchases where this continues to create value for shareholders.

Subsequent events

Since the half year, the Group has made disposals totalling £58 million. Hobsons' European graduate recruitment businesses in Germany, Belgium and the UK have been sold for £28 million. The Group has also sold 9.8 million shares in GCap Media, which is subject to an agreed takeover bid, for £22 million. Its remaining 8.337% holding in GCap Media, valued at around £30 million, is expected to be realised shortly.

Dividend

The Board has declared an interim dividend of 4.80 pence per Ordinary 'A' Ordinary Non-Voting share (2007 4.45 pence) which will be paid on 4th July, 2008 to shareholders on the register at the close of business on 6th June, 2008.

Statement of Directors' responsibilities

The Directors are responsible for preparing the half-yearly financial report, in accordance with applicable law and regulations.

The Directors confirm that to the best of their knowledge, this condensed set of financial statements which should be read in conjunction with the annual financial statements for the year ended 30th September, 2007:

a) has been prepared in accordance with IAS 34 'Interim financial reporting' as adopted by the European Union; and

b) includes a fair review of the information required by the Financial Services Authority's Disclosure and Transparency Rules 4.2.7R and 4.2.8R.

By order of the Board of Directors

The Viscount Rothermere

Chairman

21st May, 2008

*References to operating profit or loss or share of the results of joint ventures and associates in the narrative above are to adjusted operating profit or loss or adjusted share of the results of joint ventures and associates before amortisation and impairment of intangible assets and exceptional items); see notes 2 and 3.

The average £:\$ exchange rate for the half year was £1: \$2.01 (against £1:\$1.94 for the first half of last year).

For further information

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Analysts' presentation and webcast

A presentation of the Half Year results will be given to investors and analysts at 9.30 a.m. on 22nd May, 2008 at the offices of JP Morgan Cazenove, 20 Moorgate, London, EC2R 6DA. There will also be a live webcast available on our website: <http://www.dmgt.co.uk>.

Next trading update

The Group's next scheduled announcement of financial information will be its third quarter interim management statement on 23rd July 2008.

Condensed consolidated income statement

For the period ended 30th March, 2008

	Note	Unaudited Half year ended 30th March, 2008 £m	Unaudited Half year ended 1st April, 2007 £m	Audited Year ended 30th September, 2007 £m
Continuing operations				
Revenue	3	1,167.8	1,116.1	2,235.1
Operating profit before exceptional operating costs and amortisation and impairment of goodwill and intangible assets	3	166.1	159.0	322.4
Exceptional operating costs	4	(1.8)	(6.5)	(28.1)
Amortisation and impairment of goodwill and intangible assets	3	(76.4)	(41.3)	(134.9)
Operating profit before share of results of joint ventures and associates	3	87.9	111.2	159.4
Share of results of joint ventures and associates	5	5.5	1.0	1.8
Total operating profit		93.4	112.2	161.2
Other gains and losses	6	15.4	45.6	35.7
Profit before net finance costs and tax		108.8	157.8	196.9
Investment income	7	1.7	2.5	7.0
Finance costs	8	(87.9)	(27.5)	(61.8)
Net finance costs		(86.2)	(25.0)	(54.8)
Profit before tax		22.6	132.8	142.1
Tax	9	44.1	(38.1)	(20.3)
Profit after tax from continuing operations		66.7	94.7	121.8
Discontinued operations				
Profit from discontinued operations		0.2	0.4	0.5
Profit for the period		66.9	95.1	122.3
Attributable to :				
Equity shareholders		58.5	87.1	107.0
Minority interests		8.4	8.0	15.3
Profit for the period		66.9	95.1	122.3
Earnings per share				
	12			
From continuing operations				
Basic		15.3 p	22.3 p	27.3 p
Diluted		15.3 p	22.2 p	27.1 p
From discontinued operations				
Basic		– p	– p	0.1 p
Diluted		– p	– p	0.1 p
From continuing and discontinued operations				
Basic		15.3 p	22.3 p	27.4 p
Diluted		15.3 p	22.2 p	27.2 p
Adjusted earnings per share				
From continuing and discontinued operations				
Basic		27.8 p	21.9 p	49.3 p
Diluted		27.8 p	21.9 p	49.2 p

Condensed consolidated statement of recognised income and expense

For the period ended 30th March, 2008

		Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year ended 30th September, 2007
	Note	£m	£m	£m
Profit for the period		66.9	95.1	122.3
Foreign exchange differences on translation of foreign operations		26.8	23.0	1.8
Fair value movements on available-for-sale investments		–	2.4	0.2
(Losses)/gains on cash flow hedges		(4.9)	2.5	6.4
Change in value of other hedges recorded in equity		(24.9)	(0.9)	13.4
Actuarial gains on defined benefit pension schemes		4.6	120.7	207.1
Current tax on items recognised in equity		–	–	0.3
Deferred tax on actuarial movement		(1.3)	(36.2)	(60.9)
Deferred tax on other items recognised directly in equity		3.4	(0.7)	1.2
Net income recognised directly in equity		65.0	205.9	291.8
Transfers				
Impairment of GCap Media plc recognised in income statement		–	–	24.4
Translation reserves recycled to income statement on disposals		–	–	(0.1)
Transfer of gain on cash flow hedges from translation reserves to income statement		(2.1)	–	(2.7)
		(2.1)	–	21.6
Total recognised income and expense for the period		62.9	205.9	313.4
Attributable to :				
Equity shareholders		56.2	192.4	296.0
Minority interests		8.5	13.5	17.4
		68.5	205.9	313.4

Condensed consolidated reconciliation of movements in equity

For the period ended 30th March, 2008

		Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year ended 30th September, 2007
	Note	£m	£m	£m
Total recognised income and expense for the year		68.5	205.9	313.4
Dividends paid	10	(38.4)	(35.3)	(53.2)
Issue of share capital		–	2.1	2.7
Exercise of acquisition option commitments		7.0	–	7.2
Movement in losses attributable to minorities which are borne by Group		–	–	5.4
Initial recording of put options granted to minority interests in subsidiaries		–	(13.9)	(18.5)
Transactions with minorities		(9.3)	20.8	11.2
Settlement of exercised share options of subsidiary		(16.5)	(13.0)	(13.2)
Credit to equity for share-based payments		6.9	4.7	18.1
Shares purchased to be held in treasury		(88.3)	(18.6)	(32.8)
Own shares released on vesting of share options		16.8	–	4.9
Revaluation of previously held interest in associate on acquisition of control	18	27.0	–	–
Adjustment to equity following increased stake in controlled entity		(7.3)	–	–
Total movement in equity for the period		(33.6)	152.7	245.2
Equity at the beginning of the period		720.5	475.3	475.3
Equity at the end of the period		686.9	628.0	720.5

Condensed consolidated balance sheet

As at 30th March, 2008

	Note	Unaudited Half year ended 30th March, 2008 £m	Unaudited Half year ended 1st April, 2007 restated * £m	Audited Year ended 30th September, 2007 £m
ASSETS				
Non-current assets				
Goodwill		972.0	868.9	887.4
Other intangible assets		674.6	574.2	592.7
Property, plant and equipment	14	521.1	513.8	520.7
Investments				
Joint ventures		24.6	17.3	19.2
Associates		14.1	71.4	64.7
Available-for-sale investments		70.8	54.9	52.3
Deferred tax assets		10.4	13.7	8.0
Derivative financial assets		1.5	19.3	14.4
Trade and other receivables		4.7	6.1	4.8
Retirement benefit assets		82.7	–	82.0
		2,376.5	2,139.6	2,246.2
Current assets				
Inventories		34.7	27.1	25.5
Trade and other receivables		512.9	473.7	429.5
Derivative financial assets		56.3	40.3	16.1
Cash and cash equivalents		79.3	85.0	70.4
		683.2	626.1	541.5
Total assets of subsidiaries held for sale		–	14.4	–
Total assets		3,059.7	2,780.1	2,787.7
LIABILITIES				
Current liabilities				
Trade and other payables		(695.5)	(612.3)	(621.0)
Current tax payable		(121.5)	(176.1)	(157.4)
Acquisition put option commitments	15	(20.1)	(8.4)	(21.8)
Other financial liabilities	16	(37.3)	(29.1)	(43.2)
Derivative financial liabilities		(89.3)	(4.9)	(4.8)
Provisions		(25.9)	(20.6)	(22.7)
		(989.6)	(851.4)	(870.9)
Non-current liabilities				
Acquisition put option commitments	15	(14.2)	(34.4)	(18.8)
Other financial liabilities	16	(1,167.1)	(1,066.1)	(982.7)
Retirement benefit obligations		(3.2)	(19.9)	(1.4)
Derivative financial liabilities		(26.6)	(5.4)	(8.1)
Provisions		(41.6)	(47.3)	(49.0)
Deferred tax liabilities		(128.9)	(122.7)	(135.6)
Other non-current liabilities		(1.6)	(1.2)	(0.7)
		(1,383.2)	(1,297.0)	(1,196.3)
Total liabilities of subsidiaries held for sale		–	(3.7)	–
Total liabilities		(2,372.8)	(2,152.1)	(2,067.2)
Net assets		686.9	628.0	720.5
SHAREHOLDERS' EQUITY				
Called up share capital	17	49.1	50.3	49.4
Share premium account		12.4	11.8	12.4
Share capital		61.5	62.1	61.8
Capital redemption reserve		1.1	–	0.8
Revaluation reserve		44.5	48.9	46.0
Shares held in treasury		(97.7)	(81.7)	(44.4)
Translation reserve		24.5	39.5	27.0
Retained earnings		623.1	541.9	601.7
Equity shareholders' funds		657.0	610.7	692.9
Equity minority interests		29.9	17.3	27.6
		686.9	628.0	720.5

Approved by the Board of Directors on 21st May, 2008.

* restated following a reclassification of derivatives (note 2).

Condensed consolidated cash flow statement

For the period ended 30th March, 2008

	Note	Unaudited Half year ended 30th March, 2008 £m	Unaudited Half year ended 1st April, 2007 £m	Audited Year ended 30th September, 2007 £m
Operating profit before share of results of joint ventures and associates - continuing		87.9	111.2	159.4
Operating profit - discontinued		0.2	0.8	0.8
Adjustments for :				
Share based payments		6.9	4.7	18.1
Depreciation		31.0	28.1	59.0
Impairment of property, plant and equipment		–	–	6.0
Amortisation of intangible assets		45.2	41.3	82.2
Impairment of goodwill and intangible assets		31.2	–	52.7
Operating cash flows before movements in working capital		202.4	186.1	378.2
(Increase)/decrease in inventories		(7.0)	4.4	5.9
Increase in trade and other receivables		(68.4)	(89.5)	(64.2)
Increase in trade and other payables		43.6	54.1	59.8
(Decrease)/increase in provisions		(0.5)	3.4	3.4
Cash generated by operations		170.1	158.5	383.1
Taxation paid		(18.3)	(31.4)	(43.8)
Taxation received		7.8	–	–
Net cash from operating activities before payment into pension scheme		159.6	127.1	339.3
Payment into Group pension scheme following sale of Aberdeen Journals in 2006		–	(26.3)	(25.9)
Net cash from operating activities		159.6	100.8	313.4
Investing activities				
Interest received		1.9	3.9	5.7
Dividends received from joint ventures and associates		3.0	4.4	6.6
Dividends received from available-for-sale investments		0.4	0.8	1.5
Purchase of property, plant and equipment		(34.9)	(40.1)	(72.2)
Purchase of available-for-sale investments		(19.9)	(1.3)	(0.6)
Proceeds on disposal of property, plant and equipment		7.9	7.3	5.3
Proceeds on disposal of available-for-sale investments		–	0.1	2.1
Purchase of subsidiaries	18	(91.8)	(192.1)	(305.2)
Purchase of additional interests in controlled entities	19	(33.4)	(1.6)	(7.1)
Expenditure on internally generated intangible fixed assets		(6.5)	(6.4)	(14.0)
Treasury derivative activities		(1.0)	5.6	32.8
Investment in joint ventures and associates		(6.2)	(13.4)	(14.5)
Loans to joint ventures and associates repaid		4.1	–	5.0
Proceeds on disposal of businesses	20	14.2	5.0	37.0
Proceeds on disposal of associates		–	–	1.1
Net cash used in investing activities		(162.2)	(227.8)	(316.5)
Financing activities				
Equity dividends paid	10	(38.4)	(35.3)	(52.6)
Dividends paid to minority interests		(7.5)	(7.1)	(8.9)
Issue of share capital		–	2.2	2.7
Issue of shares by Group companies to minority interests		0.1	0.8	0.5
Purchase of own shares	17	(88.3)	(21.8)	(32.8)
Settlement of subsidiary share option plan		–	(6.0)	(8.7)
Interest paid		(14.5)	(44.0)	(56.6)
Proceeds on issue of bonds		–	–	197.8
Premium on repurchase of bonds		–	(2.8)	(2.6)
Bonds redeemed		–	(9.4)	(9.4)
Loan notes repaid		(20.5)	(0.7)	(2.8)
Increase in/(repayment of) bank borrowings		174.7	235.9	(54.7)
Net cash from/(used in) financing activities		5.6	111.8	(28.1)
Net increase/(decrease) in cash and cash equivalents		3.0	(15.2)	(31.2)
Cash and cash equivalents at beginning of period		64.0	96.1	96.1
Exchange gain/(loss) on cash and cash equivalents		2.5	(0.8)	(0.9)
Net cash and cash equivalents at end of period	13	69.5	80.1	64.0

1 Basis of preparation

The information for the six months ended 30th March, 2008 and 1st April, 2007 and for the twelve months ended 30th September, 2007 does not constitute statutory accounts for the purposes of section 240 of the Companies Act 1985. A copy of the accounts for the year ended 30th September, 2007 has been delivered to the Registrar of Companies. The auditors' report on those accounts was not qualified and did not contain statements under section 237 (2) or (3) of the Companies Act 1985.

The Annual Report and Accounts of DMGT plc are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European union. These condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the European Union.

2 Accounting policies and presentation

These condensed consolidated financial statements have been prepared in accordance with the accounting policies set out in the 2007 Annual Report and Accounts. These policies are expected to be followed in the preparation of the full financial statements for the financial year ending 28th September, 2008.

Impact of new accounting standards

At the date of authorisation of these financial statements, the following standards have been issued but not applied to the information in these condensed consolidated financial statements since they do not apply to this reporting period or are not relevant to disclosures in these condensed consolidated financial statements.

IFRS 7, Financial Instruments : Disclosures (effective for periods beginning on or after 1st January, 2007). IFRS 7 requires discussion of the significance of financial instruments for an entity's financial position and performance and of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. Adoption of this standard will not cause any change to the Group's results or financial position but will result in additional disclosures.

Amendment to IAS 1, Presentation of Financial Statements (effective for periods beginning on or after 1st January, 2007). The amendment to IAS 1 introduces disclosures about the level of an entity's capital and how it manages capital. Adoption of this amendment is not expected to change the presentation of the Group's financial statements significantly.

Amendment to IAS 1, Presentation of Financial Statements (effective for periods commencing on or after 1st January, 2009). This amendment introduces changes to the way in which movements in equity must be disclosed and requires an entity to disclose each component of other comprehensive income not recognised in profit or loss. The amendment also requires disclosure of the amount of income tax relating to each component of other comprehensive income as well as several other minor disclosure amendments.

IFRS 8, Operating Segments (effective for periods beginning on or after 1st January, 2009). IFRS 8 sets out disclosure requirements concerning an entity's operating segments, products, services, geographical areas in which it operates and its major customers. IFRS 8 replaces IAS 14, Segmental Reporting. Adoption of this standard is not expected to change the disclosures already made in the DMGT plc Annual Report and Accounts significantly.

Amendment to IAS 23, Borrowing Costs (effective for periods commencing on or after 1st January, 2009). This standard requires all borrowing costs which are directly attributable to an acquisition construction or production of a qualifying asset to form part of the cost of that asset. The Group does not expect a significant impact from the adoption of this standard.

Amendment to IFRS 2, Share-based Payment (effective for periods commencing on or after 1st January, 2009). The amendment clarifies that vesting conditions are service conditions and performance conditions only. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group does not expect a significant impact from the adoption of this standard.

Amendments to IAS 32, Puttable financial instruments and obligations arising on liquidation (effective for periods beginning on or after 1st January, 2009). The amendments are relevant to entities that have issued financial instruments that are (i) puttable financial instruments, or (ii) instruments, or components of instruments that impose on the entity an obligation to deliver to another party a pro-rata share of the net assets on liquidation only. As a result of the amendments, some financial instruments that currently meet the definition of a financial liability will be classified as equity because they represent the residual interest in the net assets of the entity. The amendments set out extensive detailed criteria to be met in order to be able to classify these instruments as equity. The impact of these amendments is restricted to specific cases and no analogies can be made. The Group does not expect a significant impact from the adoption of this standard.

IFRS 3 (Revised), Business Combinations (effective for periods commencing on or after 1st July, 2009). The amendment introduces changes that will require all acquisition related costs to be expensed and adjustments to contingent consideration to be recognised in income and will allow the full goodwill method to be used when accounting for non-controlling interests.

Amendment to IAS 27, Consolidated and Separate Financial Statements (effective for periods commencing on or after 1st July, 2009). The amendment introduces changes to the accounting for partial disposals of subsidiaries, associates and joint ventures. Adoption of these amendments is not expected to significantly impact the measurement, presentation or disclosure of future disposals.

The following interpretation of international accounting standards has been issued and is applicable to the Group for the year ended 28th September, 2008. The adoption of this interpretation has not had a significant impact on the Group's financial statements :

IFRIC 11, IFRS 2 Group and Treasury Share Transactions (effective for periods beginning on or after 1st March, 2007)

The following interpretations have been issued which are not yet applicable to the Group since they are only effective for accounting periods beginning after 1st October, 2007 although the Group has followed the guidance in IFRIC 12 and IFRIC 14 :

IFRIC 12, Service Concession Agreements (effective for periods beginning on or after 1st January, 2008)

IFRIC 13, Customer Loyalty Programmes (effective for periods beginning on or after 1st July, 2008)

IFRIC 14, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (effective for periods beginning on or after 1st January, 2008)

2 Other changes

In light of the IASB's decision to revisit IAS 1, Presentation of Financial Statements, in respect of the presentation of derivatives in the balance sheet, the Group has reclassified its derivative financial assets and liabilities from current to non-current where the maturity of these contracts is greater than twelve months from the balance sheet date. This has resulted in an increase in non current assets amounting to £19.3 million and an increase in non-current liabilities amounting to £5.4 million together with a decrease in current assets amounting to £19.3 million and a decrease in current liabilities amounting to £5.4 million for the period ended 1st April, 2007.

In the prior period the income statement heading "Profit before net finance costs and tax" was named "Profit from operations". This change was made for the clarification of the reader.

Critical accounting judgements and key sources of estimation uncertainty

In addition to the judgements taken by management in selecting and applying the accounting policies as set out in the Group's Annual Report and Accounts, management has made the following critical judgements and estimates concerning the amounts recognised in the condensed consolidated financial statements.

Acquisitions and intangible assets

The Group's accounting policy on the acquisition of subsidiaries is to allocate purchase consideration to the fair value of identifiable assets, liabilities and contingent liabilities acquired with any excess consideration representing goodwill. In determining the fair value of assets, liabilities and contingent liabilities acquired, significant estimates and assumptions, including assumptions with respect to cash flows and unprovided liabilities and commitments, particularly in respect of tax, are often used. The Group recognises intangible assets acquired as part of a business combination at fair values at the date of the acquisition. The determination of these fair values is based upon management's judgement and includes assumptions on the timing and amount of future cash flows generated by the assets and the selection of an appropriate discount rate. Additionally, management must estimate the expected useful economic lives of intangible assets and charge amortisation on these assets accordingly.

Acquisition option commitments

The Group is party to a number of put and call options over the remaining minority interests in some of its subsidiaries. IAS 39, Financial Instruments : Recognition and Measurement, requires that the fair value of these acquisition option commitments is recognised as a liability on the balance sheet with a corresponding decrease in reserves. Subsequent changes in fair value of the liability are reflected in the income statement. Key areas of judgement in calculating the fair value of the options are the expected future cash flows and earnings of the business and the discount rate. At 30th March, 2008 the fair value of these acquisition option commitments is £34.3 million (2007 £42.8 million).

Deferred consideration

Estimates are required in respect of the amount of deferred contingent consideration, which is determined according to formulae agreed at the time of the business combination, and normally related to the future earnings of the acquired business. The Directors review the amount of contingent consideration likely to become payable at each balance sheet date, the major assumption being the level of future profits of the acquired business. At 30th March, 2008 the Group has outstanding deferred consideration payable amounting to £51.9 million (2007 £52.1 million). Deferred consideration is discounted to its fair value in accordance with IFRS 3 and IAS 37. The difference between the fair value of these liabilities and the actual amounts payable is charged to the income statement as a notional finance cost.

Impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and compare to the net present value of these cashflows using a suitable discount rate to determine if any impairment has occurred. A key area of judgement is deciding the long-term growth rate of the applicable businesses and the discount rate applied to those cash flows. The carrying amount of goodwill and intangible assets at the balance sheet date was £1,646.6 million (2007 £1,443.1 million) after an impairment loss of £31.2 million (2007 £nil) recognised during the period.

Adjusted profits and exceptional items

The Group presents adjusted earnings by making adjustments for costs and profits which management believe to be exceptional in nature by virtue of their size or incidence including tax items. Such items would include one off gains and losses on disposal of businesses, properties and similar items of a non-recurring nature together with reorganisation costs and similar charges, and by adding back impairment of goodwill and amortisation and impairment of intangible assets. See note 11 for a reconciliation of profit before tax to adjusted profit.

Share-based payments

The Group makes share-based payments to certain employees. These payments are measured at their estimated fair value at the date of grant, calculated using an appropriate option pricing model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of the number of shares that will eventually vest. The key assumptions used in calculating the fair value of the options are the discount rate, the Group's share price volatility, dividend yield, risk free rate of return, and expected option lives. Management regularly perform a true-up of the estimate of the number of shares that are expected to vest; this is dependent on the anticipated number of leavers.

Taxation

Being a multinational Group with tax affairs in many geographic locations inherently leads to a highly complex tax structure which makes the degree of estimation and judgement more challenging. The resolution of issues is not always within the control of the Group and is often dependent on the efficiency of legal processes. Such issues can take several years to resolve. The Group takes a prudent view of unresolved issues. However the inherent uncertainty regarding these items means that the eventual resolution could differ significantly from the accounting estimates and therefore impact the Group's results and future cash flows. In the period to 30th March, 2008 there have been no material changes to the estimates of tax payable in relation to uncertain tax positions.

Retirement benefit obligations

The cost of defined benefit pension plans is determined using actuarial valuations prepared by the Group's actuaries. This involves making certain assumptions concerning discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long term nature of these plans, such estimates are subject to significant uncertainty. The assumptions and the resulting estimates are reviewed annually and, when appropriate, changes are made which affect the actuarial valuations and, hence, the amount of retirement benefit expense recognised in the income statement and the amounts of actuarial gains and losses recognised in the statement of recognised income and expense. The net carrying amount of the retirement benefit obligation at 30th March, 2008 was a surplus of £79.5 million (2007 deficit £19.9 million). Further details are given in note 21.

3 Segment analysis

For management purposes, the Group's business activities are split into six operating divisions - National newspapers, Local media, Business information, Euromoney, Exhibitions and Radio. These divisions are the basis on which the Group reports its primary segment information.

Analysis of revenue by business segment

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
National newspapers	547.4	533.9	1,060.5
Local media	216.8	221.9	450.7
Business information	150.2	135.0	293.3
Euromoney	154.8	149.1	310.2
Exhibitions	112.7	100.8	164.1
Radio	26.3	18.5	39.8
Revenue - continuing operations	1,208.2	1,159.2	2,318.6

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
National newspapers	(39.3)	(35.2)	(74.3)
Local media	(0.9)	(2.8)	(3.6)
Business information	(0.2)	(0.2)	(0.6)
Revenue - inter-segment	(40.4)	(38.2)	(78.5)

Inter-segment sales are charged at prevailing market prices other than the sale of newsprint from the National newspaper to the Local media division which is at cost. The amount of newsprint sold during the period amounted to £18.6 million (2007 £17.8 million).

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Euromoney	-	(4.9)	(5.0)
Revenue - discontinued operations	-	(4.9)	(5.0)

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
National newspapers and related activities	508.1	498.7	986.2
Local media	215.9	219.1	447.1
Business information	150.0	134.8	292.7
Euromoney	154.8	144.2	305.2
Exhibitions	112.7	100.8	164.1
Radio	26.3	18.5	39.8
Revenue - total	1,167.8	1,116.1	2,235.1

Analysis of revenue by geographic origin

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
UK	829.8	826.9	1,655.9
Rest of Europe	36.1	31.6	58.9
North America	233.8	201.5	404.5
Australia	30.0	20.8	52.1
Rest of the World	38.1	35.3	63.7
Revenue - total	1,167.8	1,116.1	2,235.1

3 Segment analysis (continued)

Analysis of operating profit before exceptional operating costs and amortisation and impairment of goodwill and intangible assets by business segment

		Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	Note	£m	£m	£m
National newspapers and related activities		44.1	45.8	83.3
Local media		40.0	42.5	92.5
Business information		31.6	30.5	70.6
Euromoney		33.5	31.6	68.4
Exhibitions		23.4	20.6	27.0
Radio		0.3	(2.3)	(3.7)
Unallocated central costs		(6.8)	(9.7)	(15.7)
Operating profit before exceptional operating costs and amortisation and impairment of goodwill and intangible assets		166.1	159.0	322.4
Less : exceptional operating costs	4	(1.8)	(6.5)	(28.1)
Less : amortisation of intangible assets		(45.2)	(41.3)	(82.2)
Less : impairment of goodwill and intangible assets	(i)	(31.2)	–	(52.7)
Operating profit		87.9	111.2	159.4

Analysis of operating profit after exceptional operating costs and amortisation and impairment of goodwill and intangible assets by business segment

		Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
		£m	£m	£m
National newspapers and related activities		28.3	29.6	17.1
Local media		32.2	35.0	70.3
Business information		26.3	26.9	59.0
Euromoney		25.9	19.4	44.7
Exhibitions		(13.4)	16.8	(3.2)
Radio		(4.6)	(6.8)	(12.8)
Unallocated central costs		(6.8)	(9.7)	(15.7)
Operating profit after exceptional operating costs and amortisation and impairment of goodwill and intangible assets		87.9	111.2	159.4

- (i) The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired. The impairment recognised for the period was £31.2 million (2007 £nil). Of the impairment charge for the period, £30.1 million relates to the Exhibition division in relation to their gift sector businesses whilst £1.1 million is an adjustment to goodwill in Euromoney.

At 30th March, 2008 Euromoney re-assessed the recoverability of tax losses acquired with Metal Bulletin and as a result recognised a deferred tax asset of £1.1 million. In accordance with IAS 12, Income Taxes, the Group is required to reduce its previously capitalised goodwill to offset this deferred tax asset.

Included within the gift sector charge is an amount of £14.4 million relating to George Little Management LLC (GLM) (note 18). GLM was an associate on October 3rd, 2004, the Group's transition date to IFRS. On transition to IFRS, the Group elected not to apply IFRS 3, Business Combinations, retrospectively to past business combinations and the carrying value of goodwill, intangible assets and other assets and liabilities associated with the Group's stakes in its subsidiaries, associates and joint ventures. As a result of the application of IFRS 3 on acquiring control of GLM a double count of goodwill in respect of the Group's acquisition of its initial 25% stake has occurred as under UK GAAP the majority of this stake was attributed to goodwill and no separately identifiable assets were recorded. As a result of this double count the Group has been required to record an impairment charge of £14.4 million immediately following acquisition of control and this is included in the charge for the period.

The balance of the gift sector charge reflects a downturn in the gift sector markets they support.

When testing for impairment, the recoverable amounts for all the Group's cash-generating units (CGUs) are measured at their value in use by discounting future expected cash flows. These calculations use cash flow projections based on management approved budgets and projections which reflect management's current experience and future expectations of the markets in which the CGU operates. Risk adjusted discount rates used by the Group in its impairment tests range from 8.4% to 15.0%, the choice of rates depending on the market and maturity of the CGU; the growth rates used in the projections range between 0% and 5% and vary with management's view of the CGU's market position, maturity of the relevant market, and do not exceed the long term average growth rate for the market in which it operates.

4 Exceptional operating costs

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
National newspapers and related activities	(1.1)	–	(13.3)
Local media	(1.4)	(2.2)	(6.0)
Euromoney	0.7	(4.3)	(5.9)
Exhibitions	–	–	(2.9)
	(1.8)	(6.5)	(28.1)

Following reorganisation and restructuring within the National newspaper and Local media divisions the Group incurred an exceptional charge of £2.5 million and a related tax credit of £0.7 million. Euromoney successfully surrendered a lease on a vacant building previously utilised by Metal Bulletin and released other reorganisation and restructuring provisions, set up following the acquisition of Metal Bulletin, which are no longer required. This resulted in an exceptional credit to the Group of £0.7 million and a related tax charge of £0.2 million.

In the prior period the Group's exceptional operating costs comprised restructuring and strategic review costs within Local media, together with reorganisation costs within Euromoney arising from the acquisition of Metal Bulletin plc.

5 Share of results of joint ventures and associates

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Share of profits from operations of joint ventures	0.4	1.4	2.4
Share of (losses)/profits from operations of associates	(0.1)	1.9	3.6
Share of associates' other gains	9.8	–	0.6
Before amortisation, impairment of goodwill, interest and tax	10.1	3.3	6.6
Share of amortisation of intangibles of joint ventures	(0.4)	(0.5)	(0.7)
Share of amortisation of intangibles of associates	–	(1.3)	(3.2)
Share of associates' interest receivable	–	0.1	0.1
Share of joint ventures' tax	(0.3)	(0.3)	(0.5)
Share of associates' tax	(0.1)	(0.3)	(0.5)
Impairment of carrying value of associate	(3.8)	–	–
	5.5	1.0	1.8
Share of results from operations of joint ventures	(0.3)	0.6	1.2
Share of results from operations of associates	5.8	0.4	0.6
	5.5	1.0	1.8

- (i) Represents the Group's share of Centurion Holiday Group Limited's (formerly Indigo Holidays Limited) profit on disposal of Hotels4u.com.
- (ii) Centurion Holiday Group Limited was liquidated following the period end. The Group's carrying value has been written down to the proceeds received on liquidation.

6 Other gains and losses

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Profit on sale of trading investments	–	–	0.7
Profit on sale of property, plant and equipment	5.3	–	1.2
Profit on sale of businesses	11.7	3.3	15.2
Impairment of available-for-sale assets	(1.5)	–	–
Recycled impairment loss of GCap Media plc	–	–	(24.4)
Profit on deemed part disposal of Euromoney Institutional Investor plc	–	42.3	42.4
(Loss)/profit on sale and deemed disposal of joint ventures and associates	(0.1)	–	0.6
	15.4	45.6	35.7

The profit on sale of businesses mainly comprises the sale of Dolphin Software Inc., a provider of information on hazardous chemicals within the Business information division.

In the prior period the profit on sale of businesses was mainly represented by the sale of Raven Fox by Euromoney, whilst the profit on deemed part disposal of Euromoney arose following Euromoney's issue of £65.0 million new share capital to the shareholders of Metal Bulletin, thereby reducing the Group's interest in Euromoney.

7 Investment revenue

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Dividend income			
The Press Association Limited	–	–	0.2
AMI	–	–	0.3
GCap Media plc	0.4	0.8	1.0
Interest receivable			
Short-term deposits	1.3	1.7	5.5
	1.7	2.5	7.0

8 Finance costs

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Interest and commitment fees payable on loans and bonds	(38.9)	(37.9)	(72.0)
(Loss)/gain on derivatives, or portions thereof, not designated for hedge accounting	(46.9)	12.5	16.5
Finance charge on discounting of deferred consideration	(1.3)	(1.2)	(2.8)
Other	(0.8)	(0.9)	(3.5)
	(87.9)	(27.5)	(61.8)

Analysed as follows :

Interest and commitment fees payable on loans and bonds	(38.9)	(37.9)	(72.0)
Finance charge on discounting of deferred consideration	(1.3)	(1.2)	(2.8)
Change in fair value of non designated portion of derivatives designated as net investment hedges	1.4	–	–
Change in fair value of interest rate caps not designated for hedge accounting	(1.2)	(0.1)	(0.3)
Change in fair value of derivative hedge of bond	2.5	(2.9)	(3.0)
Change in fair value of hedged portion of bond	(2.5)	2.8	3.0
	(40.0)	(39.3)	(75.1)
Tax equalisation swap income	8.7	9.5	30.5
Non foreign exchange gain/(loss) on tax equalisation options	7.4	–	(3.4)
	16.1	9.5	27.1
Foreign exchange (loss)/gain on tax equalisation arrangements	(63.2)	3.1	(10.3)
Foreign exchange loss on intra-group financing	–	(4.7)	(4.7)
Change in fair value of acquisition put options	(0.8)	3.6	3.8
Premium on repurchase of bonds	–	(2.8)	(2.6)
Fair value of short life options	–	3.1	–
	(64.0)	2.3	(13.8)
	(87.9)	(27.5)	(61.8)

The comparative figures in the above table have been re-analysed in order to assist the reader's understanding of the Group's finance costs.

Tax equalisation swap income and the gain/(loss) from tax equalisation options totalling £16.1 million (2007 £9.5 million) arises from the economic hedging of tax on foreign exchange movements. The foreign exchange loss on tax equalisation arrangements of £63.2 million (2007 profit £3.1 million) is excluded from adjusted profit since it is equal to a (reduced)/increased tax charge (see note 9). In addition, the foreign exchange loss on intra-group financing, premium on repurchase of bonds and the change in fair value of acquisition put options are also excluded from adjusted profits.

The finance charge on the discounting of deferred consideration arises from the requirement under IFRS 3 Business Combinations to discount deferred consideration back to current values.

9 Tax

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
The credit/(charge) on the profit for the period consists of :			
UK			
Corporation tax at 29% (2007 30%)	36.2	(31.7)	(41.9)
Adjustments in respect of prior period	0.6	1.6	29.4
	36.8	(30.1)	(12.5)
Overseas taxation			
Corporation taxes	(9.3)	(7.0)	(18.8)
Adjustments in respect of prior period	(0.7)	(0.7)	0.2
Total current taxation	26.8	(37.8)	(31.1)
Deferred tax			
Origination and reversals of timing differences	17.8	(0.9)	13.7
Adjustments in respect of prior period	(0.5)	0.6	(2.9)
	44.1	(38.1)	(20.3)

Corporation tax for the interim period is charged at 29% (2007 30%), representing the weighted average annual corporation tax rate expected for the full financial year.

Adjusted tax on profit before amortisation and impairment of intangible assets, restructuring costs and non-recurring items (adjusted tax charge) amounted to £28.4 million (2007 £39.0 million) and the resulting rate is 19.7 % (2007 28.8%). The differences between the tax credit/(charge) and the adjusted tax charge are shown in the reconciliation below, and are mainly the tax on exceptional items and a £63.2 million tax credit (2007 £3.1 million tax charge) relating to exchange (losses)/gains (see note 8). In calculating the adjusted tax rate, the Group excludes the potential future deferred tax effects of goodwill and intangibles as it prefers to give readers of its accounts a view of the tax charge based on the current status of such items.

Adjusted tax credit/(charge) for the period

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Total tax credit/(charge) on the profit for the period	44.1	(38.1)	(20.3)
Deferred tax on intangible assets and goodwill	(9.0)	(2.5)	(14.0)
Current tax on foreign exchange on tax equalisation arrangements	(63.2)	3.1	(10.3)
Credit on finalisation of open issues with HM Revenue and Customs	–	–	(27.4)
Tax on other exceptional items	(0.3)	(1.5)	(3.9)
Adjusted tax charge for the period	(28.4)	(39.0)	(75.9)

The adjusted tax rate for the period of 19.7% includes efficiencies arising from the tax equalisation swap arrangements which are not necessarily sustainable. Excluding these efficiencies, the adjusted tax rate would have been 24%.

10 Dividends paid

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Amounts recognisable as distributions to equity holders in the period			
'A' Ordinary Non-Voting shares - final dividend for the year ended 30th September, 2007	36.4	–	–
Ordinary shares - final dividend for the year ended 30th September, 2007	2.0	–	–
'A' Ordinary Non-Voting shares - interim dividend for the year ended 30th September, 2007	–	–	16.7
Ordinary shares - interim dividend for the year ended 30th September, 2007	–	–	0.9
'A' Ordinary Non-Voting shares - final dividend for the year ended 1st October, 2006	–	33.5	33.2
Ordinary shares - final dividend for the year ended 1st October, 2006	–	1.8	1.8
	38.4	35.3	52.6

The Board has declared an interim dividend of 4.80p per 'A' Ordinary Non-Voting share (2007 4.45p) which will reduce an estimated £17.9 million of shareholders' funds which has not been recognised in these financial statements. It will be paid on 4th July, 2008 to shareholders on the register at the close of business on 6th June, 2008. This dividend was approved by the Board on 21st May, 2008 and has not been included as a liability as at 30th March, 2008.

11 Adjusted profit

(before exceptional operating costs and amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs, after taxation and minority interests)

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Profit before tax - continuing	22.6	132.8	142.1
Profit before tax - discontinued	0.2	0.8	0.8
Add back :			
Amortisation of intangible assets in Group profit from operations and in joint ventures and associates	45.6	43.1	86.0
Impairment of goodwill and intangible assets	31.2	–	52.7
Exceptional operating costs	1.8	6.5	28.1
Share of associates' other gains	(9.8)	–	(0.6)
Impairment of carrying value of associate	3.8	–	–
Other gains and losses :			
Profit on sale of trading investments	–	–	(0.7)
Profit on sale of property, plant and equipment	(5.3)	–	(1.2)
Profit on sale of businesses	(11.7)	(3.3)	(15.2)
Impairment of available-for-sale assets	1.5	–	–
Recycle impairment loss of GCap Media plc	–	–	24.4
Profit on deemed part disposal of Euromoney	–	(42.3)	(42.4)
Loss/(profit) on sale and deemed disposal of joint ventures and associates	0.1	–	(0.6)
Finance costs :			
Foreign exchange losses/(profits) on tax equalisation arrangements	63.2	(3.1)	10.3
Foreign exchange losses intra group balances	–	4.7	4.7
Change in fair value of put options	0.8	(3.6)	(3.8)
Premium on repurchase of bonds	–	2.8	2.6
Change in fair value of short life options	–	(3.1)	–
Taxation :			
Share of taxation in joint ventures and associates	0.4	–	1.0
Profit before exceptional operating costs, amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs, taxation and minority interests	144.4	135.3	288.2
Total tax credit/(charge) on the profit for the period	44.1	(38.1)	(20.3)
Adjust for :			
Deferred tax on intangible assets and goodwill	(9.0)	(2.5)	(14.0)
Current tax on foreign exchange on tax equalisation arrangements	(63.2)	3.1	(10.3)
Agreed open issues with HM Revenue and Customs	–	–	(27.4)
Tax on other exceptional items	(0.3)	(1.5)	(3.9)
Interest of minority shareholders	(9.9)	(10.7)	(19.8)
Adjusted profit before exceptional operating costs, amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs after taxation and minority interests	106.1	85.6	192.5

The adjusted minority share of profits for the period of £9.9 million (2007 £10.7 million) is stated after eliminating a credit of £1.2 million (2007 £2.7 million), being the minority share of exceptional items.

12 Earnings per share

Basic earnings per share of 15.3p (2007 22.3p) is calculated, in accordance with IAS 33 Earnings per Share, on Group profit for the financial period of £58.5 million (2007 £87.1 million) and on the weighted average number of ordinary shares in issue during the period, of 381.7 million (2007 391.3 million) as set out below. Diluted earnings per share of 15.3p (2007 22.2p) are calculated using the weighted average number of ordinary shares during the period of 381.7 million (2007 391.6 million) as set out below.

As in previous periods, adjusted earnings per share have also been disclosed since the Directors consider that this alternative measure gives a more comparable indication of the Group's underlying trading performance. Adjusted earnings per share of 27.8p (2007 21.9p) is calculated on profit before exceptional operating costs, amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs, after charging the taxation and minority interests associated with those profits, of £106.1 million (2007 £85.6 million), as set out in note 11 above, and on the basic weighted average number of ordinary shares in issue during the period.

	Unaudited Half year ended 30th March, 2008 Pence per share	Unaudited Half year ended 1st April, 2007 Pence per share	Audited Year Ended 30th September, 2007 Pence per share
Basic earnings per share from continuing operations	15.3	22.3	27.3
Adjustment to exclude earnings of discontinued operations	–	–	0.1
Basic earnings per share from continuing and discontinued operations	15.3	22.3	27.4
Add back:			
Amortisation of intangible assets in Group profit from operations and in joint ventures and associates	11.9	11.0	22.0
Impairment of goodwill and intangible assets	8.2	–	13.5
Exceptional operating costs	0.5	1.7	7.2
Share of associates' other gains	(2.6)	–	(0.2)
Impairment of carrying value of associate	1.0	–	–
Other gains and losses :			
Profit on sale of trading investments	–	–	(0.2)
Profit on sale of property, plant and equipment	(1.4)	–	(0.3)
Profit on sale of businesses	(3.1)	(0.8)	(3.9)
Impairment of available-for-sale assets	0.4	–	–
Recycle of impairment loss of GCap Media plc	–	–	6.3
Profit on deemed part disposal of Euromoney	–	(10.8)	(10.9)
Loss/(profit) on sale and deemed disposal of joint ventures and associates	–	–	(0.2)
Finance costs :			
Foreign exchange losses/(profits) on tax equalisation arrangements	16.7	(0.8)	2.7
Foreign exchange losses intra group balances	–	1.2	1.2
Change in fair value of put options	0.2	(0.9)	(1.0)
Premium on repurchase of bonds	–	0.7	0.7
Change in fair value of short life options	–	(0.8)	–
Taxation :			
Share of taxation in joint ventures and associates	0.1	–	0.3
Profit before exceptional operating costs, amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs, taxation and minority interests	47.2	22.8	64.6
Adjust for :			
Deferred tax on intangible assets and goodwill	(2.4)	(0.6)	(3.6)
Current tax on foreign exchange on tax equalisation arrangements	(16.7)	0.8	(2.6)
Agreed open issues with HM Revenue and Customs	–	–	(7.0)
Tax on other exceptional items	–	(0.4)	(1.0)
Interest of minority shareholders	(0.3)	(0.7)	(1.1)
Adjusted earnings per share (before exceptional operating costs, amortisation and impairment of goodwill and intangible assets, other gains and losses and exceptional financing costs after taxation and minority interests)	27.8	21.9	49.3

The weighted average number of ordinary shares in issue during the period for the purpose of these calculations is as follows:

	Unaudited Half year ended 30th March, 2008 No. million	Unaudited Half year ended 1st April, 2007 No. million	Audited Year Ended 30th September, 2007 No. million
Weighted average number of shares			
Number of ordinary shares in issue	402.6	402.6	396.6
Shares held in treasury	(20.9)	(11.3)	(6.3)
Basic earnings per share denominator	381.7	391.3	390.3
Effect of dilutive share options	–	0.3	0.7
Dilutive earnings per share denominator	381.7	391.6	391.0

13 Analysis of Net Debt

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Net debt at start	(950.4)	(738.2)	(738.2)
Cash flow	(150.8)	(238.8)	(162.8)
Loan notes issued on acquisition of subsidiaries	(10.8)	(12.6)	(21.5)
Debt arising with acquisitions	–	(12.9)	(12.6)
Foreign exchange movements	(23.9)	3.0	2.4
Other non-cash movements	(5.5)	0.4	(17.7)
Net debt at period end	(1,141.4)	(999.1)	(950.4)
Analysed as :			
Cash and cash equivalents	79.3	85.0	70.4
Cash and cash equivalents included within assets held for resale	–	2.4	–
Bank overdrafts	(9.8)	(7.3)	(6.4)
Net cash and cash equivalents	69.5	80.1	64.0
Bank loans due within one year	–	(0.2)	–
Bonds	(840.6)	(641.3)	(838.5)
Loan notes	(27.5)	(21.6)	(36.8)
Bank loans	(326.5)	(424.8)	(144.2)
Effect of derivatives on bank loans	(16.3)	8.7	5.1
Net debt at period end	(1,141.4)	(999.1)	(950.4)

14 Property, plant and equipment

During the period the Group spent £34.9 million (2007 £40.1 million) on property, plant and equipment.

The Group also disposed of certain of its property, plant and equipment with a carrying value of £2.6 million (2007 £7.3 million) for proceeds of £7.9 million (2007 £7.3 million).

15 Acquisition put option commitments

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Current	20.1	8.4	21.8
Non-current	14.2	34.4	18.8
	34.3	42.8	40.6

Written put options to acquire further stakes in subsidiaries, associates and joint ventures written at the time of business combinations, unless so deeply in the money that they represent in-substance ownership interests, are considered financial instruments under IAS 32 and IAS 39. Put options over a minority stake in a subsidiary give rise to a financial liability under IAS 32. Put options over an associate are within the scope of IAS 39 and are accounted for as derivatives at fair value through profit and loss. Where put options over associates have a fair value of nil, no accounting is required. Written put options are classified within current liabilities if exercisable within one year.

16 Other financial liabilities

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Current liabilities			
Bank overdrafts	9.8	7.3	6.4
Bank loans	–	0.2	–
Loan notes	27.5	21.6	36.8
	37.3	29.1	43.2
Non-current liabilities			
Bank loans	326.5	424.8	144.2
Bonds	840.6	641.3	838.5
	1,167.1	1,066.1	982.7

16 Other financial liabilities (continued)

During the period the Group obtained new unsecured short-term 364 day bank facilities amounting to £90.0 million. The Group's bank facilities and their maturity dates are as follows :

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Expiring in less than one year	210.0	260.0	120.0
Expiring in more than one year but not more than two years	300.0	–	–
Expiring in more than two years	–	300.0	300.0
Total bank facilities	510.0	560.0	420.0

The Group's bank facilities are all unsecured and bear interest based on LIBOR plus a margin based on the Group's ratio of net debt to EBITDA. Additionally each facility contains a covenant based on a minimum interest cover ratio.

The following undrawn committed bank facilities were available to the Group as at 30th March, 2008 in respect of which all conditions precedent had been met :

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	£m	£m	£m
Expiring in less than one year	65.0	105.5	120.0
Expiring in more than one year but not more than two years	69.1	–	–
Expiring in more than two years	–	27.6	149.5
Total	134.1	133.1	269.5

17 Share capital

Share capital as at 30th March, 2008 amounted to £49.1 million.

During the period, 18,389,672 'A' Ordinary Non-Voting shares were purchased having a nominal value of £2,298,709 as part of a review of opportunities to buy back shares and to match obligations under an incentive plan. The consideration paid for these shares was £88.3 million. Shares repurchased during the period represented 4.93% of the called up 'A' Ordinary Non-Voting share capital at 30th March, 2008.

The Company disposed of 2,984,450 of these shares, representing 0.80% of the called up 'A' Ordinary Non-Voting share capital, in order to satisfy incentive schemes. The Company also cancelled 2,727,146 'A' Ordinary Non-Voting shares, representing 0.73% of its called up 'A' Ordinary non-Voting share capital at the date of cancellation.

18 Business combinations

On 1st October 2007, the Group acquired the remaining 51% of the membership interests of George Little Management LLC (GLM) for cash consideration of £77.1 million (US\$155 million). Costs incurred were £0.2 million.

GLM is the largest producer and marketer of tradeshows for consumer goods in the US, serving industries as diverse as giftware, social stationery, home textiles, tabletop, gourmet housewares, contemporary furniture and wellness. GLM is involved in the production of nearly 40 tradeshows in 15 cities across the US and Canada.

GLM was accounted for as an associate in the September 2007 financial statements. The final acquisition of 51% of GLM was accounted for by the purchase method of accounting and GLM presented as a subsidiary undertaking from 1st October, 2007. IFRS 3 requires the fair value of 100% of the net assets acquired on gaining control to be recorded in the consolidated balance sheet.

Provisional fair value of net assets acquired:

	GLM at book value	Provisional accounting policy alignments	Provisional fair value adjustments	GLM at provisional fair value
	£m	£m	£m	£m
Goodwill	0.7	–	69.7	70.4
Intangible assets	–	–	98.1	98.1
Property, plant and equipment	0.8	–	–	0.8
Interests in associates	0.2	–	–	0.2
Prepaid show expenses	0.6	1.3	–	1.9
Trade and other receivables	1.9	–	–	1.9
Cash and cash equivalents	1.2	–	–	1.2
Trade and other payables	(5.3)	(0.1)	–	(5.4)
Deferred taxation	–	–	(10.2)	(10.2)
Total net assets acquired	0.1	1.2	157.6	158.9

18 Business combinations (continued)

Cost of acquisition

	Note	Non-cash £m	Cash paid in current period £m	Total £m
Reclassification of investment in associate		54.6	–	54.6
Deferred consideration		–	–	–
Cash		–	77.1	77.1
Consideration at fair value		54.6	77.1	131.7
Directly attributable costs		–	0.2	0.2
Revaluation of previously held interest in associate on acquisition of control	(i)	27.0	–	27.0
Total cost of acquisition		81.6	77.3	158.9

The principal provisional fair value adjustments relate to intangible assets recognised relating to the exhibition brands, the related deferred tax liability and £69.7 million attributable to goodwill which represents future synergies. The provisional fair values above have been adjusted from those disclosed at the year end following due diligence work to identify and value the intangible assets acquired.

The fair values set out above remain provisional as the Group is currently finalising the purchase price allocation.

Since the acquisition took place on the first day of the financial period, Group revenues and profit attributable to equity holders of the parent already include the full effect of the acquisition.

- (i) The provisional fair value adjustments include a credit to retained earnings of £27.0 million. This represents a revaluation of the Group's previously held interest in GLM on acquisition of control.

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

Name of acquisition	% voting rights acquired	Date of acquisition	Business description	Consideration £m	Intangible fixed assets acquired £m	Goodwill acquired £m
Oil Careers 2007	100%	December	Online recruitment	6.8	2.0	3.7
Enva Power 2007	81.5%	December	Power trading data provider Land, property and mapping information provider	8.3	3.3	6.5
Inframation 2007	100%	December		5.4	1.3	5.2

Provisional fair value of net assets acquired with all other acquisitions

	Book value £m	Provisional fair value adjustments £m	Provisional Fair value £m
Goodwill	–	15.4	15.4
Intangible assets	–	6.6	6.6
Property, plant and equipment	0.1	–	0.1
Trade and other receivables	1.0	–	1.0
Cash and cash equivalents	1.7	–	1.7
Trade and other payables	(2.1)	–	(2.1)
Deferred taxation	–	(2.2)	(2.2)
Total net assets acquired	0.7	19.8	20.5

Cost of all other acquisitions

	Non-cash £m	Cash paid in current period £m	Total £m
Deferred consideration	7.0	–	7.0
Cash	–	13.4	13.4
Consideration at fair value	7.0	13.4	20.4
Directly attributable costs	–	0.1	0.1
Total cost of acquisition	7.0	13.5	20.5

If all other acquisitions had been completed on the first day of the financial year, contribution to Group revenues for the year would have been £2.5 million and contribution to Group profit attributable to equity holders of the parent would have been a loss of £0.1 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.

18 Business combinations (continued)

Purchase of subsidiaries

Cash consideration including acquisition expenses	GLM	£m
	Others	77.3
Cash paid in respect of consideration deferred from prior years		13.5
Cash and cash equivalents acquired with subsidiaries		3.9
		(2.9)
Cash movements on purchase of subsidiaries		91.8

19 Purchase of additional shares in controlled entities

During the period the Group acquired additional shares in controlled entities amounting to £33.4 million (2007 £1.6 million). This includes £26.7 million acquiring a further 5.4% of the issued ordinary share capital of Euromoney. Under the Group's accounting policy for the purchase of shares in controlled entities, no adjustment has been recorded to the fair value of assets and liabilities already held on the balance sheet. The difference between the cost of the additional shares, goodwill arising and the carrying value of the minority share of net assets is adjusted directly in equity. The adjustment to equity in the period was a charge of £7.3 million (2007 £nil).

20 Disposals of businesses

During the period the Group disposed of several businesses, the most notable being Dolphin Software Inc, a provider of information on hazardous chemicals. The sale took place in March 2008 and the proceeds received were £10.1 million.

The impact of all disposals of businesses on net assets was :

Goodwill	£m
Property, plant and equipment	2.3
Trade and other receivables	0.2
Cash at bank and in hand	1.3
Trade and other payables	0.8
Deferred taxation	(1.4)
	0.1
Total net assets disposed	3.3
Profit on sale of businesses	11.7
Satisfied by :	
Cash received	15.0

Proceeds on disposal of businesses

Cash consideration including disposal costs	£m
Cash and cash equivalents disposed with subsidiaries	15.0
	(0.8)
	14.2

21 Retirement benefit schemes

Defined benefit schemes

The newspaper divisions of the Group operate a number of pension schemes covering most major UK group companies under which contributions are paid by the employer and employees.

The schemes for most employees are funded defined benefit pension arrangements, providing service-related benefits, based on final pensionable salary. In addition, a number of defined contribution pension plans are operated by certain divisions of the Group where this type of pension provision aligns with the business model. The assets of all the schemes are held independently from the Group's finances and in the UK are administered by trustees or trustee companies.

The total net pension costs of the Group's defined benefit schemes for the 6 months ended 30th March, 2008 were £5.2 million (2007 £11.6 million).

The defined benefit obligation is calculated on a year-to-date basis, using the latest actuarial valuation as at 30th March, 2008. The assumptions used in the valuation are summarised below:

	Unaudited Half year ended 30th March, 2008	Unaudited Half year ended 1st April, 2007	Audited Year Ended 30th September, 2007
	% pa	% pa	% pa
Inflation rate	3.6	3.1	3.3
Discount rate	6.9	5.4	5.9
Expected rate of salary increases	4.9	4.6	4.6
Rate of pension increases	3.6	3.1	3.3
Overall expected return on assets	n/a	n/a	7.1

22 Events after the balance sheet date

Material post balance sheet events are set out in the management report on page 9.

23 Contingent liabilities

The Group is exposed to libel claims in the ordinary course of business and makes provision for the estimated costs to defend such claims.

There have been no material changes in contingent liabilities since 30th September, 2007.

24 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Material transactions between the Group and its joint ventures and associates are disclosed below.

Transactions with Joint Ventures and Associates

The Company sold its 41.75% share in Centurion Holidays Limited (formerly Indigo Holidays Limited) during the period. The Company had funded the ongoing costs of Centurion by way of loans during the period which were repaid in full. The total amount due from Centurion on 30th March, 2008 was £nil (2007 £13.3 million).

Transactions with Directors

Other than remuneration, there were no material transactions with Directors of the Company.

Other related party disclosures

At 30th March, 2008, the Group owed £2.1 million (2007 £1.4 million) to the pension schemes which it operates. This amount comprised employees' and employer's contributions in respect of March 2008 payrolls which were paid to the pension schemes in April 2008.

The Group's potential obligations to its pension schemes are guaranteed by £40.0 million of standby letters of credit issued by various relationship banks against the Group's committed bank facilities. The net carrying amount of the retirement benefit obligation at 30th March, 2008 was a surplus of £79.5 million (2007 deficit £19.9 million). Further details are given in note 21.

25 Ultimate Controlling Party

The Company's ultimate controlling party is the Viscount Rothermere, the Company's Chairman.

Copies of the half yearly report will be posted on the Company's web site at www.dmgt.co.uk on or before 30th May, 2008.

Highlights of this announcement will be advertised on 22nd May, 2008 in the Evening Standard and London Lite, on 23rd May, 2008 in the Daily Mail, Metro, Western Morning News and the Western Daily Press and on 25th May, 2008 in The Mail on Sunday.

Regulatory matters

As newly required by the UK Listing Authority's Disclosure and Transparency Rules, we set out below a summary of the principal risks and uncertainties facing the Group.

Principal risks and uncertainties

The principal risks and uncertainties that affect the Group on an ongoing basis are described in our 2007 annual report at www.dmgmt.co.uk. These are still considered to be the most relevant risks and uncertainties at this time. A number of these risks and uncertainties, discussed below, could have an impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ from expected and historical results. A summary has also been provided where a risk that was disclosed in the annual report is unchanged, or is not expected to have a specific impact in the remaining period.

Risks specific to the remaining six month period of the year

Exposure to changes in the economy and customer spending patterns

General economic conditions and the financial health of our customers can positively or negatively affect the performance of all of our businesses. The current uncertainty in global financial markets increases the risk of economic slowdown, especially in the UK and US economies, and this remains a significant risk to the Group. Our commitment to investment in our core brands and products and the diverse nature of the Group's revenues helps us to reduce the effect of these fluctuations.

Other risks disclosed in the annual report

The following is a summary of the other risks and uncertainties that were disclosed in the 2007 annual report.

Treasury Risk

The Group's financing and treasury operations manage a number of risks including currency exchange rate fluctuations, liquidity risk and interest rate risk. The current level of uncertainty in global financial markets as a result of the credit crunch heightens the risk in this area, but there is no specific risk to the Group in the second half of the year.

Impact of a major disaster or outbreak of disease

Any disaster, such as a geopolitical event or a pandemic, such as influenza, which significantly affects the wider environment or infrastructure in a sector where the Group has material operations, could adversely affect the Group. Plans and procedures are in place to manage the impact of such risks.

Pension scheme shortfalls

We operate defined benefit schemes for our newspaper divisions and certain senior executives. Reported earnings may be affected by changes in our pension costs and funding requirements due to lower than expected investment returns and changes in bond yields. Defined contribution pension plans in all other divisions and overseas, have helped to control overall pension liabilities and costs incurred by the Group.

Reliance on key management and staff

In order to pursue our strategy, we are reliant on key management and staff across all our businesses. We cannot predict with certainty that we will enjoy continued success in our recruitment and retention of high quality management and creative talent. With this in mind we have created the role of Group HR Director and we have a number of measures in place in each division to address this risk.

Tax risk

The Group operates within many jurisdictions; our earnings are therefore subject to taxation at differing rates across these jurisdictions and due to an ever more complex international tax environment there will

always be a level of uncertainty when provisioning for our tax liabilities. This risk is managed by an in-house team of specialists who work with divisional management and external tax experts to review all tax arrangements in the Group.

Legal and regulatory

DMGT businesses are subject to varying legislation and regulation across several jurisdictions. Changes to this legislation or regulations could affect the results of the business.

Reader/listener promotions

Many reader and listener promotions and competitions are run by companies within the Group. This is inherently an area which could significantly impact the Group's reputation; however, competitions and promotions within the newspaper and radio divisions are closely reviewed and monitored.

Price volatility of newsprint

Newsprint represents a significant proportion of our costs within the Newspaper divisions. Newsprint prices are subject to volatility arising from variations in supply and demand. The Group's newsprint requirements on price, volume and quality are monitored by the Newsprint Committee.

Reliance on key suppliers

The loss of a key supplier due to disaster or economic downturn, or a significant worsening of commercial terms with key suppliers could adversely affect the Group's results. In addition to our own business continuity plans, resources are devoted to ensure that relationships with key suppliers are maintained and upheld.

Acquisition and disposal risk

A number of risks are inherent within any strategy to acquire. However, the majority of acquisitions considered are smaller add-on businesses, which reduces the size of the risk of each acquisition to the Group. There are also risks to our ability to achieve optimal value from disposals. These are monitored and managed by each divisional board with oversight from the DMGT board.

For further details of these risks and mitigating controls which are in place, please refer to the 2007 Annual Report.

Independent review report to Daily Mail and General Trust plc

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30th March, 2008 which comprise the income statement, the balance sheet, the statement of recognised income and expense, the cash flow statement and related notes 1 to 25. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements 2410 issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

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

As disclosed in note 1, 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 financial 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 financial report based on our review.

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 inquiries, 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 financial report for the six months ended 30th March, 2008 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.

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

21st May, 2008

London

United Kingdom