24 November 2017

Future plc

Global specialist media platform delivering significant profitable growth

Future plc (LSE: FUTR, "Future", "the Group"), the global platform for specialist media, today publishes results for the year ended 30 September 2017.

Financial highlights

- Strong set of results with Group revenue up 43% to £84.4m (2016: £59.0m)
  - Media division revenue up 43% to £34.1m (2016: £23.9m) of which 34% is organic growth
    - eCommerce increased 107% year-on-year to £8.9m
    - Events grew 58% year-on-year to £5.2m, bolstered by acquisitions of £1.6m
    - Digital display grew 21% year-on-year to £19.5m
  - Magazine division revenue up 43% to £50.3m (2016: £35.1m), driven by the acquisitions of Imagine Publishing, Team Rock and Home Interest
  - Recurring revenue* streams now represent 27% (2016: 25%) of total revenue
- Adjusted EBITDA** increased by 112% to £11.0m (2016: £5.2m), reflecting margin expansion through change in revenue mix and revenue growth across both Media and Magazine divisions
- Continued growth of adjusted operating profit up 218% to £8.9m (2016: £2.8m) before share based payments, amortisation of acquired intangibles and exceptional items of £8.1m (2016: £17.0m) and reported operating profit up to £0.8m (2016: loss of £14.2m)
- Adjusted EPS materially increased by 144% to 23.2p per share (2016: 9.5p per share) and reported EPS increased to 4.3p per share (2016: loss of 59.6p)
- Strong adjusted operating cash inflow*** of £17.1m (2016: £6.5m) and reported operating cash inflow up 287% to £12.0m (2016: £3.1m) with adjusted cash conversion of 155%****
- The Board is considering the payment of a dividend in the current financial year ending September 2018

Operational highlights

- Significant momentum in delivering the Group's strategy of being a global platform for specialist media, with strengthened diversified revenue streams through acquisitions and organic growth through innovation
- Increased audience diversification with the introduction of Home Interest content vertical; now reaching seven different audience communities
- Media division
  - Considerable online audience growth – 53.3 million monthly online users in 2017 Q4, up 18% year-on-year, with organic growth of 12% year-on-year
  - Growth of events portfolio through the acquisition of 10 additional annual events
  - Website platform starting to scale with new launches of DigitalCameraWorld.com and Realhomes.com
  - Investment in a technology stack capitalising on the growth in programmatic while maximising

digital yields

- Acquisitions of Imagine Publishing and Team Rock now fully integrated with integration of Home Interest on track

Zillah Byng-Thorne, Future's Chief Executive, said:

"Our strategy to diversify revenues through acquisition and organically has delivered substantial growth in both operating profitability and cash conversion. This has been driven by strong revenue performance in eCommerce and events, supported by our investment in digital assets and continued tight management of costs.

"Our three acquisitions during the financial year have further increased the size and range of our engaged communities. The integration of both Imagine and Team Rock has now been completed and Home Interest, acquired in early August, is progressing well.

"We are seeing clear momentum in our strategy to build a global platform business for specialist media with data at its heart, focused on enduring content that connects with our substantial and expanding audience base."

*Recurring revenue comprises eCommerce and subscriptions.
**Earnings before share based payments and associated social security costs, interest, tax, depreciation, amortisation, impairment of intangible assets and exceptional items.
***Adjusted operating cash inflow represents operating cash inflow adjusted to exclude cash flows relating to exceptional items.
****Adjusted cash conversion represents adjusted operating cash inflow as a percentage of adjusted EBITDA.
*****Adjusted free cash flow is defined as adjusted operating cash inflow less capital expenditure.

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Certain information contained in this announcement would have constituted inside information (as defined by Article 7 of Regulation (EU) No 596/2014) prior to its release as part of this announcement.

Note to editors

Future is focused on building a global platform for specialist media with diversified revenue streams.

The Media division focuses on being at the forefront of digital innovation with three complementary revenue streams: eCommerce, events and digital advertising. It operates in a number of sectors including technology, games and home interest markets and has a number of leading brands including TechRadar, PC Gamer, GamesRadar+, The Photography Show, Homebuilding & Renovating Show, Generate and the Golden Joysticks.

The Magazine division is specialist and brand-led, with 60 publications and over 430 bookazines published per year, totalling global circulation of over one million. The Magazine portfolio spans technology, games and entertainment, music, creative and photography, field sports, knowledge and home interest. Its market-leading titles include Classic Rock, Total Film, How It Works, Digital Camera, Homebuilding & Renovating and All About History.

Overview

Future has delivered another year of growth, with revenue up 43% year-on-year to £84.4m (2016: £59.0m), driven by organic growth of 8% and acquisitions, adjusted EBITDA up 112% year-on-year to £11.0m (2016: £5.2m), with adjusted EPS up 144%. In addition, adjusted free cash flows***** totalled £15.3m (2016: £4.6m) and reported EPS increased to 4.3p (2016: loss of 59.6p).

The Group has delivered growth in both operating profitability and cash generation, driven by strong revenue growth in eCommerce, digital advertising and events.

Future has seen clear benefits from operational gearing from the investment in central functions and technology infrastructure evident in the significant improvement in adjusted EBITDA margin to 13% (2016: 9%). The investment has also allowed a number of new brand launches to be delivered quickly with minimal incremental investment cost.

The Media division is performing well with fast revenue growth in all areas; eCommerce revenue has more than doubled year-on-year, while events have grown 58% year-on-year. In addition, digital display advertising revenue has increased by 21% year-on-year as a result of valuing the quality of our audience, combined with the investment we have made in a technology stack that capitalises on the growth in programmatic advertising while maximising digital yields.

The Magazine division has benefited from added scale and operational efficiencies through the acquisitions of Imagine Publishing, Team Rock and Home Interest.

The growth in revenues and operating profitability and resulting strong cash conversion in the period lead to year-end net debt of less than 1x adjusted EBITDA.

In light of the continued focus on debt reduction, confidence in the Group's growth strategy and the continued development of the business leading to more consistent cash flows and diversified revenue streams, the Board is now in a position to consider returning to paying a dividend to shareholders, whilst maintaining sufficient resources to continue investing in the business.

Current trading and outlook

Trading in the current financial year has started well and, at this early stage, is performing in line with the Board's expectations.

The integration of both Imagine and Team Rock has been completed with synergies delivered in line with expectations and both are trading in line with expectations.

The integration of Home Interest, acquired in early August, is progressing well and is expected to be fully completed by the end of this calendar year, with the launch of Realhomes.com in November 2017 a key part of the acquisition strategy.

Strategy

Global platform business for specialist media

In 2016 Future outlined its strategy of becoming a global platform business for specialist media with diversified revenue streams. Clear momentum on this strategy throughout the year is reflected in the Group's financial performance.

The Group continues to diversify its revenue streams; eCommerce revenues continue to grow well organically and growth in events has been bolstered by the acquisitions of the Team Rock and Home Interest portfolios. With the introduction of a new content vertical through the Home Interest acquisition, audience diversification has increased to seven audience communities.

Investment in digital assets and the continued tight management of costs has increased operating margins and helped deliver on this strategy.

Operational review

Loyal communities

Future attracts a large passionate audience across online, events and print of 85 million; the Group's influential and market-leading brands offer our audiences the opportunity to do the things they love, through an exciting combination of experiences, unique content and eCommerce offerings.

Future is focused on meeting our audience's needs with specialised and high-quality content and experiences. This connection can occur wherever the audience is, with strong engagement with users through a large social media reach of 31 million followers across Facebook, Twitter and YouTube and generating seven million sessions to the digital properties from social media.

This high engagement was evident at The PC Gaming Show at E3 in June, which was watched live on specialist gaming channel Twitch by an audience of industry-leading scale, with over two million unique viewers and 630,000 concurrent video viewers across all platforms.

Our brands are market leading and we have seen significant audience growth of 18% year-on-year, reaching 53.3 million online users. In the US, the 10% year-on-year growth in online users to 20.4 million has resulted in an increase in our market share, particularly in technology.

We are focused on enhancing and building the recurring revenue streams of online and print subscriptions and memberships, such as Team Rock+, PC Gamer Club and photography premium subscriptions. Membership gives users access to exclusive member content and offers. Across our online and print products we have over 500 thousand subscribers and members, up 26% year-on-year.

Data led innovation through content and technology

Our global platform business enables us to facilitate and accelerate growth opportunities and unlock significant new sources of revenue.

This year we have seen strong organic growth, particularly from eCommerce and events. This has been driven by a number of new initiatives, including new content genres within the current brands such as broadband or T3 Home and using data to optimise conversion rates.

Following the successful test launch of T3 Baby during the course of 2017, we have launched a number of new sites including Digitalcameraworld.com and TheRadar.com. Launched in October 2017, TheRadar.com is an eCommerce-led website aimed at allowing users to find, review and buy products across a number of categories including tech, homeware and beauty.

Following the recent acquisition of the Home Interest division we launched Realhomes.com during November

2017, a home interiors website accompanied by buying guides to take advantage of current trends in our audience's online search and purchase intent.

By scaling investment in our platform business coupled with our leading content, we are expanding our global reach through digital and print licensing. These strategic partnerships leverage our unique platform proposition by offering high-margin licensing and franchising of key brands. We have signed a total of ten new licensing partners this year including Panini in Spain, Beijing Muchuan Culture Development in China and Tbreak in the Middle East.

The digital licensing opportunities that we offer enable global partners to optimise their local offering by accessing trusted brands and authoritative content, and leveraging a unique commercial model developed by Future. Two of the ten licensing partners signed this year, one in India and the other in the GCC, are strategic in nature, where our partner is licensing our digital content and technology platform.

Acquisitions

Future has made three acquisitions this year, in line with the Group's strategy to expand our global reach through acquisitions. These acquisitions have added significant scale to the business and we have benefited from the resulting operational efficiencies.

The acquisitions have further diversified revenue streams by adding new verticals including knowledge, music listening and home interest.

Our investments this year in our platform and data-led decision making tools underpin our buy and build strategy as we create additional diversified revenue streams for these acquired brands to generate further organic growth.

In October 2016, we completed the acquisition of Imagine Publishing with the integration now complete. The acquisition of Imagine has resulted in significant cost synergies and cash generation, has added significant scale to our Magazine division and has introduced another vertical, knowledge, to our portfolio. The knowledge vertical provides specialist content on science, history, wildlife and crime.

In January 2017, Future acquired Team Rock, a portfolio of music listening magazines, website and events. The new music listening vertical complements our existing music making portfolio as well as expanding our events portfolio. The acquisition of Team Rock brings scalable brands with loyal fan bases.

In August 2017, we acquired the Home Interest division from Centaur Media. The acquisition has significantly enhanced the scale of our events business, with the addition of market-leading, national home interest shows, and has presented us with growth opportunities across our platform business with the launch of a new digital brand to maximise digital advertising and eCommerce opportunities.

These acquisitions have allowed us to expand our eCommerce and events profiles, whilst strengthening the Magazine division and continuing to provide synergistic benefits.

Financial review

Financial summary

	2017 £m	2016 £m

Revenue	**84.4**	59.0
Adjusted EBITDA	**11.0**	5.2
Depreciation	**(0.3)**	(0.4)
Adjusted amortisation	**(1.8)**	(2.0)
Adjusted operating profit	**8.9**	2.8
Adjusted net finance costs	**(0.6)**	(0.5)
Adjusted profit before tax	**8.3**	2.3

Operating profit/(loss)	**0.8**	(14.2)
Profit/(loss) before tax	**0.2**	(14.9)

Items described as 'adjusted' in the table above exclude the items detailed as 'adjusting' in the reconciliation below.

Earnings/(loss) per share

	2017	**2016**
Adjusted basic earnings per share (p)	**23.2**	**9.5**
Basic earnings/(loss) per share (p)	**4.3**	**(59.6)**

A reconciliation of adjusted operating profit to profit/(loss) before tax is shown below:

	2017 £m	2016 £m
Adjusted operating profit	**8.9**	2.8
Adjusted net finance costs	**(0.6)**	(0.5)
Adjusted profit before tax	**8.3**	2.3
Adjusting items:		
Share-based payments (including related social security costs)	**(2.1)**	(0.5)
Exceptional items	**(3.7)**	(3.5)
Amortisation of acquired intangibles	**(2.3)**	-
Impairment of intangible assets	**-**	(13.0)
Non-trading foreign exchange loss	**-**	(0.2)
Profit/(loss) before tax	**0.2**	(14.9)

The financial review is based primarily on a comparison of continuing results for the year ended 30 September 2017 with those for the year ended 30 September 2016. Unless otherwise stated, change percentages relate to a comparison of these two periods.

Revenue

Group revenue was up 43% to £84.4m (2016: £59.0m), which was achieved both organically (increase of 8%) and through acquisition. UK revenue was up 50% to £67.2m (2016: £44.7m) with US revenue up 26% to £19.1m (2016: £15.2m).

The Group's strategy is to continue to build recurring revenue streams. These encompass eCommerce and subscriptions, and now represent 27% of the Group's total revenue (2016: 25%).

Media

Media revenue has increased by 43% to £34.1m (2016: £23.9m), driven by the Group's fast growing revenue streams; eCommerce, events and through acquisition. On an underlying basis, excluding the impact of 2017 acquisitions, Media revenues increased by 34%.

In the UK, Media revenues increased by 50% to £21.1m (2016: £14.1m), driven by eCommerce growth of 88% to £4.9m (2016: £2.6m) and events growth of 58% to £5.2m (2016: £3.3m).

The US also experienced exceptional growth, up 41% year-on-year to £14.7m (2016: £10.4m), with eCommerce revenues being the biggest driver of this growth – up 135% to £4.0m (2016: £1.7m). Digital advertising in the US now represents 90% (2016: 88%) of US advertising revenues.

Magazine

Magazine revenue increased by 43% to £50.3m (2016: £35.1m) largely driven by acquisitions. On an underlying basis, excluding the impact of 2017 acquisitions, Magazine revenues declined 9% to £31.9m.

The division is constantly looking for ways to innovate and published over 430 bookazines in the year totalling revenue of £10.1m.

EBITDA and operating profit

The Group's adjusted EBITDA was up 112% to £11.0m (2016: £5.2m), of which £6.9m (2016: £3.2m) was UK and £4.1m (2016: £2.0m) was US. Operating profit increased £15.0m to £0.8m (2016: loss of £14.2m).

Future's headcount increased to 634 from 449 employees as additional staff joined the Group through acquisition. Rationalisation of the Group's overhead base continues with a focus on process re-engineering. The global content management system migration (CMS) was completed in early 2017, which puts the Group in a strong position to benefit from economies of scale as the number of brands increases. The Team Rock and Imagine acquisitions have been fully integrated and the Home Interest acquisition is expected to be fully integrated in into the Group's operations and systems by the end of the calendar year.

Exceptional items and impairment

Exceptional costs were £3.7m (2016: £3.5m). Restructuring costs of £1.1m include headcount reduction and transformation related activity. The vacant property provision movement during the year of £1.2m mainly relates to surplus office space in the US.

Acquisition related costs include deal fees and subsequent integration related activity and total £1.4m (2016: £2.3m) and relate to the acquisitions of Imagine, Team Rock and Home Interest.

A non-cash impairment charge of £13.0m was recognised in the prior year against goodwill attributable to the UK business, which reflected a shift in the underlying profitability and cash flows of the Group and the continued decline of print.

Net finance costs

Net finance costs fell to £0.6m (2016: £0.7m) as strong cash conversion allowed the Group to repay additional debt facilities arranged to fund acquisitions and due to lower interest on the legacy HMRC settlement agreement which will be fully repaid during 2018.

The Group's adjusted pre-tax profit was £8.3m (2016: £2.3m) and reported pre-tax profit of £0.2m reflecting significantly improved performance.

Taxation

The tax credit for the year amounted to £1.4m (2016: £0.5m), comprising a current tax charge of £0.8m (2016: £1.3m) and a deferred tax credit of £2.2m (2016: £1.8m) predominantly related to the recognition of further US losses, acquired intangible assets and share schemes. The current tax charge arises in the UK where the standard rate of corporation tax is 19.5%.

Earnings/(loss) per share

	2017	**2016**
Basic earnings/(loss) per share (p)	4.3	(59.6)
Adjusted earnings per share (p)	23.2	9.5

Adjusted earnings per share is based on the profit/(loss) after taxation which is then adjusted to exclude share-based payments (including related social security costs), exceptional items, amortisation of acquired intangible assets, impairment of intangible assets, non-trading foreign exchange and related tax effects.

The continuing adjusted profit after tax amounted to £8.6m (2016: £2.3m) and the weighted average number of shares in issue was 37m (2016: 24m).

Dividend

The Board is not recommending a final dividend for the year ended 30 September 2017.

In light of the continued focus on debt reduction, confidence in the Group's growth strategy and the continued development of the business leading to more consistent cash flow and diversified revenue streams, the Board is now in a position to consider returning to payment of a dividend whilst maintaining sufficient resources to continue investing in the business in 2018.

Cash flow and net debt

Net debt at 30 September 2017 was £10.0m (2016: net cash of £0.5m), which reflects the additional debt taken on to fund the Imagine and Home Interest acquisitions.

During the year, there was a cash inflow from operations before exceptional items of £17.1m (2016: £6.5m) reflecting a significant focus on improving the Group's working capital cycle and trading performance.

A reconciliation of adjusted operating cash inflow to cash inflow from operations is included below:

	2017 **£m**	2016 £m

Adjusted operating cash inflow	**17.1**	6.5
Cash flows related to exceptional items	(5.1)	(3.4)
Cash inflow from operations	**12.0**	3.1

Other significant movements in cash flows include exceptional payments of £5.1m (2016: £3.4m), £1.8m (2016: £1.9m) of capital expenditure, net proceeds from issuing shares of £21.0m, draw down of bank loans (net of repayments and arrangement fees) of £10.6m and payments of £32.6m (net of cash acquired) to fund acquisitions. Foreign exchange and other movements accounted for the balance of cash flows.

Credit facility and covenants

The Group had available facilities of up to £25.4m at 30 September 2017, expiring in June 2021. Further details of these new facilities are included within note 10.

Consolidated income statement

for the year ended 30 September 2017

	Note	**Adjusted results £m**	**Unaudited 2017 Adjusting items £m**	**Statutory results £m**	Adjusted results £m	2016 Adjusting items £m	Statutory results £m
Continuing operations							
Revenue	1	**84.4**	**-**	**84.4**	59.0	-	59.0
Net operating expenses	2	**(75.5)**	**(8.1)**	**(83.6)**	(56.2)	(17.0)	(73.2)
Operating profit/(loss)	2	**8.9**	**(8.1)**	**0.8**	2.8	(17.0)	(14.2)
Finance income	4	**0.1**	**-**	**0.1**	-	-	-
Finance costs	4	**(0.7)**	**-**	**(0.7)**	(0.5)	(0.2)	(0.7)
Net finance costs		**(0.6)**	**-**	**(0.6)**	(0.5)	(0.2)	(0.7)
Profit/(loss) before tax	1	**8.3**	**(8.1)**	**0.2**	2.3	(17.2)	(14.9)
Tax on profit/(loss)	5	**0.3**	**1.1**	**1.4**	-	0.5	0.5
Profit/(loss) for the year from continuing operations		**8.6**	**(7.0)**	**1.6**	2.3	(16.7)	(14.4)
Discontinued operations							
Profit for the year from discontinued operations		**-**	**-**	**-**	(0.1)	0.3	0.2
Profit/(loss) for the year attributable to owners of the parent		**8.6**	**(7.0)**	**1.6**	2.2	(16.4)	(14.2)

Earnings per 15p Ordinary share

	Note	**Adjusted results pence**	**Unaudited 2017 Adjusting items pence**	**Statutory results**	Adjusted results pence	Restated 2016* Adjusting items pence	Statutory results pence

				pence			
Basic earnings/(loss) per share – Total Group	7	**23.2**	**(18.9)**	**4.3**	9.1	(67.9)	(58.8)
Diluted earnings/(loss) per share – Total Group	7	**21.0**	**(17.1)**	**3.9**	8.8	(67.6)	(58.8)
Basic earnings/(loss) per share – Continuing operations	7	**23.2**	**(18.9)**	**4.3**	9.5	(69.1)	(59.6)
Diluted earnings/(loss) per share – Continuing operations	7	**21.0**	**(17.1)**	**3.9**	9.2	(68.8)	(59.6)

* The prior year comparatives have been restated to reflect the 15:1 share consolidation completed on 2 February 2017.

Consolidated statement of comprehensive income

for the year ended 30 September 2017

	Unaudited 2017 £m	2016 £m
Profit/(loss) for the year		(14.2)
Items that may be reclassified to the consolidated income statement		
Continuing operations		
Currency translation differences	**(0.2)**	0.3
Other comprehensive (loss)/income for the year from continuing operations	**(0.2)**	0.3
Total comprehensive income/(loss) for the year attributable to continuing operations	**1.4**	(14.1)
Total comprehensive income for the year attributable to discontinued operations	**-**	0.2
Total comprehensive income/(loss) for the year attributable to owners of the parent	**1.4**	(13.9)

Items in the statement above are disclosed net of tax.

Consolidated statement of changes in equity

for the year ended 30 September 2017

	Issued share capital £m	**Share premium account £m**	**Merger reserve £m**	**Treasury reserve £m**	**Accumulated losses £m**	**Total equity £m**
Balance at 1 October 2015	3.3	24.8	109.0	(0.3)	(105.4)	31.4
Loss for the year	-	-	-	-	(14.2)	(14.2)
Currency translation differences	-	-	-	-	0.3	0.3
Other comprehensive income for the year	-	-	-	-	0.3	0.3
Total comprehensive loss for the year	-	-	-	-	(13.9)	(13.9)

Share capital issued during the year	0.4	2.8	-	-	-	3.2
Share schemes						
- Value of employees' services	-	-	-	-	0.5	0.5
Balance at 30 September 2016	3.7	27.6	109.0	(0.3)	(118.8)	21.2
				Unaudited		
Profit for the year	-	-	-	-	1.6	1.6
Currency translation differences	-	-	-	-	(0.2)	(0.2)
Other comprehensive loss for the year	-	-	-	-	(0.2)	(0.2)
Total comprehensive income for the year	-	-	-	-	1.4	1.4
Share capital issued during the year	3.1	19.8	13.5	-	-	36.4
Share schemes						
- Value of employees' services	-	-	-	-	1.8	1.8
- Deferred tax on options	-	-	-	-	0.5	0.5
Balance at 30 September 2017	**6.8**	**47.4**	**122.5**	**(0.3)**	**(115.1)**	**61.3**

Consolidated balance sheet

as at 30 September 2017

	Note	**Unaudited 2017 £m**	2016 £m
Assets			
Non-current assets			
Property, plant and equipment		**1.0**	0.5
Intangible assets - goodwill	8	**65.8**	29.5
Intangible assets - other	8	**26.5**	3.7
Investments		**0.2**	-
Deferred tax		**4.4**	2.4
Total non-current assets		**97.9**	36.1
Current assets			
Inventories		**0.7**	0.4
Corporation tax recoverable		**0.1**	0.1
Trade and other receivables		**13.6**	12.4
Cash and cash equivalents	9	**10.1**	2.9
Total current assets		**24.5**	15.8
Total assets		**122.4**	51.9
Equity and liabilities			
Equity			
Issued share capital		**6.8**	3.7
Share premium account		**47.4**	27.6
Merger reserve		**122.5**	109.0
Treasury reserve		**(0.3)**	(0.3)
Accumulated losses		**(115.1)**	(118.8)
Total equity		**61.3**	21.2
Non-current liabilities			
Financial liabilities – interest-bearing loans and borrowings	10	**16.9**	0.1
Corporation tax payable		**-**	2.6
Deferred tax		**4.6**	0.9
Provisions	11	**2.6**	1.5
Other non-current liabilities		**0.6**	0.5

Total non-current liabilities		**24.7**	5.6
Current liabilities			
Financial liabilities - interest-bearing loans and borrowings	10	**3.2**	2.3
Financial liabilities - derivatives		**0.1**	-
Trade and other payables		**29.9**	21.4
Corporation tax payable		**3.2**	1.4
Total current liabilities		**36.4**	25.1
Total liabilities		**61.1**	30.7
Total equity and liabilities		**122.4**	51.9

Consolidated cash flow statement

for the year ended 30 September 2017

	Unaudited 2017 £m	2016 £m
Cash flows from operating activities		
Cash generated from operations	**12.0**	3.1
Tax received	**-**	0.1
Interest paid	**(0.6)**	(0.4)
Tax paid	**(1.4)**	(0.8)
Net cash generated from operating activities	**10.0**	2.0
Cash flows from investing activities		
Purchase of property, plant and equipment	**(0.6)**	(0.2)
Purchase of computer software and website development	**(1.2)**	(1.7)
Purchase of magazine titles and events	**(0.8)**	(0.6)
Purchase of subsidiary undertakings, net of cash acquired	**(31.8)**	(0.3)
Disposal of magazine titles and trademarks	**0.2**	-
Net cash used in investing activities	**(34.2)**	(2.8)
Cash flows from financing activities		
Proceeds from issue of Ordinary share capital	**22.0**	3.3
Costs of share issue	**(1.0)**	(0.2)
Draw down of bank loans	**23.3**	4.6
Repayment of bank loans	**(12.0)**	(5.7)
Bank arrangement fees	**(0.7)**	-
Repayment of finance leases	**(0.1)**	(0.1)
Net cash generated from financing activities	**31.5**	1.9
Net increase in cash and cash equivalents	**7.3**	1.1
Cash and cash equivalents at beginning of year	**2.9**	1.6
Exchange adjustments	**(0.1)**	0.2
Cash and cash equivalents at end of year	**10.1**	2.9
Amount attributable to continuing operations	**10.1**	2.9

Notes to the Consolidated cash flow statement

for the year ended 30 September 2017

A. Cash generated from operations

The reconciliation of profit/(loss) for the year to cash generated from operations is set out below:

	2017 £m	2016 £m
Profit/(loss) for the year – Continuing operations	**1.6**	(14.4)

– Discontinued operations	**-**	0.2
Profit/(loss) for the year – Total Group	**1.6**	(14.2)
Adjustments for:		
Depreciation charge	**0.3**	0.4
Amortisation of intangible assets	**4.1**	2.0
Impairment of intangible assets	**-**	13.0
Profit on disposal of magazine titles and trademarks	**-**	(0.4)
Share schemes		
- Value of employees' services	**1.8**	0.5
Net finance costs	**0.6**	0.7
Tax credit	**(1.4)**	(0.5)
Profit before changes in working capital and provisions	**7.0**	1.5
Movement in provisions	**1.0**	(0.6)
Decrease in inventories	**0.1**	0.1
Decrease in trade and other receivables	**6.0**	3.8
Decrease in trade and other payables	**(2.1)**	(1.7)
Cash generated from operations	**12.0**	**3.1**

B. Analysis of net cash/(debt)

	1 October 2016 £m	**Cash flows £m**	**Acquisitions £m**	**Finance leases entered into £m**	**Other non-cash changes £m**	**Exchange movements £m**	**30 September 2017 £m**
Cash and cash equivalents	2.9	5.6	1.7	-	-	(0.1)	**10.1**
Debt due within one year	(2.3)	6.0	(6.9)	(0.1)	0.1	-	**(3.2)**
Debt due after more than one year	(0.1)	(17.2)	-	-	0.4	-	**(16.9)**
Net cash/(debt)	**0.5**	**(5.6)**	**(5.2)**	**(0.1)**	**0.5**	**(0.1)**	**(10.0)**

C. Reconciliation of movement in net cash/(debt)

	2017 £m	2016 £m
Net cash/(debt) at start of year	**0.5**	(1.8)
Increase in cash and cash equivalents	**7.3**	1.1
Movement in borrowings	**(11.2)**	1.2
Borrowings acquired with subsidiaries	**(6.9)**	-
Finance leases entered into	**(0.1)**	(0.2)
Other non-cash changes	**0.5**	-
Exchange movements	**(0.1)**	0.2
Net (debt)/cash at end of year	**(10.0)**	0.5

Accounting policies

Basis of preparation

This preliminary statement of annual results for the year ended 30 September 2017 is unaudited and does not constitute statutory accounts. The information in this statement is based on the statutory accounts for the year ended 30 September 2017. The statutory accounts have not yet been delivered to the Registrar of Companies nor have the auditors yet reported on these.

The statutory accounts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee's (IFRS IC) interpretations as adopted by the European Union, applicable as at 30 September 2017, and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The accounting policies adopted, methods of computation and presentation are consistent with those set out in the Group's statutory accounts for the year ended 30 September 2017.

Going concern
The financial statements have been prepared on a going concern basis.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of Future plc (the Company) and its subsidiary undertakings. Subsidiaries are all entities controlled by the Group. Control exists when the Group is either exposed to or has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, and includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Presentation of non-statutory measures
The Directors believe that adjusted results and adjusted earnings per share provide additional useful information on the core operational performance of the Group to shareholders, and review the results of the Group on an adjusted basis internally. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

Adjustments are made in respect of:

Share-based payments – share-based payment expenses or credits, together with the associated social security costs, are excluded from the adjusted results of the Group as the Directors believe that the volatility of these charges can distort the user's view of the core trading performance of the Group.

Exceptional items – the Group considers items of income and expense as exceptional and excludes them from the adjusted results where the nature of the item, or its size, is material and likely to be non-recurring in nature (in the medium term) so as to assist the user of the financial statements to better understand the results of the core operations of the Group. Details of exceptional items are shown in note 3.

Amortisation of acquired intangible assets – the amortisation charge for those intangible assets recognised on business combinations is excluded from the adjusted results of the Group since they are non-cash charges arising from non-trading investment activities. As such, they are not considered reflective of the core trading performance of the Group.

Non-trading foreign exchange losses – certain other items are excluded from adjusted results where their inclusion distorts the comparability of core trading results year on year.

The tax related to adjusting items is the tax effect of the items above that are allowable deductions for tax purposes calculated using the standard rate of corporation tax.

A reconciliation of adjusted operating profit to profit /(loss) before tax is shown below:

	2017 £m	2016 £m
Adjusted operating profit	**8.9**	2.8
Adjusted net finance costs	**(0.6)**	(0.5)
Adjusted profit before tax	**8.3**	2.3
Adjusting items:		
Share-based payments (including social security costs)	**(2.1)**	(0.5)
Exceptional items	**(3.7)**	(3.5)
Amortisation of acquired intangibles	**(2.3)**	-
Impairment of intangible assets	**-**	(13.0)
Non-trading foreign exchange loss	**-**	(0.2)
Profit/(loss) before tax	**0.2**	(14.9)

A reconciliation between adjusted and statutory earnings per share measures is shown in note 7.

Notes

1. Segmental reporting

The Group is organised and arranged primarily by reportable segment. The executive Directors consider the performance of the business from a geographical perspective, namely the UK and the US. The Australian business is considered to be part of the UK segment and is not reported separately due to its size.

(a) Reportable segment

(i) Segment revenue

	2017 £m	2016 £m
UK	**67.2**	44.7
US	**19.1**	15.2
Revenue between segments	**(1.9)**	(0.9)
Total continuing operations	**84.4**	59.0

Transactions between segments are carried out at arm's length.

(ii) Segment adjusted EBITDA

	2017 £m	2016 £m
UK	**6.9**	3.2

US	**4.1**	2.0
Total segment adjusted EBITDA from continuing operations	**11.0**	5.2

Adjusted EBITDA is used by the executive Directors to assess the performance of each segment.

A reconciliation of total segment adjusted EBITDA from continuing operations to profit/(loss) before tax from continuing operations is provided as follows:

	2017 **£m**	2016 £m
Total segment adjusted EBITDA from continuing operations	**11.0**	5.2
Share-based payments (including social security costs)	**(2.1)**	(0.5)
Depreciation	**(0.3)**	(0.4)
Amortisation	**(4.1)**	(2.0)
Exceptional items	**(3.7)**	(3.5)
Impairment of intangible assets	**-**	(13.0)
Net finance costs	**(0.6)**	(0.7)
Profit/(loss) before tax from continuing operations	**0.2**	(14.9)

(b) Business segment

After geographical location, the Group is managed in two segments. The Media segment comprises websites and events and the Magazine segment comprises magazines. An additional segment, Other, was retained to reflect unallocated salaries and other direct costs which are not directly charged to the business segments for internal reporting purposes. The Group considers that the assets within each segment are exposed to the same risks.

(i) Revenue by business segment

	2017 **£m**	2016 £m
Media	**35.8**	24.5
Magazine	**50.5**	35.4
Revenue between segments	**(1.9)**	(0.9)
Total continuing operations	**84.4**	59.0

(ii) Gross profit by business segment

	2017 **£m**	2016 £m
Media	**27.6**	19.5
Magazine	**33.4**	23.5
Other	**(31.8)**	(24.8)
Add back: distribution expenses	**4.7**	3.6
Total continuing operations	**33.9**	21.8

2. Net operating expenses

Operating profit from continuing operations is stated after charging:

	2017	2016

	Adjusted results £m	**Adjusting items £m**	**Statutory results £m**	Adjusted results £m	Adjusting items £m	Statutory results £m
Cost of sales	**(50.5)**	**-**	**(50.5)**	(37.2)	-	(37.2)
Distribution expenses	**(4.7)**	**-**	**(4.7)**	(3.6)	-	(3.6)
Share-based payments (including social security costs)	**-**	**(2.1)**	**(2.1)**	-	(0.5)	(0.5)
Exceptional items (note 3)	**-**	**(3.7)**	**(3.7)**	-	(3.5)	(3.5)
Depreciation	**(0.3)**	**-**	**(0.3)**	(0.4)	-	(0.4)
Amortisation	**(1.8)**	**(2.3)**	**(4.1)**	(2.0)	-	(2.0)
Impairment of intangible assets	**-**	**-**	**-**	-	(13.0)	(13.0)
Other administration expenses	**(18.2)**	**-**	**(18.2)**	(13.0)	-	(13.0)
	(75.5)	**(8.1)**	**(83.6)**	(56.2)	(17.0)	(73.2)

3. Exceptional items from continuing operations

	2017 £m	2016 £m
Vacant property provision movements	**1.2**	(0.5)
Restructuring and redundancy costs	**1.1**	1.8
Acquisition and integration related costs	**1.4**	2.3
Profit on disposal of magazine titles and trademarks	**-**	(0.1)
Total charge	**3.7**	3.5

The vacant property provision movement during the year relates to surplus office space in the UK and the US.

The restructuring and redundancy costs relate mainly to staff termination payments and other restructuring activities.

The acquisition and integration related costs represent fees incurred in respect of the acquisitions and subsequent integrations of Miura (Holdings) Limited, the ultimate parent company of Imagine Publishing Limited, which was completed on 21 October 2016, and the Home Interest division of Centaur Media plc, which was completed on 1 August 2017. Further details in respect of the acquisitions are shown in note 13.

4. Finance income and costs

	2017 £m	2016 £m
Fair value gain on interest rate derivative not in a hedge relationship	**0.1**	-
Total finance income	**0.1**	-
Interest payable on interest-bearing loans and borrowings	**(0.4)**	(0.1)
Amortisation of bank loan arrangement fees	**(0.2)**	(0.1)
Other finance costs	**(0.1)**	(0.3)
Adjusted finance costs	**(0.7)**	(0.5)
Exchange loss	**-**	(0.2)
Total reported finance costs	**(0.7)**	(0.7)
Net finance costs from continuing operations	**(0.6)**	(0.7)

5. Tax on profit/(loss)

The tax credited in the consolidated income statement for continuing operations is analysed below:

	2017 £m	2016 £m
UK corporation tax		
Current tax at 19.5% (2016: 20%) on the loss for the year	**0.6**	-
Adjustments in respect of previous years	**0.2**	1.3
Current tax	**0.8**	1.3
Deferred tax origination and reversal of temporary differences		
Current year credit	**(2.0)**	(1.6)
Adjustments in respect of previous years	**(0.2)**	(0.2)
Deferred tax	**(2.2)**	(1.8)
Total tax credit on continuing operations	**(1.4)**	(0.5)

In 2013 the Group reached agreement with HMRC relating to the tax treatment of certain one-off transactions which took place in 2003. Part of that agreement will result in the Group paying tax of £6.2m plus interest (comprising instalments of £85,000 per month over five years from July 2013 and a final instalment of £2.0m). The tax payable was fully provided for in prior years' financial statements.

The prior year adjustment in 2016 reflects a reassessment of the availability of EU Group loss relief available to the Group as a result of the additional uncertainty surrounding the impact of the Brexit vote on the success of the claims.

6. Dividends

Equity dividends	**2017**	Restated 2016*
Number of shares in issue at end of year (million)	**45.4**	24.6
Dividends paid in year (pence per share)	**-**	-
Dividends paid in year (£m)	**-**	-

* The prior year comparatives have been restated to reflect the 15:1 share consolidation completed on 2 February 2017.

7. Earnings per share

Basic earnings per share are calculated using the weighted average number of Ordinary shares in issue during the year. Diluted earnings per share have been calculated by taking into account the dilutive effect of shares that would be issued on conversion into Ordinary shares of awards held under employee share schemes.

On 2 February 2017, the Company issued one new Ordinary share of 15 pence for each 15 existing Ordinary shares following completion of a share consolidation. The weighted average number of shares in issue for all periods has been adjusted for the share consolidation.

Adjusted earnings per share remove the effect of share based payments, exceptional items, amortisation of intangible assets arising on acquisitions, impairment of intangible assets, exchange losses included in finance costs and any related tax effects from the calculation.

Total Group	**2017**	Restated 2016

Adjustments to profit/(loss) after tax:		
Profit/(loss) after tax (£m)	**1.6**	(14.2)
Share based payments (including social security costs) (£m)	**2.1**	0.5
Exceptional items (£m)	**3.7**	3.2
Amortisation of intangible assets arising on acquisitions (£m)	**2.3**	-
Impairment of intangible assets (£m)	**-**	13.0
Exchange losses included in finance costs (£m)	**-**	0.2
Tax effect of the above adjustments (£m)	**(1.1)**	(0.5)
Adjusted profit after tax (£m)	**8.6**	2.2
Weighted average number of shares in issue during the year:		
- Basic	**37,093,344**	24,165,768
- Dilutive effect of share options	**3,878,185**	871,639
- Diluted	**40,971,529**	25,037,407
Basic earnings/(loss) per share (in pence)	**4.3**	(58.8)
Adjusted basic earnings per share (in pence)	**23.2**	9.1
Diluted earnings/(loss) per share (in pence)	**3.9**	(58.8)
Adjusted diluted earnings per share (in pence)	**21.0**	8.8
The adjustments to profit/(loss) after tax have the following effect:		
Basic earnings/(loss) per share (pence)	**4.3**	(58.8)
Share based payments (including social security costs) (pence)	**5.7**	2.1
Exceptional items (pence)	**10.0**	13.3
Amortisation of intangible assets arising on acquisitions (pence)	**6.2**	-
Impairment of intangible assets (pence)	**-**	53.8
Exchange losses included in finance costs (pence)	**-**	0.8
Tax effect of the above adjustments (pence)	**(3.0)**	(2.1)
Adjusted basic earnings per share (pence)	**23.2**	9.1
Diluted earnings/(loss) per share (pence)	**3.9**	(58.8)
Share based payments (including social security costs) (pence)	**5.2**	2.1
Exceptional items (pence)	**9.0**	13.3
Amortisation of intangible assets arising on acquisitions (pence)	**5.6**	-
Impairment of intangible assets (pence)	**-**	53.4
Exchange losses included in finance costs (pence)	**-**	0.8
Tax effect of the above adjustments (pence)	**(2.7)**	(2.0)
Adjusted diluted earnings per share (pence)	**21.0**	8.8

Continuing operations	**2017**	Restated 2016
Adjustments to profit/(loss) after tax:		
Profit/(loss) after tax (£m)	**1.6**	(14.4)
Share based payments (including social security costs) (£m)	**2.1**	0.5
Exceptional items (£m)	**3.7**	3.5
Amortisation of intangible assets arising on acquisitions (£m)	**2.3**	-
Impairment of intangible assets (£m)	**-**	13.0
Exchange losses included in finance costs (£m)	**-**	0.2
Tax effect of the above adjustments (£m)	**(1.1)**	(0.5)
Adjusted profit after tax (£m)	**8.6**	2.3
Weighted average number of shares in issue during the year:		
- Basic	**37,093,344**	24,165,768
- Dilutive effect of share options	**3,878,185**	871,639

- Diluted	**40,971,529**	25,037,407
Basic earnings/(loss) per share (in pence)	**4.3**	(59.6)
Adjusted basic earnings per share (in pence)	**23.2**	9.5
Diluted earnings/(loss) per share (in pence)	**3.9**	(59.6)
Adjusted diluted earnings per share (in pence)	**21.0**	9.2

The adjustments to profit/(loss) after tax have the following effect:

Basic earnings/(loss) per share (pence)	**4.3**	(59.6)
Share based payments (including social security costs) (pence)	**5.7**	2.1
Exceptional items (pence)	**10.0**	14.5
Amortisation of intangible assets arising on acquisitions (pence)	**6.2**	-
Impairment of intangible assets (pence)	**-**	53.8
Exchange losses included in finance costs (pence)	**-**	0.8
Tax effect of the above adjustments (pence)	**(3.0)**	(2.1)
Adjusted basic earnings per share (pence)	**23.2**	9.5
Diluted earnings/(loss) per share (pence)	**3.9**	(59.6)
Share based payments (including social security costs) (pence)	**5.2**	2.1
Exceptional items (pence)	**9.0**	14.5
Amortisation of intangible assets arising on acquisitions (pence)	**5.6**	-
Impairment of intangible assets (pence)	**-**	53.4
Exchange losses included in finance costs (pence)	**-**	0.8
Tax effect of the above adjustments (pence)	**(2.7)**	(2.0)
Adjusted diluted earnings per share (pence)	**21.0**	9.2

8. Intangible assets

	Goodwill £m	Magazine and website £m	Other £m	Total £m
Cost				
At 1 October 2015	287.5	12.4	14.8	314.7
Additions through business combinations	1.5	1.1	-	2.6
Other additions	-	-	1.7	1.7
Disposals	-	(0.2)	(0.2)	(0.4)
Exchange adjustments	4.9	1.0	1.2	7.1
At 30 September 2016	**293.9**	**14.3**	**17.5**	**325.7**
Additions through business combinations	**36.6**	**25.5**	**0.1**	**62.2**
Other additions	**-**	**-**	**1.5**	**1.5**
Adjustments to fair value on prior year acquisitions	**(0.2)**	**-**	**-**	**(0.2)**
Disposals	**-**	**(1.4)**	**-**	**(1.4)**
Exchange adjustments	**(1.1)**	**(0.2)**	**(0.3)**	**(1.6)**
At 30 September 2017	**329.2**	**38.2**	**18.8**	**386.2**
Accumulated amortisation				
At 1 October 2015	(246.6)	(12.4)	(11.9)	(270.9)
Charge for the year	-	-	(2.0)	(2.0)
Impairment	(13.0)	-	-	(13.0)
Disposals	-	0.2	0.2	0.4
Exchange adjustments	(4.8)	(1.0)	(1.2)	(7.0)
At 30 September 2016	**(264.4)**	**(13.2)**	**(14.9)**	**(292.5)**

Charge for the year	**-**	**(2.3)**	**(1.8)**	**(4.1)**
Disposals	**-**	**1.1**	**-**	**1.1**
Exchange adjustments	**1.0**	**0.2**	**0.4**	**1.6**
At 30 September 2017	**(263.4)**	**(14.2)**	**(16.3)**	**(293.9)**
Net book value at 30 September 2017	**65.8**	**24.0**	**2.5**	**92.3**
Net book value at 30 September 2016	29.5	1.1	2.6	33.2
Net book value at 1 October 2015	40.9	-	2.9	43.8

Impairment assessment for goodwill
The net book value of goodwill at both 30 September 2017 and 30 September 2016 relates to the UK.

At 30 September 2017 the Group performed its annual impairment assessment of goodwill and concluded that no impairment of goodwill was required.

Impairment
At 30 September 2016 an impairment charge of £13.0m was taken against the carrying value of the UK business. This reflected a shift in the underlying profitability and cash flows of the UK and the continued decline of print.

9. Cash and cash equivalents

	2017 £m	2016 £m
Cash at bank and in hand	**10.1**	2.9
Cash and cash equivalents	**10.1**	2.9

10. Financial liabilities – loans and borrowings

Non-current liabilities

	Interest rate at 30 September 2017	Interest rate at 30 September 2016	**2017 £m**	2016 £m
Sterling term loan	**2.8%**	-	**10.0**	-
Sterling revolving loan	**2.8%**	-	**6.9**	-
Obligations under finance leases	**-**	9.6%	**-**	0.1
Total			**16.9**	0.1

Current liabilities

	Interest rate at 30 September 2017	Interest rate at 30 September 2016	**2017 £m**	2016 £m
Sterling term loan	**2.8%**	-	**1.8**	-
Sterling revolving loan	**2.8%**	2.5%	**1.3**	2.3
			3.1	2.3
Obligations under finance leases	**0.0%**	-	**0.1**	-

Total	**3.2**	2.3

The interest-bearing loans and borrowings are repayable as follows:

	2017 £m	2016 £m
Within one year	**3.2**	2.3
Between one and two years	**3.3**	0.1
Between two and five years	**13.6**	-
Total	**20.1**	2.4

On 21 October 2016, following the acquisition of Imagine, the Group negotiated a new bank facility with HSBC Bank plc to replace its previous facility with Santander plc. This new facility was subsequently amended and restated in August 2017 following the Home Interest acquisition. The total multicurrency revolving and overdraft facility available to the Group at 30 September 2017 amounted to £25.4m, comprising a £12.0m term loan, a total of £11.4m revolving credit facilities and a £2.0m uncommitted overdraft facility. The new facilities run to 23 June 2021. Repayments required in respect of the facilities are as follows:

Repayment date	Repayment amount
30 September 2017*	£600,000
30 September 2018	£2,600,000
30 September 2019	£3,400,000
30 September 2020	£4,850,000
23 June 2021	£14,550,000

*£0.6m was due to be repaid on 30 September 2017 however this was not taken by the bank until October 2017.

The Group has granted security to the bank and the availability of the facility is subject to certain covenants.

Total fees relating to the new facility amounted to £0.7m and these are being amortised over the term of the facility. The bank borrowings and interest are guaranteed by Future plc, Future Holdings 2002 Limited, Future Publishing Limited, Future US, Inc, Future Publishing (Overseas) Limited and Next Commerce Pty Ltd.

Interest payable under the current credit facility is calculated as the cost of one-month LIBOR (currently approximately 0.5%) plus an interest margin of between 2.0% and 2.5%, dependent on the level of Bank EBITDA.

The Group has covenants in respect of net debt/bank EBITDA and bank EBITDA/interest, both of which were met at 30 September 2017. For covenant purposes, net debt is exclusive of non-current tax and other payables and Bank EBITDA is not materially different to statutory EBITDA.

11. Provisions

	Property £m
At 1 October 2016	1.5
On acquisition	0.1
Charged in the year	1.4
Released in the year	(0.1)

Utilised in the year	(0.3)
At 30 September 2017	**2.6**

The provision for property relates to dilapidations and obligations under short leasehold agreements on vacant property. The vacant property provision is expected to be utilised over the next ten years.

12. Related party transactions

The Group had no material transactions with related parties in 2017 or 2016 which might reasonably be expected to influence decisions made by users of these financial statements.

13. Acquisitions

Acquisition of Miura (Holdings) Limited
On 21 October 2016, Future plc acquired 100% of the share capital of Miura (Holdings) Limited, the holding company and ultimate parent company of Imagine Publishing Limited, for total consideration of 11,971,189 new shares in the Company which, at the closing price of 129p on 21 October 2016, represents consideration of £15.4m.

The impact of the acquisition on the consolidated balance sheet was:

	Provisional fair value £m
Intangible assets:	
- Publishing rights	6.8
- Brands	2.0
- Other intangibles	0.1
Tangible assets	0.1
Inventories	0.3
Trade and other receivables	2.7
Cash and cash equivalents	1.7
Trade and other payables	(6.3)
Corporation tax	(0.1)
Deferred tax	(1.5)
Loans and borrowings	(6.9)
Net liabilities acquired	(1.1)
Goodwill	16.6

Consideration:	
Equity shares	15.4
Cash	0.1
Total consideration	15.5

The goodwill is attributable to the synergies expected to arise in integrating the magazines into the wider Future group and through combining production and back office functions. The publishing rights and brands will be amortised over periods of five and ten years respectively.

Acquisition of Ascent Publishing Limited and Centaur Consumer Exhibitions Limited ("Home Interest")

On 1 August 2017, Future plc acquired 100% of the share capital of both Ascent Publishing Limited and Centaur Consumer Exhibitions Limited for total consideration of £32.8m.

The impact of the acquisition on the consolidated balance sheet was:

	Provisional fair value £m
Intangible assets:	
- Publishing rights	3.9
- Brands	4.7
- Customer lists	6.9
Inventories	0.1
Trade and other receivables	4.6
Trade and other payables	(4.5)
Deferred tax	(2.6)
Provisions	(0.1)
Net assets acquired	13.0
Goodwill	19.8

Consideration:	
Cash	32.8
Total consideration	32.8

The goodwill is attributable to the synergies expected to arise in integrating the magazines and events into the wider Future group. The publishing rights, brands and customer lists will be amortised over periods of five, ten and eight years respectively.

Acquisition of Team Rock
On 6 January 2017, Future Publishing Limited acquired certain assets from Team Rock Limited for cash consideration of £0.8m.

The impact of the acquisition on the consolidated balance sheet was:

	Provisional fair value £m
Intangible assets:	
- Publishing rights	1.2
Trade and other payables	(0.4)
Deferred tax	(0.2)
Net assets acquired	0.6
Goodwill	0.2

Consideration:	
Cash	0.8
Total consideration	0.8

The goodwill is attributable to the synergies expected to arise in integrating the magazines and websites into the wider Future group. The publishing rights will be amortised over a period of five years.

Acquisition of Next Commerce Pty Ltd

On 15 August 2016, Future Publishing (Overseas) Limited acquired 100% of the share capital of Next Commerce Pty Ltd. The consideration payable included deferred consideration of up to £0.6m, in the form of shares in Future plc, payable by 24 January 2017 based on revenue performance. At 30 September 2016 the provisional fair value of deferred consideration was measured at £0.6m. In January 2017, Future Publishing (Overseas) Limited agreed with the sellers to pay deferred consideration of £0.7m in cash instead of shares in Future plc. As this change to deferred consideration occurred within one year of the date of acquisition, the provisional fair value of goodwill recognised at 30 September 2016 has been adjusted, as detailed below:

	Provisional fair value at 30 September 2016 £m	Fair value adjustment £m	Fair value at 30 September 2017 £m
Goodwill	0.6	0.1	0.7

Acquisition of Blaze Publishing

On 12 May 2016, Future Publishing Limited acquired certain assets from Blaze Publishing Limited for cash consideration of £0.4m. The consideration payable included deferred consideration of up to £0.3m payable by 12 May 2017 based on gross contribution targets. At 30 September 2016 the provisional fair value of deferred consideration was measured at £0.3m. During the year ended 30 September 2017 it was determined that no deferred consideration was payable. As a result, the provisional fair value of goodwill recognised at 30 September 2016 has been adjusted, as detailed below:

	Provisional fair value at 30 September 2016 £m	Fair value adjustment £m	Fair value at 30 September 2017 £m
Goodwill	0.6	(0.3)	0.3

Acquisition of Noble House Media Limited

On 5 April 2016, Future Publishing Limited acquired 100% of the share capital of Noble House Media Limited for cash consideration of £0.1m.