

Interim Results to 31 January 2013

Benefits of prior investment coming through

YouGov[®] What the world thinks



First-Half Summary

Benefits of prior investment coming through

- A strong first half with solid like-for-like growth
- Data products and services continue to grow faster than custom
- Acquisitions continue to contribute significantly
- Profits improved over first half of last year
- Key client wins include Lloyds Bank, RBS and Starbucks
- SoMA launched commercially in January 2013
- Maiden dividend paid in December 2012
- Trading across the Group remains in line with our expectations

Financial Highlights

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	% Change
Revenue	30.1	29.9	1%
Adjusted Operating Profit	2.2	2.0	8%
Adjusted Profit before Tax	2.6	2.2	16%
Adjusted Earnings per Share	2.0p	1.8p	13%
Dividend per Share	0.5p		

**Adjusted operating profit is defined as Group operating profit before amortisation of intangibles and exceptional items. In the period ending 31 January 2013 amortisation was £1.6m, of which £0.7m related to the Group's internally generated assets, and exceptional items were £0.4m.*

Group Income Statement

- Like-for-like revenue growth of £1.3m
- Gross profit margin maintained at 75%
- Operating expenses reduced by 1%
- Adjusted Operating Profit up 8%
- Adjusted EPS increased by 13%

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m
Group Revenue	30.1	29.9
Cost of sales	(7.6)	(7.4)
Gross Profit	22.5	22.5
<i>Gross margin %</i>	75%	75%
Operating expenses	(20.3)	(20.5)
Group Operating Profit	2.2	2.0
<i>Operating margin %</i>	7%	7%
Adjusted EPS (p)	2.0	1.8

Balance Sheet

- Debtor days up from 62 to 72 days
- Creditor days up to 41 from 20 days
- Working capital movements reflect changes in phasing
- Deferred consideration outstanding for US acq'ns: £2.3m (2012: £5.1m)

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m
<u>Assets</u>		
Goodwill	37.8	37.0
Other intangible assets	8.6	9.7
Other non-current assets	5.2	5.3
	51.6	52.0
<u>Current Assets</u>		
Trade and other receivables	22.1	15.9
Cash	6.6	10.3
	28.7	26.2
<u>Liabilities</u>		
Trade and other payables	16.2	13.8
Provisions	2.4	1.0
Borrowings	0.2	-
	18.8	14.8
Net Current Assets	9.9	11.4
<u>Non-Current Liabilities</u>		
Provisions and other non-current liabilities	1.3	4.2
Deferred taxation	2.7	3.3
Total Non-Current Liabilities	4.0	7.5
<u>Net Assets</u>	57.5	55.9

Cash Flow

- Cash flow generated from operations of £2.5m (112% profit conversion)
- Investing activities of £2.3m includes:
 - £1.6m on technology development and panel
 - £0.4m on deferred consideration for US acquisitions
- Maiden dividend paid: £0.5m
- Net cash outflow of £0.8m leaving balance of £6.4m at year end

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m
Cash flows from operating activities		
Reported operating profit/(loss)	0.2	(0.1)
Adjustments for:		
Non cash movements	2.5	2.6
Net working capital movement	(0.2)	0.8
Cash generated from operations	2.5	3.3
Interest and tax	(0.5)	(1.1)
Net cash generated from operating activities	2.0	2.2
Net cash used in investing activities	(2.3)	(1.4)
Dividend paid	(0.5)	-
Net (decrease)/increase in cash	(0.8)	0.8
Cash balance at beginning of year	7.1	9.4
Exchange gain on cash and cash equivalent	0.1	0.1
Cash balance at end of year	6.4	10.3

Delivering the strategy



Delivering the strategy

Growing our syndicated products suite

BrandIndex

- Global growth rate 26%
- Enhancements:
 - MarketView - adds customer funnel from awareness to purchase
 - CategoryView - adds sector-based behavioural profiling
 - InvestorView - adds sector-based trackers aimed at investment community

SixthSense

- Growth rate 16%
- Contract renewal rate of 72%
- Over 500 clients with over 250 report titles covering 1000+ topic areas
- European reports in the Nordics, France and Germany
- First US report produced

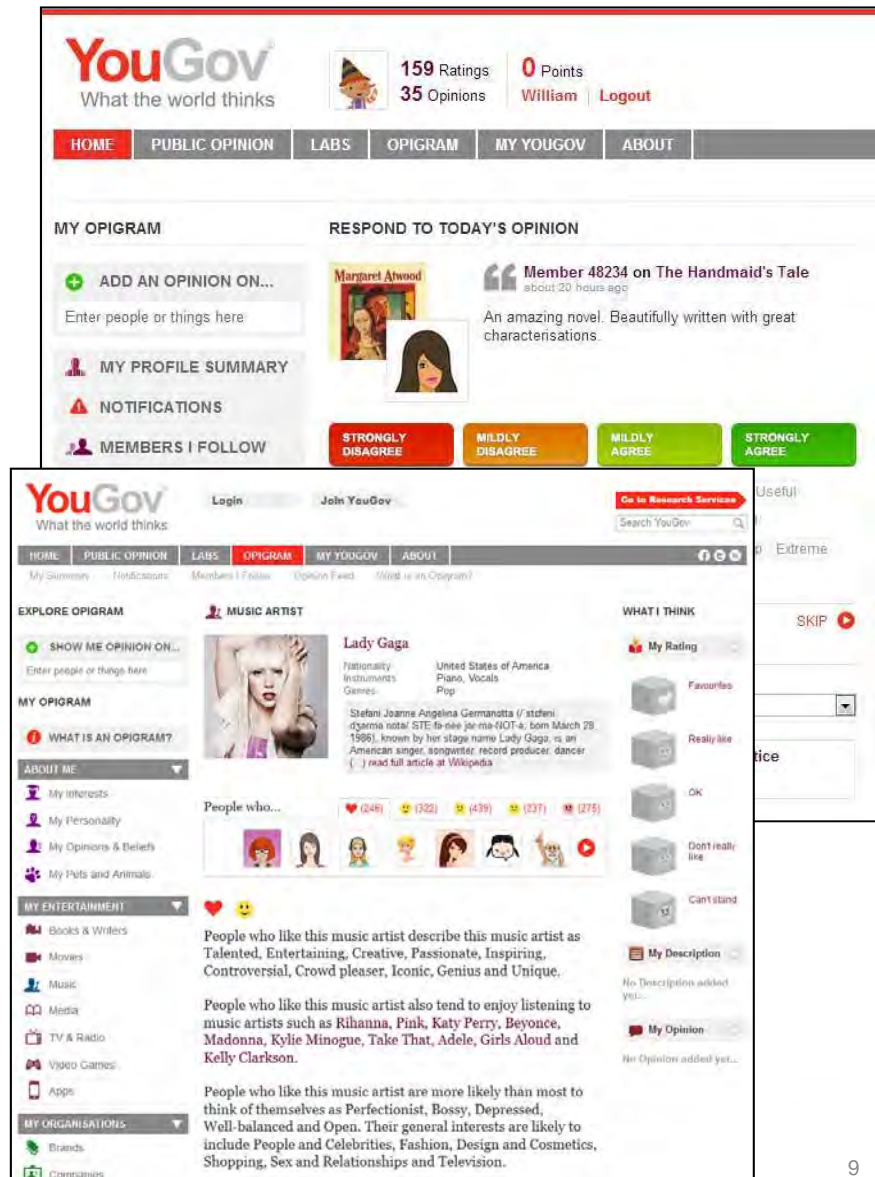
SoMA

- Our new social media analysis tool which measures what an audience is hearing on social media
- Launched commercially at the beginning of 2013
- Initial feedback from users confirms the value of SoMA's unique proposition
- Forms a strong link with other products - like BrandIndex - to create a real-time campaign tracking tool

Delivering the strategy

Enhancing our user experience

- Opigram is the “Wikipedia of opinion”
- Users proactively express themselves whenever they like, on whatever topic they like
- An integral part of our panel engagement strategy
- Since its launch on the YouGov website our web traffic is up:
 - Visits per month up 55%
 - Average duration of visit up 114%
 - Number of pages viewed per visit up 73%
 - Number of page views per month up 160%



Delivering the strategy

Boosting our public profile

- Pollster for The Times, The Sunday Times and The Sun
- Huffington Post partnerships - USA, France
- YouGov-Cambridge programme
 - Bi-annual conferences
 - Partnerships with The Guardian and The Financial Times
- YouGov Banking Report – to be released in April
- YouGov-Guardian Changing Media Summit Report
- US Presidential Election partnerships:
 - CBS News
 - The Economist
 - Xbox Live

THE  **TIMES**

THE  **THE SUNDAY TIMES**

THE HUFFINGTON POST

YouGov-Cambridge
What the world thinks... And the experts say

FINANCIAL TIMES

theguardian

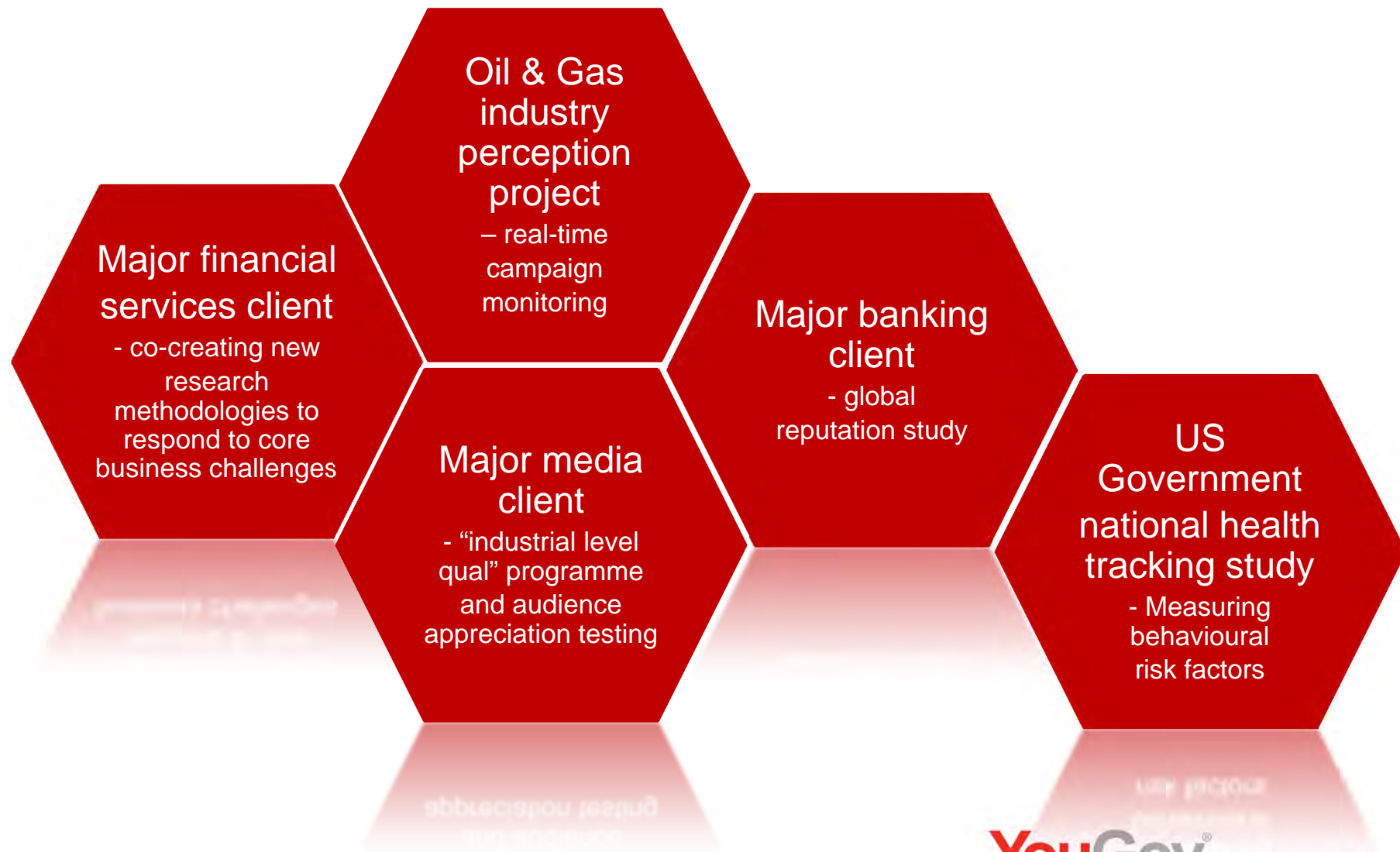
 **CBS NEWS**

**XBOX
LIVE**

**The
Economist**

Delivering the strategy

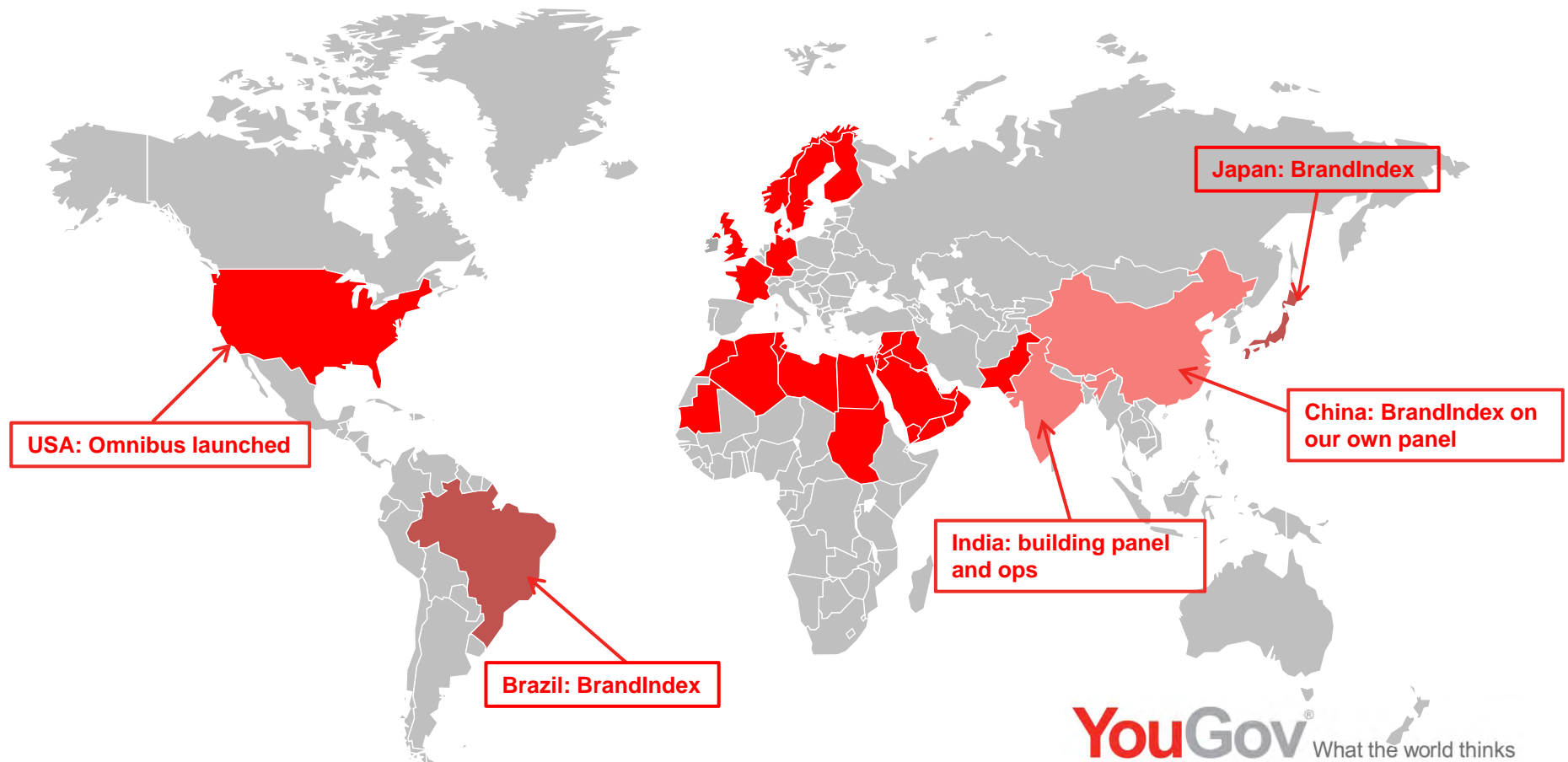
Increasing our custom research and product client-base



Delivering the strategy

Expanding our geographic footprint

- Omnibus launched in USA
- BrandIndex extending to China, Brazil and Japan - supported by major client



Segmental Analysis by Geography - Revenue

	6 months to 31 Jan 2013 Revenue £m	6 months to 31 Jan 2012 Revenue £m	Change %	Like-for-like Change %
UK	7.8	7.7	2%	
USA	10.8	9.6	12%	
Middle East	3.1	3.5	(12%)	27%
Germany	4.6	5.0	(10%)	
Nordic	4.1	4.4	(5%)	
Corporate & Consol. Adjs.	(0.3)	(0.3)		
Group	30.1	29.9	1%	5%

Segmental Analysis by Geography - Operating Profit

	6 months to 31 Jan 2013 Operating Profit £m	6 months to 31 Jan 2013 Margin %	6 months to 31 Jan 2012 Operating Profit £m	6 months to 31 Jan 2012 Margin %
UK	1.5	19%	1.5	19%
USA	1.6	15%	1.0	10%
Middle East	0.6	18%	0.9	24%
Germany	0.4	8%	0.1	1%
Nordic	-	1%	0.3	6%
Corporate & Consol. Adjs.	(1.9)		(1.8)	
Group	2.2	7%	2.0	7%

Operational Review – UK

Growing share of major corporate research budgets

- Strong sales in first half
- Well positioned for planned revenue growth in second half
- Maintained operating margin at 19%
- 46% of revenue now from data products and services
 - BrandIndex up 8%
 - Omnibus up 10%
- Continued investment in new data products:
 - SixthSense reports business - revenue up 16%
 - SoMA – launched in January

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	Change %
Revenue	7.8	7.7	2%
Operating Profit	1.5	1.5	-
Average Headcount	121	117	



Operational Review – America

Further progress following successful integration of acquisitions

- Above market growth of 12%
- Data products grew strongly: BrandIndex up 34%
- Custom research up 9%: helped by 2012 Presidential Election
- Definitive Insights completed its earnout in line with expectations (38% revenue growth)
- US Omnibus service launched in Jan 2013
- Investment sector products sales started

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	Change %
Revenue	10.8	9.6	12%
Operating Profit	1.6	1.0	61%
Average Headcount	98	98	

What the world thinks

Operational Review – Middle East

Locally generated business growing as planned

- Locally generated revenue up 27% and profits up 82% - in line with plans
- Successful transformation following ending of historic Iraq contract in Dec 2011 - revenue of £1.1m in FY12
- Online data products and services grew by 10%
- Omnibus up 80%
- Good new business wins in Dubai and Saudi offices

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	Change %
Revenue	3.1	3.5	(12%) Local 27%
Operating Profit	0.6	0.9	(34%) Local 82%
Average Headcount	52	46	



Operational Review – Germany

Turnaround continues with significant increase in profitability

- Positive trend under new management maintained
- Profit margins significantly improved
- Gross margins up 4% points to 78%
- Operating expenses fell by 7% reflecting previous cost savings
- Financial services continues as major strength: good growth in telecoms sector

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	Change %
Revenue	4.6	5.0	(10%)
Operating Profit	0.4	0.1	515%
Average Headcount	110	117	



Operational Review – Nordic

Programme in place to improve performance

- Difficult trading conditions in Sweden
- Denmark revenue up 8% (above market)
- Regional revenue static in local currency; 5% down in £ terms
- Cost saving programme put in place in Sweden
- BrandIndex revenue up 58%

	6 months to 31 Jan 2013 £m	6 months to 31 Jan 2012 £m	Change %
Revenue	4.1	4.4	(5%)
Operating Profit	-	0.3	(89%)
Average Headcount	76	70	



Operational Review – France

Panel growing with early customer wins

- Unit established October 2011
- Performing in line with expectations
- Focussing on BrandIndex and Omnibus offerings
- BrandIndex sold to 7 clients
- New clients include KFC and a French car manufacturer



Group Outlook

- The world of market research is having to respond to the explosion of online activity and the data it generates
- Clients are demanding more granular and actionable information to adapt to their fast-moving markets
- In the second half, we will be bringing to market major product enhancements which will better enable companies to monitor, evaluate and adapt their campaigns in real-time
- Sales are already reflecting the appeal of this offer
- Trading across the Group remains in line with our expectations
- Board remains confident of the full year outcome