

23 March 2015

YouGov plc

Interim results for the six months ended 31 January 2015

Summary of Results				
	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	Change %	Full Year to 31 July 2014 £m
Revenue	36.2	32.6	11%	67.4
Adjusted Operating Profit¹	3.3	2.9	16%	7.4
Adjusted Operating Profit Margin (%)	9%	9%	-	11%
Adjusted Profit before Tax¹	3.5	3.0	17%	7.7
Reported Profit/(Loss) before Tax¹	0.02	(0.4)	-	0.7
Adjusted Earnings per Share¹	2.6p	2.4p	9%	6.1p

Financial highlights - Trading in line with expectations

- Revenue growth of 11% (2014: 9%) – Organic growth of 10%
- Adjusted operating profit up by 16% to £3.3m
- Adjusted profit before tax up by 17% to £3.5m
- Adjusted earnings per share up by 9% to 2.6p (2014: 2.4p)
- Adjusted operating profit margin unchanged during period of investment
- Statutory operating profit of £0.1m (2014: Loss of £0.1m)
- Net cash balances of £3.7m (2014: £6.1m)
- Dividend paid of 0.8p per share (2014: 0.6p)

Operational highlights - Strategy delivering as planned

- Data Products and Services revenue up by 15% to £11.9m; now represents 33% of total
 - BrandIndex revenue up by 20% to £4.7m
 - Omnibus revenue up by 15% to £5.8m
- Custom Research revenue up by 9% to £24.3m
- New YouGov Profiles product launched in UK in November, as planned
- New markets – Asia Pacific and France – continue to grow well
- Group Chief Operating Officer appointed to oversee global scaling of the business

¹Adjusted operating profit is defined as Group operating profit before amortisation of intangibles and exceptional items. In the period ended 31 January 2015, amortisation of intangible assets was £2.2m (2014: £1.9m) of which £0.9m related to the Group's internally generated assets and exceptional costs were £1.0m (2014: £1.1m), including £0.7m in respect of acquisitions. Adjusted profit before tax and earnings per share are calculated based on the adjusted operating profit

Commenting on the results, Stephan Shakespeare, Chief Executive, said:

"Our continued organic growth is well ahead of the market and is clear evidence that we have the right strategy: a focus on providing timely in-depth marketing data delivered on a digital platform and made compelling by insightful industry experts.

Profitability has increased as we expand our product suite and align it with our successful custom business. Growth has been most substantial in the US where our public profile is rising and where BrandIndex and Custom Research have both made significant progress. We have also strengthened further our network in Asia Pacific with a new office in Jakarta, Indonesia adding to our existing presence in Shanghai, Hong Kong and Singapore.

Our investment continues to drive innovation especially in data-related technology and methodology, giving us a clearly differentiated offering in the fastest-growing and most dynamic sector of the market. The launch of the YouGov Profiles product in the UK has been well received in the marketplace and it will now be rolled out to the USA and Germany.

The second half has started well and we are on track for the full year. Looking beyond the current year we have a strong base from which to deliver our ambitious plans for organic growth over the next five years."

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YOUNGOV PLC

CEO'S REPORT

For the six months ended 31 January 2015

Introduction

We are pleased to report another period in which YouGov has continued to grow organically well ahead of the overall market whose growth is estimated to be approximately 3%. In the six months ended 31 January 2015, adjusted operating profit increased by 16% year-on-year to £3.3m and revenue grew by 11% to £36.2m. This is clear evidence that we have the right strategy: a focus on providing timely in-depth marketing data delivered on a digital platform and made compelling by insightful industry experts. Profitability has increased as we expand our products suite and align it with our successful custom business. Growth has been most substantial in the US where our public profile is rising and both BrandIndex and Custom Research have made significant progress. Our investment continues to drive innovation especially in data-related technology and methodology, giving us a clearly differentiated offering in the fastest-growing and most dynamic sector of the market.

YouGov's revenue in the six months ended 31 January 2015 increased by 11% overall from the prior year and by 10% organically, excluding the Asia Pacific business acquired in January 2014. On a constant currency basis, organic growth was 1% higher at 11% as the main currency movement compared to the corresponding period was the depreciation of the Euro, which affected our German and Nordic businesses and resulted in a net revenue reduction of £0.4m (1%) in sterling terms. There was a negligible currency effect on profits.

All the main business elements contributed as expected to this above-market growth with Data Products and Services revenue growing by 15% to £11.9m and Custom Research growing by 9% to £24.3m. Data Products and Services now account for 33% of total Group revenue; within this, Omnibus revenue grew by 15% to £5.8m and BrandIndex revenue by 20% to £4.7m. In regional terms, the US was the most significant contributor to growth in the first half, delivering a revenue increase of 28% and almost doubling its operating profit. The Asia Pacific and French operations, which are both at an early stage, grew significantly as planned and Germany returned to revenue growth with increased profits. Nordic also reported improved profitability. UK revenue grew by 6% but its operating profit was reduced due mainly to planned investment in data product sales and development resources. Middle East revenue and operating profit were both lower in the period due mainly to reduced project activity in Kurdistan.

The Group's adjusted operating profit increased by 16% to £3.3m. The operating margin increased slightly from 8.8% to 9.2% reflecting a similar increase in the gross profit margin from 75.5% to 76% and continued investment in the business. The overall operating expense ratio remained static at 67% although there were changes in the composition of costs across different units. The expense ratio in more mature areas improved but was offset by planned investment in the newer businesses, notably the Asia Pacific region where new offices and staff have been added and in the development and sales teams for Data Products, especially the YouGov Profiles sales and development team. There was also an increase in marketing activities to support the expansion in our product range and geographical reach.

The adjusted profit before tax of £3.5m (after finance costs) represents an increase of 17% over the £3.0m achieved in the 6 months to 31 January 2014.

A statutory profit of £0.02m was reported in the period compared to a loss of £0.4m in the six months ended 31 January 2014. This was after charging amortisation of intangible assets of £2.2m (2014: £1.9m) and exceptional costs of £1.0m (2014: £1.1m). The exceptional costs included £0.7m relating

to the two acquisitions made in the prior year (Doughty Media 2 and Decision Fuel) and £0.3m of restructuring costs arising from staff reductions, mainly in the USA and Germany

Our cash conversion rate was unusually low in this period with cash generated from operations of £0.3m compared to £3.5m in the corresponding period. As a result, the cash balance at 31 January 2015 of £3.7m was £2.4m lower than at 31 January 2014. This was due to a higher than usual level of client receivables at 31 January 2015. These resulted in part from a very large client debt in the Middle East for which the remittance was received in early February and from higher working capital in the US reflecting its higher project activity and revenue in the period. We expect to revert to our customary rate of cash conversion and cash flow in the second half of the year and for this to be reflected in the cash balances at the next year-end.

A dividend of 0.8p per share in respect of the year ended 31 July 2014 was paid to shareholders in December 2014, following the AGM. This represented an increase of 33% over the dividend paid in 2013. The Board has a progressive dividend policy and expects to be able to announce further growth in the annual dividend payment following the Group's full year results.

Strategy

In this half year, we have taken further important steps along the path towards becoming a true Internet company, using its intellectual property to deliver valuable data to the heart of the marketing process and using analytics and advanced technology to access and manipulate this data.

Grow our suite of Data Products and Services

As previously announced, the main product innovation planned for this financial year is YouGov Profiles which was successfully launched in the UK in November 2014. Profiles is a ground-breaking new media planning and segmentation tool for brand owners and the agencies who serve them. It is designed to fulfil marketers' needs for more precise and detailed audience and customer segmentation so as to plan their campaigns and target their advertising and branding messages effectively in the digital age. The UK version of YouGov Profiles is based on a database of some 120,000 separate anonymised data points on consumers, collected initially from approximately 190,000 YouGov panellists. YouGov Profiles provides a single source of connected data on profiles, brands, media consumption, and social media usage. This includes, for example, brand usage and perception data for some 1,000 brands (plus usage for thousands more), TV viewing for 5,000 programmes and website usage for the most active commercial websites. The launch generated considerable traditional and online media coverage and attracted enormous interest among current and prospective clients. The Profiler tool on YouGov's website, which provides extracts of the data, attracted some three million hits and led to YouGov becoming a top trending topic on Twitter UK for two days after the launch. The first UK Profiles subscription sales were made to advertising and media agencies early in 2015. The product will be rolled out to USA and Germany later in 2015 and thereafter to other YouGov territories.

YouGov's proprietary survey software has already been adapted for mobile use. In addition, the mobile platform developed in our Asia Pacific unit which can serve feature phones as well as smart phones is supporting the reported growth in data services revenue in the region with further enhancements planned. We have also launched as a trial service, the YouGov Daily application which serves a three question survey to respondents who are able to compare their answers with those of all respondents. This is currently an open application which can be downloaded by anybody. It enables rapid feedback to be obtained and if required can be restricted to a specifically targeted audience. We plan to exploit it commercially later in the year.

Expand our geographic footprint.

With 25 offices in 17 countries and panels in 33 countries, YouGov now has one of the world's top ten international market research networks. Our main focus for expansion over the last 12 months has been in the Asia Pacific region where the acquisition of Decision Fuel in January 2014 has provided a platform through which to offer YouGov products in this rapidly developing research market. We opened an office in Jakarta, Indonesia in September 2014 to add to the existing Hong Kong, Shanghai and Singapore offices. We have also established our own panels in Australia and Thailand in the period to support the expansion of BrandIndex and other services in the region. Our technology and product development teams are already located in a number of countries including Asia Pacific. We have recently set up a technical unit in Warsaw, initially to support the YouGov Online and Opigram product development. We expect to expand this operation as it offers excellent technical skills at relatively low cost, especially compared to developed markets such as the UK and USA.

Integrate custom research and syndicated data

The development of the "YouGov Cube", the highly structured and codified profile data library, has continued to progress in the UK and is being extended to cover the US and German data sets as the next stage. The Cube underpins the new YouGov Profiles product and also enables us to meet clients' individual research needs through a combination of the 'connected data' that panellists provide and data generated from bespoke surveys. It means we can provide clients with answers to their questions about the attitudes, behaviours and profiles of the population and minimise the extent to which additional data collection is required through custom surveys. An early example of a Cube-based custom research application is the Profiles re-contact service which enables clients rapidly to identify a specific population set within the YouGov panel to which tailored questions can be sent. The resulting data is combined with the existing Profiles data on the same respondents to create a more-in depth portrait of them including the additional selected criteria. A recent case involved the profiling for the purposes of a recruitment advertising campaign of a sample of panellists expressing interest in a relatively specialist career. The re-contact survey was fielded to 60,000 panellists and identified 5,000 people for the survey with full results delivered to the client within nine days. We believe that this delivery speed combined with single-sourcing of data is pioneering in the market and indeed unmatched by any competitors.

We also continue to improve the ways in which we can analyse, report on and make our data available to clients by automated means. Our "Crunch" data access and analytic platform is currently in development and being trialled in a beta version to report the data from several global trackers conducted regularly for a major client.

Enhance user experience

An innovative new website was launched in the UK, US and Germany which improves the panellist's experience and makes it easy than ever for them to provide us with data covering their opinions, attitudes and behaviours. This data is principally collected through the Opigram platform which has now been fully integrated into our YouGov Online web platform and also contributes data to the "Cube". This has exceeded the targets set as part of the acquisition of Co-Editor Limited completed in 2013. Thus, in the two years ending 31 January 2015, the number of visitors to YouGov's UK and US websites increased by 78%, the number of freely shared data points grew by 539% and the net promoter score for website visitors improved by 61%. As well as capturing a wide range of data that would be difficult to collect through surveys alone, Opigram also helps to reduce the cost of data collection since it does not involve any incentive payment being made to panellists.

Boost our public profile

YouGov is already the most highly cited research agency in the UK - a position which was boosted by the publicity received during the Scottish referendum at the beginning of this half year - and the awareness of YouGov's brand has continued to increase in other markets that we serve. In the USA, our nationwide Congressional election polling for CBS/*The New York Times* marked a step change both in the US media's acceptance of online polling and in the exposure that YouGov's brand obtained as a result. The number of US media quotations of YouGov increased significantly in the period. This higher profile has contributed to the strong sales growth seen in our US business. It is recognised that we also need to improve awareness of all of YouGov's commercial research services globally and we have focussed more resource on marketing campaigns and events targeted at research buyers. These include recent presentations at the UK Festival of Marketing and the MRG International conference in Berlin.

Financial Performance

Total Group revenue in the period rose by 11% to £36.2m from £32.6m in the six months to 31 January 2014. Gross margins improved by 0.5% points and group operating costs of £24.2m (2014: £21.8m), excluding amortisation and exceptional items, were unchanged as a proportion of revenue. At 31 January 2015, Group staff numbers totalled 627 (full time equivalents) compared to 592 in July 2014 and 539 in January 2014.

Total Group adjusted operating profit, before amortisation and exceptional items, grew by 16% to £3.3m compared to £2.9m in the six months ended 31 January 2014. Amortisation charges for intangible assets totalled £2.2m (2014: £1.9m) in the period of which £0.5m related to assets acquired through business combinations, £0.8m to separately acquired assets and £0.9m to the Group's internally generated assets. The exceptional cost of £1.0m (2014: £1.1m) included £0.3m of restructuring costs and £0.7m in respect of acquisitions.

The Group incurred net financial costs of £0.1m compared to £0.3m in the six months to 31 January 2014, largely due to foreign exchange translation losses.

The higher operating profit combined with a reduction in net financial costs led to the adjusted profit before tax of £3.5m increasing by £0.5m (17%) from the comparable result of £3.0m. Adjusted earnings per share rose by 9% to 2.6p, compared to 2.4p in the six months to 31 January 2014. A statutory profit before tax of £0.02m was reported after charging exceptional items, amortisation and share based payment costs of £3.5m, compared to a loss of £0.4m in the six months ended 31 January 2014.

Cash generated from operations (before paying interest and tax) of £0.3m (2014: £3.5m) represents operational cash conversion of 9% of adjusted operating profit (2014: 123%), significantly below the customary level. There was a net working capital outflow of £3.4m in the period (2014: inflow of £0.8m) arising from an increase in net receivable balances due from clients, largely in the Middle East and USA. This level of receivables is expected to be reduced substantially in the following quarter.

The Group's receivable days (after adjusting for the unbilled portion of revenue recognised less amounts billed in advance) increased to 79 days as at 31 January 2015 from 72 days at 31 January 2014. Creditor days increased to 34 days as at 31 January 2015 compared to 28 days at 31 January 2014.

We invested £1.8m in the continuing development of our technology platform (2014: £2.1m), of which £1.3m (2014: £1.1m) was on internally developed assets, and £0.5m on our panel (2014: £0.6m). £0.4m was spent on the purchase of tangible assets. In addition, payments of £0.5m were made in respect of taxation and a dividend of £0.8m was paid in December 2014. There was a net cash outflow of £3.8m in the period, compared to £0.2m in the six months to 31 January 2014, resulting in net cash balances of £3.7m at 31 January 2015, compared to £7.2m as at 31 July 2014 and £6.1m as at 31 January 2014.

Analysis of Adjusted Operating Profit and Earnings per Share

	Six months to 31 Jan 2015 £000	Six months to 31 Jan 2014 £000	Full Year to 31 July 2014 £000
Adjusted group operating profit before amortisation of intangibles & exceptional costs	3,322	2,861	7,389
Share based payments	288	420	547
Imputed interest ¹	18	18	32
Net finance expense	(117)	(289)	(292)
Share of post-tax loss in joint venture	-	-	(14)
Adjusted profit before tax ²	3,511	3,010	7,662
Basic (loss)/earnings per share	(0.3p)	(0.4p)	0.4p
Diluted (loss)/earnings per share	(0.3p)	(0.4p)	0.4p
Adjusted earnings per share ³	2.6p	2.4p	6.1p

¹Imputed interest relates to the unwinding of discounting in respect of deferred consideration for acquisitions.

²Adjusted profit before tax is defined as Group profit before tax after adding back amortisation of intangibles, share based payments, imputed interest, exceptional items and one-off costs associated with the acquisition of new entities.

³Adjusted earnings per share is calculated based on the post-tax result derived from the adjusted profit before tax and the fully diluted number of shares.

Current trading and outlook

Current trading is in line with the Board's expectations. Among our existing Data Products and Services, we continue to see considerable interest in and opportunities for BrandIndex and Omnibus globally as well as good potential for the new YouGov Profiles product both from existing clients and elsewhere in the broader marketing community. YouGov's expanding international presence makes us well placed to continue growing all parts of our business in the major market research geographies. The forthcoming UK General Election should offer more opportunities for YouGov to demonstrate further our innovative approaches to opinion polling and custom research generally as well as to obtain wide media and public exposure for our brand. Looking beyond the current year, we have a strong base from which to deliver our ambitious organic growth plans over the next five years.

Review of Global Products and Services

	Revenue £m	Revenue Growth %	Operating Profit £m	Operating Margin %
Data Products (incl. BrandIndex)	5.3	15%	1.0	19%
Data Services (incl. Omnibus)	6.6	15%	1.9	29%
Total Data Products & Services	11.9	15%	2.9	25%
Custom Research	24.3	9%	2.5	10%
Central Costs	-	-	(2.1)	-
Group	36.2	11%	3.3	9%

Data Products

Data Products comprises YouGov BrandIndex (which accounted for 87% of the segment's revenue in the period), YouGov Reports which provides market intelligence reports in the UK, and the newly launched YouGov Profiles. BrandIndex revenue grew by 20% in the period to £4.7m with the US, its largest market growing by 25% and UK, the second largest by 18%. Its first locally generated sales and revenue in Asia Pacific were recorded in the period following the establishment of sales teams in the region. The local client base in France, also a relatively new market, continued to expand well. BrandIndex's coverage was extended in 2014/2015 to Ireland and to four countries in Asia Pacific: Indonesia, Malaysia, Singapore and Thailand. This takes its global coverage to 20 countries. New customer acquisition and renewals also benefitted from the roll-out during 2014 of an enhanced version which added more content and analytical flexibility to the product and has been well received by users. As at 31 January 2015, BrandIndex had 250 subscribers around the world. These include well-established clients among global media agencies such as OMG, Universal McCann and MediaCom and brand owners such as Bank of America and Subway. New clients in the period include Denny's, Zenith Optimedia and Burger King.

YouGov Reports grew revenue by 8% to £0.6m. It maintained its main focus on the financial sector and added 10 new clients including Swinton Insurance and Nottingham Building Society.

YouGov Profiles recorded its first sales in line with our plans to a number of advertising and media agencies, including Dare and MEC, as well as the mobile network operator EE. YouGov BrandIndex and YouGov Profiles are closely linked, as they share elements of the underlying YouGov data set. Together they help clients to address marketing and advertising issues more comprehensively. Some brand data from BrandIndex is directly available within YouGov Profiles enabling clients to segment consumers based on where they are in the purchase funnel, and thus to build more targeted media plans. Some attitudinal and behavioural data from Profiles is available in YouGov BrandIndex, enabling clients to track media effectiveness continuously against target consumers and amend their media placement decisions in real time.

While the operating profit margin of BrandIndex improved from 36% to 42%, the overall operating profit of the Data Products segment remained static at £1.0m due to the investment (of £0.4m) in the product development, analytics and sales resources incurred to support the new Profiles product.

Data Services

YouGov Omnibus, our online fast turnaround service, grew revenue by 15% to £5.8m. This growth reflected both the continuing strength of its UK business, where it is the market leader and grew by 16% as well as the benefit of expansion into other markets over recent years. These include the French service which doubled its revenue, US which grew by 45% and Asia Pacific where the service started up in the period. In the UK market, the newer specialist services such as the SME and Children & Parents contributed to growth as did the enhancement of the service offering which now includes a 24-

hour turnaround as standard. Data Services operating profit increased by £0.1m to £1.9m representing an operating margin of 29%. This included an investment cost of £0.2m in the start-up of new Asia Pacific regional services whose new clients in the period included Intercontinental Hotels Group, Ikea, and Wunderman China.

Custom Research

Our Custom Research business provides quantitative and qualitative research services, often tailored for individual market sectors and regions as well as to client's specific requirements. This segment achieved revenue growth of 9%, a higher rate than in the previous reporting periods due especially to its performance in the US which grew by 32%. This was due to strong revenue from political polling for the US Congressional elections as well as continued growth from existing major clients and significant new business wins, especially in the consumer and technology sectors. German Custom revenue grew by 7% reflecting improved marketing and sales effectiveness and focus on areas of strength for YouGov. The Nordic Custom revenue fell by 10% in £ terms and Middle East revenue was 6% lower than the comparable period largely due to lower activity in Kurdistan. UK Custom revenue fell by 5%, due partly to phasing of large projects and weaker sales in the consumer and financial sectors.

Review of geographic operations

USA

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	13.3	10.4	28%
Adjusted Operating Profit	3.1	1.6	96%
Adjusted Operating Profit Margin	23%	15%	

This half year saw an excellent performance from the US business which grew revenue by 28% and almost doubled its adjusted operating profit to £3.1m, making it the most profitable region in the period. This performance reflects the improved awareness of the YouGov brand in the USA (aided by the Congressional elections), the progress made in streamlining and integrating the sales, marketing and delivery of Custom Research across our four main US offices and the continued strong growth of the Data Products and Services segments. BrandIndex revenue grew by 25% to £2.9m with 92 clients now subscribing to it. The recently launched US Omnibus service continued to grow well with revenue up by 45%. Custom Research grew revenue by 32% to £10m, benefitting from the strong sales recorded in the previous half year and improving its operating margin from 9% to 16% due to the higher revenue and to the previously reported cost reductions made in the year ended 31 July 2014. New clients in the period included Denny's and TripCase. Leading clients include Coca-Cola, Facebook, Google and Travelocity.

UK

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	9.9	9.3	6%
Adjusted Operating Profit	1.4	1.9	(23)%
Adjusted Operating Profit Margin	14%	20%	

UK overall revenue growth of 6% reflected varying performances within its segments with BrandIndex and Omnibus achieving double digit growth while Custom research fell by 5%. Revenue from Data Products and Services now represents 53% of the UK total. The reduction of £0.5m in operating profit was largely due to the planned significant investment in staff and marketing for the new YouGov Profiles product which totalled £0.4m in the period combined with the effect on Custom Research profitability of the lower revenue in the period. UK BrandIndex revenue increased by 18% with new clients including Haribo and Zenith Optimedia. New Custom clients in the period included Fitbit and Eurosport while major ongoing clients include Asda, Bill & Melinda Gates Foundation and ITV.

Middle East

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	5.0	5.2	(3)%
Adjusted Operating Profit	0.6	1.2	(51)%
Adjusted Operating Profit Margin	12%	24%	

After strong growth in the previous year, the overall revenue in the Middle East fell slightly by 3% compared to the corresponding period. Although the Dubai and Saudi operations continued to grow their revenue, respectively by 7% and 108%, revenue from the Kurdistan business fell by 28% due to changes in client requirements. The lower revenue and an increase in operating costs in Kurdistan led to a 51% reduction in the regional operating profit compared to the corresponding period. Although the regional business remains predominantly focussed on Custom Research, YouGov's Data Products and Services are progressing. Data Services grew by 35% with Omnibus more than doubling revenue following an increase in service frequency supported by marketing initiatives. New Omnibus clients included Ikea and Zurich Insurance. BrandIndex extended its local client base in the period winning new clients in Saudi Arabia and in UAE. New Custom Research clients in the period included DeBeers and Burgerizzr. The outlook in the region for our business remains positive as it continues to benefit from the strength of the panel covering 21 countries in the region as well as its local knowledge and reputation.

Germany

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	4.3	4.1	6%
Adjusted Operating Profit	0.3	0.1	196%
Adjusted Operating Profit Margin	6%	2%	

Germany returned to overall growth in the period with an increase of 14% in constant currency although only 6% on a reported basis due to the Euro depreciation. This growth reflected the success of the previously reported initiatives taken to increase awareness of the YouGov brand and to improve sales effectiveness. Custom Research, which represents 74% of the total, achieved growth of 15% in Euro terms (7% in £ terms) with new business wins in the consumer sector and recovery in the financial services sector. BrandIndex revenue grew by 29% in constant currency, 21% reported, supported by additional sales resources and extensions of sector coverage. Omnibus revenue was 1% up and higher growth is expected in the second half when the service frequency will be extended. The overall German revenue growth led to an improvement in profitability with the adjusted operating margin increasing to 6% and adjusted operating profit up from £0.1m to £0.3m. New clients in the period included Universal Music and Beiersdorf while ongoing clients included Vodafone and Ergo. It is planned to launch YouGov Profiles in Germany later in 2015 and thus further to extend the YouGov offering in this important market.

Nordic

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	3.8	4.1	(7%)
Adjusted Operating Profit	0.4	0.3	14%
Operating Profit Margin	10%	8%	

As previously reported, much work has gone into improving the profitability of the Nordic business over the last two years, by bringing its business mix and operating model closer to the YouGov core model. A new CEO was appointed in February 2014 and the region continued to build on the progress achieved in the last financial year. During the period, Nordic operating profit increased by 21% in local currency, (14% in £ terms) bringing operating profit to £0.4m and margins up from 8% to 10%. This has been achieved through a 5% reduction in operating costs, due to lower headcount, greater process efficiency and a stronger focus of sale resources on Data Products and Services. Thus, profits improved despite total revenue falling slightly (by 1%) in constant currency and by 7% on a reported basis. Custom revenue decreased by 8% in constant currency, 10% on reported basis, reflecting a decline in larger scale projects especially in Denmark. Data Products (BrandIndex) increased by 9% with new clients including Burger King and GodEi. Data Services fell overall by 6% due mainly to lower field and tab orders but the regular Omnibus service has been developing well and is expanding its client base. Other major clients served in the region include Nordic Sugar and Carlsberg.

France

	Six months to 31 January 2015 £m	Six months to 31 January 2014 £m	% Change
Revenue	0.5	0.3	59%
Adjusted Operating Profit/(Loss)	0.0	(0.1)	-
Operating Profit Margin	1%	(40%)	

Our French unit increased revenue by 70% in constant currency and 59% on a reported basis, reflecting its continuing progress in line with our plans. It achieved the break-even point this period and we expect it to progress towards profitability in the near future. This unit focuses on delivering our core Data Products and Services in the French market with BrandIndex accounting for 44% of revenue and Omnibus 49%, although custom work is undertaken when requested. This is supported by a panel which has now grown to 127,000 members. BrandIndex has been longer established and grew revenue by 29% in the period with sales to international clients such as RetailMeNot and French clients such as Fortuneo and Europe 1. Omnibus which was launched as a regular service in the previous financial year grew revenue by 98% benefitting from the promotional and sales activities undertaken in the French market.

Asia Pacific

	Six months to 31 January 2015 £m
Revenue	0.5
Adjusted Operating Loss	(0.3)

**No comparatives provided as the figures for the 22 days to 31 January 2014 were immaterial.*

Since its acquisition in January 2014, there has been significant work and investment as planned to develop the YouGov Asia Pacific business and exploit the opportunities in the region. A fourth office was opened in Jakarta, Indonesia in September 2014, adding to the presence in Hong Kong, Shanghai and Singapore already established at acquisition. We have also set up panels in Australia, Malaysia and Thailand, initially to support the launch of BrandIndex in those markets as well as to meet demand for pan-regional research data from many clients. Recruitment has also been a priority especially of sales staff and the team has now grown to 30 staff across the four locations. Revenue in the period reached £0.5m in line with expectations, of which 31% was from the Omnibus service and 38% from Data Services (surveys) delivered through the proprietary mobile platform developed locally. New Omnibus clients in the period include Wunderman China and KFC Asia Franchise. BrandIndex was launched in four countries in the region in January 2015 adding to the existing Chinese version. It has already achieved 11 local subscribers including Singapore Press Holdings. Further rapid growth is expected from this region in line with our plans.

Board Appointment

As announced in January 2015, Rosemary Leith has been appointed as a Non-Executive Director with effect from 1 February 2015. Rosemary is a Fellow at the Berkman Center for Internet & Society at Harvard University, a Founding Director of the World Wide Web Foundation and a member of the Advisory Boards of a number of technology businesses and academic institutions in Europe and North America. Rosemary's wide commercial and academic experience of Internet and digital technology

management and policy are expected to be a great asset to YouGov as we continue to take strides towards becoming a true Internet company.

Corporate Development Activities

As previously reported, the Group acquired 100% of Doughty Media 2 Limited (“DM2”), which owns 68% of CoEditor Limited, the company that has developed the Opigram service, in two stages, respectively September and December 2013, following the approval by shareholders at the 2013 AGM. The purchase consideration payable for DM2 included an element which was contingent upon Stephan Shakespeare and the other vendor (the Opigram manager) remaining in YouGov’s employment until 31 January 2015 and another element which was contingent upon three performance criteria (relating to the YouGov UK and US websites and to growth in the amount of data points contributed by panellists to the Opigram data set) being achieved over the two years ended 31 January 2015. All these conditions have been satisfied and therefore the Board (excluding Stephan Shakespeare) intends to approve the issue and allotment to the vendors of a total of 1,810,226 new YouGov shares in accordance with the terms of the sale and purchase agreement. In compliance with AiM rules on dealings in shares, this share issue will be made following the publication of these interim results.

On 9 February 2015, YouGov entered into an agreement with Portent i.o., a start-up business specialising in research and predictive analysis for the film industry under which YouGov has made an initial investment for a 10% shareholding which may increase to 35% if YouGov provides further investment in specified tranches over the next year. Portent.io and YouGov intend also to collaborate through the use of YouGov’s opinion data in the development of Portent’s products.

Panel development

We continue to invest in our online panels to increase our research capabilities, both in new geographies and specialist panels. Our focus is on improving the quality and engagement of our panel and our recruitment campaigns have been targeted to ensure a high quality experience for the panellists as well as meeting our business needs. The total number of panellists increased to 3.3 million as at 31 January 2015 compared to 3.0 million as at 31 July 2014 as set out in the table below.

Region	Panel size at 31 January 2015	Panel size at 31 July 2014
USA	1,543,053	1,526,001
UK	653,767	600,106
Middle East	433,539	388,546
Germany	178,346	170,775
Nordic	162,578	140,994
France	127,330	108,723
Asia Pacific	190,438	61,862
Total	3,289,051	2,997,007

Stephan Shakespeare
Chief Executive Officer
23 March 2015

YOUGOV PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the six months ended 31 January 2015

The directors confirm that, to the best of their knowledge, these consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted by the European Union. The interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months of the financial year and any material changes in the related party transactions described in the last Annual Report.

The directors of YouGov plc are listed in the YouGov plc Annual Report for the year ended 31 July 2014.

By order of the Board:

Alan Newman
Chief Financial Officer
23 March 2015

YOUNGOV PLC

CONSOLIDATED INCOME STATEMENT

For the six months ended 31 January 2015

		Unaudited 6 months to 31 January 2015 £'000	Unaudited 6 months to 31 January 2014 £'000	Audited Year ended 31 July 2014 £'000
	Note			
Revenue	4	36,209	32,639	67,375
Cost of sales		(8,685)	(8,008)	(15,811)
Gross profit		27,524	24,631	51,564
Operating expenses*		(24,202)	(21,770)	(44,175)
Operating profit before amortisation of intangible assets and exceptional items	4	3,322	2,861	7,389
Amortisation of intangible assets		(2,223)	(1,942)	(3,965)
Exceptional items	5	(966)	(1,057)	(2,385)
Operating profit/(loss)		133	(138)	1,039
Share of post-tax loss in joint venture		-	-	(14)
Finance income		20	20	171
Finance costs		(137)	(309)	(463)
Profit/(Loss) before taxation		16	(427)	733
Taxation	6	(332)	(35)	(316)
(Loss)/Profit after taxation		(316)	(462)	417
Attributable to:				
Equity holders of the parent company		(264)	(411)	433
Non-controlling interests		(52)	(51)	(16)
		(316)	(462)	417
Earnings per share				
Basic (loss)/earnings per share attributable to equity holders of the company	7	(0.3p)	(0.4p)	0.4p
Diluted (loss)/earnings per share attributable to equity holders of the company	7	(0.3p)	(0.4p)	0.4p

* Operating expenses for the six month period ended 31 January 2015, including amortisation of intangibles and the exceptional items detailed in Note 5 are £27.391m (2014: £24.769m, year ended 31 July 2014: £50.525m).

YOUNGOV PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 31 January 2015

	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year ended
	31 January	31 January	31 July
	2015	2014	2014
	£'000	£'000	£'000
(Loss)/Profit for the period	(316)	(462)	417
Other comprehensive income/(loss):			
Item that may be subsequently reclassified to profit or loss			
Currency translation differences	2,129	(3,380)	(4,774)
Other comprehensive income/(loss) for the year net of tax	2,129	(3,380)	(4,774)
Total comprehensive income/(loss) for the period	1,813	(3,842)	(4,357)
Attributable to:			
Equity holders of the parent company	1,867	(3,789)	(4,338)
Non-controlling interests	(54)	(53)	(19)
Total comprehensive income/(loss) for the period	1,813	(3,842)	(4,357)

YUOGOV PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 January 2015

		Unaudited 31 January 2015 £'000	Unaudited 31 January 2014 £'000	Audited 31 July 2014 £'000
Assets	Note			
Non-current assets				
Goodwill	9	37,463	38,154	36,329
Other intangible assets	9	10,744	9,648	10,321
Property, plant and equipment	9	2,721	2,140	2,489
Deferred tax assets		3,502	3,092	3,120
Total non-current assets		54,430	53,034	52,259
Current assets				
Trade and other receivables		26,415	19,773	21,687
Current tax assets		960	524	757
Cash and cash equivalents		3,843	6,177	7,429
Total current assets		31,218	26,474	29,873
Total assets		85,648	79,508	82,132
Liabilities				
Current liabilities				
Trade and other payables		18,200	15,058	17,530
Provisions		3,429	2,664	3,127
Borrowings		169	120	184
Current tax liabilities		456	330	341
Contingent consideration		340	312	298
Total current liabilities		22,594	18,484	21,480
Net current assets		8,624	7,990	8,393
Non-current liabilities				
Trade and other payables		22	49	23
Provisions		800	794	684
Contingent consideration		353	888	169
Deferred tax liabilities		1,792	2,021	1,824
Total non-current liabilities		2,967	3,752	2,700
Total liabilities		25,561	22,236	24,180
Net assets		60,087	57,272	57,952
Equity				
Issued share capital	10	202	199	199
Share premium		31,016	31,004	31,014
Merger reserve		9,239	9,239	9,239
Foreign exchange reserve		7,853	7,115	5,722
Retained earnings		11,808	9,668	11,755
Total shareholders' funds		60,118	57,225	57,929
Non-controlling interests in equity		(31)	47	23
Total equity		60,087	57,272	57,952

The accompanying accounting policies and notes form an integral part of this financial information.

Alan Newman
Chief Financial Officer
23 March 2015

YOUNGOV PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 January 2015

Attributable to equity holders of the Company

	Share capital £'000	Share premium £'000	Merger reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total £'000	Non-controlling interest £'000	Total £'000
Balance at 1 August 2013	195	30,961	9,239	10,493	10,195	61,083	31	61,114
Changes in equity for 2014								
Exchange differences on translating foreign operations	-	-	-	(4,771)	-	(4,771)	(3)	(4,774)
Net loss recognised directly in equity	-	-	-	(4,771)	-	(4,771)	(3)	(4,774)
Profit/(Loss) for the year	-	-	-	-	433	433	(16)	417
Total comprehensive (loss)/income for the year	-	-	-	(4,771)	433	(4,338)	(19)	(4,357)
Issue of shares	4	53	-	-	-	57	-	57
Purchase of subsidiary with a minority interest	-	-	-	-	-	-	11	11
Dividends paid	-	-	-	-	(586)	(586)	(35)	(621)
Purchase of non-controlling interest in subsidiary	-	-	-	-	(35)	(35)	35	-
Consideration for purchase of subsidiary	-	-	-	-	700	700	-	700
Share-based payments	-	-	-	-	1,048	1,048	-	1,048
Total transactions with owners recognised directly in equity	4	53	-	-	1,127	1,184	11	1,195
Balance at 31 July 2014	199	31,014	9,239	5,722	11,755	57,929	23	57,952
Changes in equity for 2015								
Exchange differences on translating foreign operations	-	-	-	2,131	-	2,131	(2)	2,129
Net income/(loss) recognised directly in equity	-	-	-	2,131	-	2,131	(2)	2,129
Loss for the year	-	-	-	-	(264)	(264)	(52)	(316)
Total comprehensive income/(loss) for the year	-	-	-	2,131	(264)	1,867	(54)	1,813
Issue of shares	3	2	-	-	-	5	-	5
Dividends paid	-	-	-	-	(804)	(804)	-	(804)
Share-based payments	-	-	-	-	1,121	1,121	-	1,121
Total transactions with owners recognised directly in equity	3	2	-	-	317	322	-	322
Balance at 31 January 2015	202	31,016	9,239	7,853	11,808	60,118	(31)	60,087

YOUNGOV PLC

CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 31 January 2015

	Unaudited 6 months to 31 January 2015 £'000	Unaudited 6 months to 31 January 2014 £'000	Audited Year ended 31 July 2014 £'000
Profit/(Loss) before taxation	16	(427)	733
Adjustments for:			
Finance income	(20)	(20)	(171)
Finance costs	137	309	463
Share of post-tax loss in joint ventures	-	-	14
Amortisation	2,288	2,013	4,120
Depreciation	325	283	631
Loss on disposal of property, plant and equipment	27	-	-
Share based payments	789	627	1,246
Other non-cash operating profit items	170	(29)	88
(Increase)/Decrease in trade and other receivables	(3,231)	1,393	(1,088)
(Decrease)/Increase in trade and other payables	(531)	(665)	2,411
Increase in provisions	331	48	445
Cash generated from operations	301	3,532	8,892
Interest paid	(4)	(28)	(4)
Income taxes paid	(522)	(131)	(287)
Net cash generated from operating activities	(225)	3,373	8,601
Cash flow from investing activities			
Purchase of subsidiary (net of cash acquired)	-	(649)	(643)
Acquisition of non-controlling interest in subsidiary	-	-	(28)
Settlement of deferred considerations	-	-	(332)
Proceeds from sale of property, plant and equipment	1	13	12
Purchase of property, plant and equipment	(413)	(303)	(1,048)
Purchase of intangible assets	(2,341)	(2,130)	(4,723)
Interest received	1	-	1
Dividends received	-	19	55
Net cash used in investing activities	(2,752)	(3,050)	(6,706)
Cash flows from financing activities			
Proceeds from the issue of share capital	5	75	57
Repayment of borrowings	-	(15)	(32)
Dividends paid to company's shareholders	(804)	(586)	(586)
Dividends paid to non-controlling interest	-	-	(35)
Net cash used in financing activities	(799)	(526)	(596)
Net (decrease)/increase in cash and cash equivalents	(3,776)	(203)	1,299
Cash and cash equivalents at beginning of period	7,245	6,656	6,656
Exchange gain/(loss) on cash and cash equivalents	205	(396)	(710)
Cash and cash equivalents at end of period	3,674	6,057	7,245

YOUGOV plc

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 31 January 2015

1 GENERAL INFORMATION

YouGov plc and subsidiaries' ('the Group') principal activity is the provision of market research. The market research industry is subject to seasonal fluctuations, with peak demand in the second half of the Group's financial year

YouGov plc is the Group's ultimate parent company. It is incorporated and domiciled in Great Britain. The address of YouGov plc's registered office is 50 Featherstone Street, London, EC1Y 8RT. YouGov plc's shares are listed on the Alternative Investment Market.

YouGov plc's consolidated interim financial statements are presented in pounds sterling (£), which is also the functional currency of the parent company.

These condensed consolidated interim financial statements have been approved for issue by the board of directors on 23 March 2015.

This consolidated interim financial information for the six months ended 31 January 2015 does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 July 2014 were approved by the Board on 13 October 2014 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. The consolidated financial statements of the Group for the year ended 31 July 2014 are available from the Company's registered office or website (www.yougov.com).

This consolidated interim financial information is unaudited and not reviewed by the auditors.

2 FORWARD LOOKING STATEMENTS

Certain statements in this interim report are forward looking. Although the Group believes that the expectations reflected in these forward looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. As these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward looking statements.

We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

3 BASIS OF PREPARATION

This consolidated interim report for the six months ended 31 January 2015 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and IAS 34 'Interim financial reporting' as adopted by the European Union. The consolidated interim report should be read in conjunction with the annual financial statements for the year ended 31 July 2014, which has been prepared in accordance with IFRS's as adopted by the European Union.

Accounting policies

The accounting policies applied are consistent with those of the Annual Financial Statements for the year ended 31 July 2014, as described in those Annual Financial Statements. The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 August 2014 but are either not relevant to the Group or do not have a significant impact:

- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint arrangements";
- IFRS 12 "Disclosure of interests in other entities";
- IAS 27 "Separate Financial Statements";
- IAS 28 "Investments in associates and joint ventures";
- Amendments to IFRS 10, 11 and 12 on transition guidance (effective 1 January 2013) (endorsed 1 January 2014);
- Amendments to IFRS 10, 12 and IAS 27 on consolidation for investment entities (effective 1 January 2014);
- Amendments to IAS 32 on Financial instruments asset and liability offsetting (effective 1 January 2014);
- Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures (effective 1 January 2014);
- Amendment to IAS 39 'Financial instruments: Recognition and measurement', on novation of derivatives and hedge accounting (effective 1 January 2014); and
- IFRIC 21, 'Levies' (effective 1 January 2014) (endorsed 17 June 2014).

The following new standards and amendments to standards have been issued but are not yet effective for the purposes of the Interim Report and have not been early adopted:

- Amendment to IAS 19, Employee benefits on defined benefit plans;
- Annual improvements to IFRSs 2010-2012 Cycle; and
- Annual improvements to IFRSs 2011-2013 Cycle.

Accounting estimates and judgements

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of income, expense, assets and liabilities. The significant estimates and judgements made by management were consistent with those applied to the consolidated financial statements for the year ended 31 July 2014.

Risks and uncertainties

The principal strategic level risks and uncertainties affecting the group remain those set out in the Strategic Report on pages 27 of the 2014 Annual Report.

The chairman's statement and chief executive's review in this interim report include comments on the outlook for the remaining six months of the financial year.

4 SEGMENTAL ANALYSIS

During the year ended 31 July 2014 the Board of Directors (which is the “chief operating decision maker”) primarily reviewed information based on geographic lines but also reviewed information based on product lines. For the year ending 31 July 2015 the Board primarily reviews information based on product lines, Custom Research, Data Products & Data Services, with supplemental geographical information. As a result product lines now form the basis for the segmental with supplemental geographical information.

For the six months	Custom Research	Data Products	Data Services	Unallocated	Group
to 31 January 2015 (Unaudited)	£'000	£'000	£'000	£'000	£'000
Revenue	24,260	5,343	6,606	-	36,209
Cost of sales	(6,448)	(1,154)	(1,083)	-	(8,685)
Gross profit	17,812	4,189	5,523	-	27,524
Operating expenses	(15,321)	(3,160)	(3,596)	(2,125)	(24,202)
Operating profit/(loss) before amortisation of intangible assets and exceptional items	2,491	1,029	1,927	(2,125)	3,322
Amortisation of intangible assets					(2,223)
Exceptional items					(966)
Operating profit					133
Finance income					20
Finance costs					(137)
Profit before taxation					16
Taxation					(332)
Loss after taxation					(316)

Other segment information

Depreciation	198	30	46	51	325
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For the six months	Custom Research	Data Products	Data Services	Unallocated	Group
to 31 January 2014 (Unaudited)	£'000	£'000	£'000	£'000	£'000
Revenue	22,265	4,630	5,744	-	32,639
Cost of sales	(5,661)	(1,157)	(1,190)	-	(8,008)
Gross profit	16,604	3,473	4,554	-	24,631
Operating expenses	(14,218)	(2,722)	(2,740)	(2,090)	(21,770)
Operating profit/(loss) before amortisation of intangible assets and exceptional items	2,386	751	1,814	(2,090)	2,861
Amortisation of intangible assets					(1,942)
Exceptional items					(1,057)
Operating loss					(138)
Finance income					20
Finance costs					(309)
Loss before taxation					(427)
Taxation					(35)
Loss after taxation					(462)

Other segment information

Depreciation	116	40	48	79	283
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4 SEGMENTAL ANALYSIS continued

Supplementary information by geography

	Six months to 31 January 2015 (Unaudited)		Six months to 31 January 2014 (Unaudited)	
	Revenue	Adjusted [^] operating profit/(loss)	Revenue	Adjusted [^] operating profit/(loss)
	£'000	£'000	£'000	£'000
UK	9,855	1,428	9,334	1,862
USA	13,327	3,081	10,391	1,574
Germany	4,318	275	4,066	93
Nordic	3,783	372	4,087	327
Middle East	5,044	606	5,199	1,229
France	451	5	283	(114)
Asia Pacific	451	(320)	43	(20)
Intra-group revenues / unallocated costs	(1,020)	(2,125)	(764)	(2,090)
Group	36,209	3,322	32,639	2,861

[^]Operating profit/(loss) before amortisation of intangible assets and exceptional items.

5 EXCEPTIONAL ITEMS

	Unaudited 6 months to 31 January 2015 £'000	Unaudited 6 months to 31 January 2014 £'000	Audited Year Ended 31 July 2014 £'000
Restructuring costs	242	610	1,192
Acquisition related costs	724	520	1,226
Change in accounting estimation – contingent consideration	-	94	92
Cost of establishing new entities	-	-	44
Gain on re-measurement of associates on acquisition of control	-	(167)	(169)
Total exceptional costs	966	1,057	2,385

Restructuring costs in the period relate to the continued cost of the reorganisation of the management structure of the US (£180,000) and German (£62,000) businesses that was undertaken in the prior year. Restructuring costs in the prior period are the cost of reorganising the management structure of the Nordic (£281,000), US (£191,000) UK (£75,000) and German (£63,000) businesses.

Acquisition related costs in the period includes £501,000 of contingent consideration in respect of the acquisition in the prior year of Doughty Media 2 that is deemed under IFRS to be staff compensation cost and £223,000 in relation to the acquisition in the prior year of Decision Fuel, comprising £183,000 of contingent consideration, £28,000 of loyalty bonuses and £12,000 of transaction costs. Acquisition related costs in the prior period comprise, £232,000 in relation to the acquisition of Doughty Media 2 including £207,000 in respect of contingent consideration that is deemed under IFRS to be staff compensation costs and £25,000 of transaction costs, £285,000 in relation to the acquisition of Decision Fuel including £229,000 of transaction costs and £56,000 of deemed staff costs and £3,000 in respect of a prospective acquisition in the previous financial year.

The change in estimated contingent consideration in the prior period is in respect of the Definitive Insights acquisition.

Gain on re-measurement of associates in the prior period was the result of the interest in CoEditor previously held by the Group being re-measured to its fair value on acquisition.

6 TAXATION

	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year Ended
	31 January	31 January	31 July
	2015	2014	2014
	£'000	£'000	£'000
Current taxation charge	484	596	515
Deferred taxation credit	(152)	(561)	(199)
Total income statement tax charge	332	35	316

7 (LOSS)/EARNINGS PER SHARE

	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year to
	31 January	31 January	31 July
	2015	2014	2014
Number of shares			
Weighted average number of shares during the period ('000 shares):			
- Basic	99,803	96,827	98,044
- Dilutive effect of options	4,682	6,160	5,434
- Diluted	104,485	102,987	103,478
Basic (loss)/earnings per share (in pence)	(0.3)	(0.4)	0.4
Adjusted basic earnings per share (in pence)	2.6	2.4	6.1
Diluted (loss)/earnings per share (in pence)	(0.3)	(0.4)	0.4
Adjusted diluted earnings per share (in pence)	2.5	2.2	5.8

The adjustments have the following effect:

Basic (loss)/earnings per share (in pence)	(0.3)	(0.4)	0.4
Amortisation of intangible assets	2.2	2.0	4.1
Share based payments	0.3	0.5	0.6
Exceptional items	1.0	1.1	2.4
Tax effect of the above adjustments	(0.6)	(0.8)	(1.4)
Adjusted basic earnings per share (in pence)	2.6	2.4	6.1

Diluted (loss)/earnings per share (in pence)	(0.3)	(0.4)	0.4
Amortisation of intangible assets	2.2	1.9	3.9
Share based payments	0.3	0.4	0.5
Exceptional items	0.9	1.0	2.3
Tax effect of the above adjustments	(0.6)	(0.7)	(1.3)
Adjusted diluted earnings per share (in pence)	2.5	2.2	5.8

8 DIVIDEND

On 15 December 2014 a final dividend in respect of the year ended 31 July 2014 of £804,000 (0.8p per share) (2013: £586,000 (0.6p per share)) was paid to shareholders. No interim dividend is proposed in respect of the period (2014: £nil).

9 GOODWILL, INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

	Goodwill £'000	Other intangible assets £'000	Property, plant and equipment £'000
Carrying amount at 31 July 2013	38,800	9,210	2,256
Additions:			
Through Business Combinations	1,929	684	20
Separately acquired	-	1,073	303
Internally developed	-	1,057	-
Amortisation and depreciation	-	(2,013)	(283)
Disposals	-	-	(13)
Net exchange differences	(2,575)	(363)	(143)
Carrying amount at 31 January 2014	38,154	9,648	2,140
Additions:			
Through Business Combinations	(703)	330	-
Separately acquired	-	1,328	745
Internally developed	-	1,265	-
Amortisation and depreciation	-	(2,107)	(348)
Disposals	-	-	-
Net exchange differences	(1,122)	(143)	(48)
Carrying amount at 31 July 2014	36,329	10,321	2,489
Additions:			
Separately acquired	-	1,000	413
Internally developed	-	1,341	-
Amortisation and depreciation	-	(2,288)	(325)
Disposals	-	-	(28)
Net exchange differences	1,134	370	172
Carrying amount at 31 January 2015	37,463	10,744	2,721

The goodwill arising through business combinations in the prior year comprises £569,000 in respect of CoEditor and £657,000 in respect of Decision Fuel.

In accordance with the Group's accounting policy, the carrying values of goodwill and other intangible assets are reviewed for impairment at each balance sheet date. A full impairment test is undertaken at each financial year end and a review for indicators of impairment is undertaken at the end of each interim period and an impairment test undertaken if required. The last full annual impairment review was undertaken as at 31 July 2014. A review for indicators of impairment was undertaken at the period end and none were identified.

9 GOODWILL, INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT (continued)

Other intangible assets are analysed as follows:

	Consumer panel £'000	Software and software develop- ment £'000	Customer contracts and lists £'000	Patents and trade- marks £'000	Develop- ment costs £'000	Total £'000
Carrying amount at 31 July 2013	887	3,768	2,941	1,184	430	9,210
Additions:						
Business combinations	-	684	-	-	-	684
Separately acquired	554	443	-	-	76	1,073
Internally developed	-	1,057	-	-	-	1,057
Total additions	554	2,184	-	-	76	2,814
Amortisation:						
Business combinations	-	(107)	(236)	(165)	-	(508)
Separately acquired	(278)	(362)	-	-	(95)	(735)
Internally developed	-	(770)	-	-	-	(770)
Total Amortisation	(278)	(1,239)	(236)	(165)	(95)	(2,013)
Net exchange differences	(53)	(28)	(206)	(63)	(13)	(363)
Carrying amount at 31 January 2014	1,110	4,685	2,499	956	398	9,648
Additions:						
Business combinations	-	330	-	-	-	330
Separately acquired	1,189	97	-	2	40	1,328
Internally developed	-	1,258	-	-	7	1,265
Total additions	1,189	1,685	-	2	47	2,923
Amortisation:						
Business combinations	-	(62)	(228)	(159)	-	(449)
Separately acquired	(428)	(334)	-	-	(77)	(839)
Internally developed	-	(803)	-	-	(16)	(819)
Total Amortisation	(428)	(1,199)	(228)	(159)	(93)	(2,107)
Net exchange differences	(32)	(18)	(65)	(24)	(4)	(143)
Carrying amount at 31 July 2014	1,839	5,153	2,206	775	348	10,321
Additions:						
Separately acquired	527	432	-	-	41	1,000
Internally developed	-	1,341	-	-	-	1,341
Total additions	527	1,773	-	-	41	2,341
Amortisation:						
Business combinations	-	(101)	(232)	(160)	-	(493)
Separately acquired	(509)	(326)	-	-	(74)	(909)
Internally developed	-	(886)	-	-	-	(886)
Total Amortisation	(509)	(1,313)	(232)	(160)	(74)	(2,288)
Net exchange differences	62	114	183	(6)	17	370
Carrying amount at 31 January 2015	1,919	5,727	2,157	609	332	10,744

10 SHARE CAPITAL

	Number of shares	Unaudited share capital £'000
At 31 January 2014	99,261,339	199
Issue of shares	47,615	-
At 31 July 2014	99,308,954	199
Issue of shares	1,593,401	3
At 31 January 2015	100,902,355	202

The company has only one class of share. The par value of each share is 0.2p. All issued shares are fully paid.

11 BUSINESS COMBINATION AND DISPOSALS

a) Doughty Media 2 Limited ("DM2")

During the previous period, YouGov acquired 100% of DM2 which owns 68% of CoEditor Limited, the company which has developed the Opigram service and in which YouGov already owned a 29% shareholding. This acquisition was made in two stages: 40% was acquired in September 2013 and the remaining 60% in December 2013.

i) Acquisition of 40% shareholding in DM2

On 6 September 2013, YouGov plc purchased a 40% shareholding in DM2 from Freddie Sayers, an Executive Director of CoEditor Limited, for a purchase price of £497,000. £37,000 of this was paid in cash on completion, the remaining balance of £460,000 was payable in YouGov shares contingent on Freddie Sayers' continuing employment of which £348,000 was also contingent on the achievement of certain performance criteria relating to the delivery of expected benefits arising from the incorporation of the Opigram technology within YouGov's online presence.

The performance measurement period ended on 31 January 2015 and the performance criteria were achieved in full as a result 691,429 YouGov shares are due to be issued to Freddie Sayers in March 2015.

All of this deferred consideration was contingent upon continuing employment and therefore has been treated as staff compensation under IFRS with a charge of £165,000 (2014 - £131,000) being recognised as an exceptional cost in the period.

ii) Acquisition of 60% Shareholding in DM2

On 20 December 2013, YouGov plc purchased the remaining 60% shareholding in DM2 from Stephan Shakespeare, an Executive Director of YouGov plc on the same terms and conditions agreed for the prior purchase of the 40% shareholding. The maximum purchase price will be £744,000, payable in YouGov shares contingent on Stephan Shakespeare's continuing employment, of which £521,000 is also contingent on the achievement of certain performance criteria relating to delivery of expected benefits arising from the incorporation of the Opigram technology within YouGov's online presence

The performance measurement period ended on 31 January 2015 and the performance criteria were achieved in full as a result 1,118,797 YouGov shares are due to be issued to Stephan Shakespeare in March 2015.

All of this deferred consideration was contingent upon continuing employment and therefore has been treated as staff compensation under IFRS with a charge of £336,000 (2014 - £76,000) being recognised as an exceptional cost in the period.

b) Acquisition of Decision Fuel

On 9 January 2014, YouGov plc purchased a 100% shareholding in Decision Fuel (“DF”), an Asian based research and technology company with offices in Hong Kong, Shanghai and Singapore. The basic purchase consideration payable is the sum of six times the EBITDA of DF in the year ending 31 July 2016 and two times EBITDA (capped at 1.5 times 2016 EBITDA) in the year ending 31 July 2017 less any working capital funding provided by YouGov to DF prior to the end of the performance period. An initial payment of \$1,000,000 (£608,000) was paid upon completion and the balance will be paid in two instalments in December 2017 and December 2018.

The payments due in 2017 and 2018 are estimated to total \$1.5m (£0.9m). Approximately 97% of this contingent consideration is contingent upon continuing employment and has therefore been treated as staff compensation under IFRS with a charge of £183,000 (2014 - £56,000) being recognised as an exceptional cost in the period along with £28,000 of loyalty bonuses and £12,000 of transaction costs.

12 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Where market values are not available, fair values of financial assets and financial liabilities have been calculated by discounting expected future cash flows at prevailing interest rates and by applying year end foreign exchange rates.

Primary financial instruments held or issued to finance the Group’s operations:

	31 January 2015		31 January 2014	
	Unaudited		Unaudited	
	Book value	Fair value	Book value	Fair value
	£’000	£’000	£’000	£’000
Trade and other receivables	24,564	24,564	18,615	18,615
Cash and cash equivalents	3,843	3,843	6,177	6,177
Trade and other payables	(11,027)	(11,027)	(9,839)	(9,839)
Bank overdrafts	(169)	(169)	(120)	(120)
Contingent consideration				
– Non-current	(353)	(353)	(888)	(888)
– Current	(340)	(340)	(312)	(312)

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Liabilities	31 January 2015				31 January 2014			
	Unaudited				Unaudited			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£’000	£’000	£’000	£’000	£’000	£’000	£’000	£’000
Contingent consideration	-	-	693	693	-	-	1,200	1,200

The following table presents the changes in Level 3 instruments.

	Unaudited 6 months to 31 January 2015 £'000	Unaudited 6 months to 31 January 2014 £'000
Contingent consideration		
Balance at 1 August	467	551
Acquisition of Decision Fuel	-	683
Recognised in the income statement	161	12
Recognised in other comprehensive income	65	(46)
Balance at 31 January	693	1,200

13 TRANSACTIONS WITH DIRECTORS AND OTHER RELATED PARTIES

During the previous financial year YouGov plc acquired 60% of Doughty Media 2 from Stephan Shakespeare, an Executive Director of YouGov plc, for a purchase price of £744,000 payable in YouGov shares, contingent on the achievement of certain performance criteria. The performance criteria were achieved in full and as a result 1,118,797 shares are due to be issued to Stephan Shakespeare. Further details are disclosed in note 11.

On 10 December 2013, YouGov plc entered into a joint development agreement with Crunch i.o, a US company in which Doug Rivers, an executive director of YouGov plc, has an equity interest of 40%. YouGov and Crunch.io have agreed jointly to fund the development of a cloud-based data analytics software application in which both parties have usage rights. During the period Crunch i.o. recharged costs totalling £59,000 (2014: £nil) to YouGov.

Other than emoluments there were no other transactions with Directors during the period.

Trading between YouGov plc and group companies is excluded from the related party note as this has been eliminated on consolidation.

14 POST BALANCE SHEET EVENTS

On 9 February 2015, YouGov entered into an agreement with Portent i.o., a start-up business specialising in research and predictive analysis for the film industry under which YouGov has made an initial investment for a 10% shareholding which may increase up to 35% if it provides further investment in specified tranches over the next year. Portent.io and YouGov intend also to collaborate through the use of YouGov's opinion data in the development of Portent's products.