

Trinity Mirror plc
2 August 2007

Interim Results 2007



Sly Bailey,
Chief Executive



Return to profit growth

Driven by

- Improving trend in advertising markets
- Progress towards strategic goal of building a growing multi-platform business
- Strong and continued focus on portfolio management
- Stringent cost control

Disposals: strategic rationale

- Review of the business in '06
- Focus on streamlined portfolio of high quality media assets
- Strong opportunities for growth in revenues, margins and earnings
- Our regionals portfolio will have four key characteristics:
 - operate in well-defined geographical areas
 - strong brands which sit at the heart of their markets
 - strong growth potential across print and online
 - best in class margin potential
- Our nationals business is highly cash generative requiring limited capital expenditure for next 20 years
- Complemented by a strong digital portfolio, built by launch and acquisition
- Post disposals Group: more focused; higher growth; better positioned for future; providing rewards for shareholders

Disposals: progress

- Disposed of seven businesses in London and South East for total of £92.9m
- Impairment charge of £150m
- Expect total gross proceeds of disposals to reach in region of £450m
- Post disposals we intend to return surplus capital to shareholders

Advertising markets

- Cyclical nature of advertising downturn...
- ... coupled with on-going media fragmentation
- First half of '07 saw an improving trend across all of our businesses
- Second quarter stronger than first
- June and July showed year on year growth

Regionals

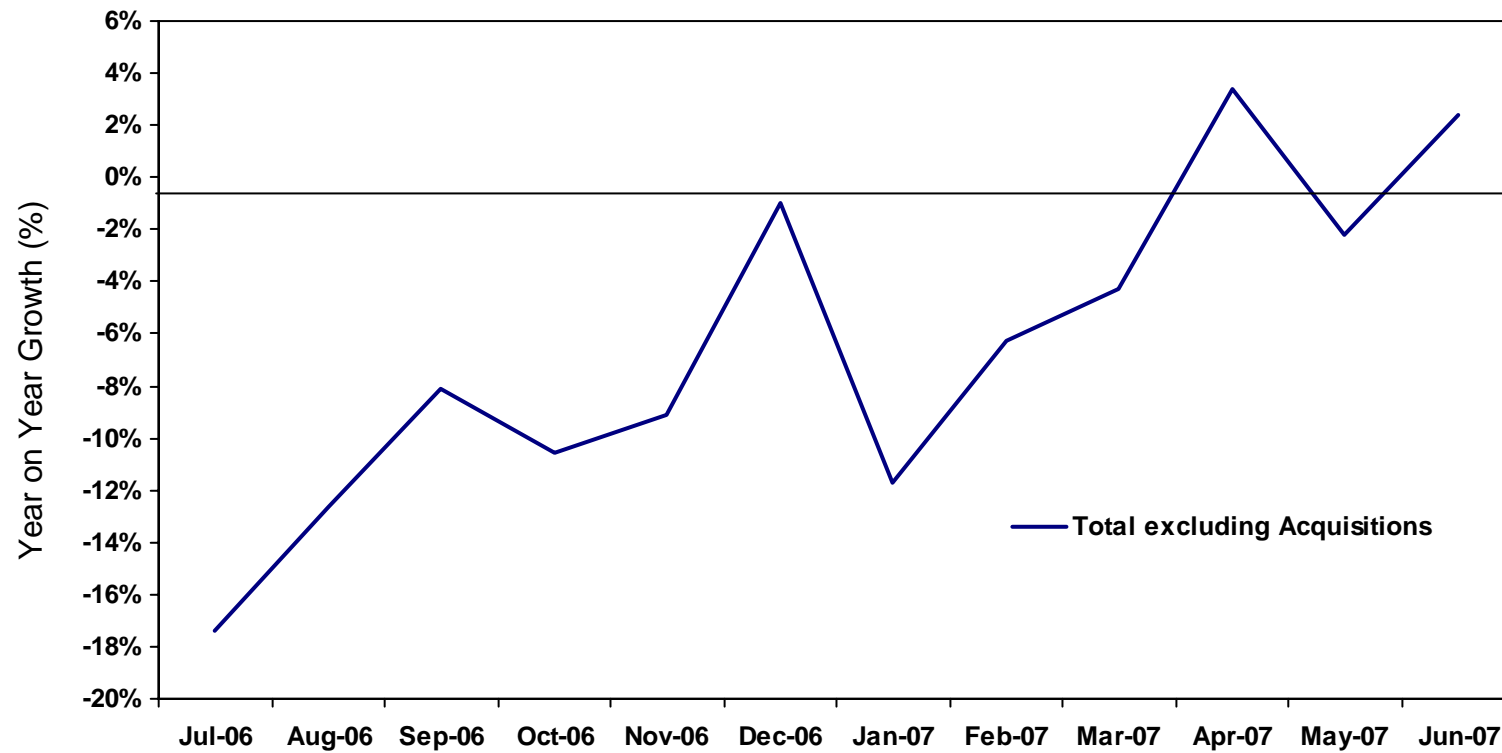
- Steady improvement across all advertising categories
- Rate of decline slowing
- Growth in Property – up 4% in H1

Regionals

- Recruitment advertising is our most cyclical category
- Regional press spend correlates strongly with number of jobs
- Fall in claimant count of 6.3% since start of '07
- Fall in unemployment rate of 0.1%
- Improvement in our revenue trend across first half '07
- June recruitment advertising showed year on year growth

Recruitment

Year on Year Recruitment Trend 06/07



Portfolio development

- Print and on-line launches
- New regional magazines
- New events and exhibitions
- 15 hyper-local websites launched
 - five more due in second half



Portfolio development

- Newspaper companion sites updated
- Improved design, functionality and increased user-generated content
- Early results from Liverpool Daily Post and Echo are good
- Page views showing strong growth
- Further upgrades in pipeline
- Driving reach, response and revenues



Strong performance in regionals digital

- Underlying revenues up 25.4%
- Unique users up more than 40% to three million
- Acquisition of totallylegal.com and totallyfinancial.com
- ... extends position in on-line recruitment market

The logo for 'totallylegal' is displayed in white lowercase text on a dark blue rectangular background. Below the text are three small yellow dots.The logo for 'totallyfinancial' is displayed in white lowercase text on a dark blue rectangular background. Below the text are three small yellow dots.

Nationals

- Continued challenging environment
- Significant increase in profits for half year
- Circulation volumes across the market remain under pressure
- Our five national titles have greatest proportion of full rate sales

UK Nationals

- Slowing rate of circulation decline for Daily Mirror
- Sunday Mirror outperformed market and improved volume market share



Scottish Nationals

- Strong performance
- Circulation and advertising revenue growth
- Competing with a heavily discounted Sun
- 14% of Sun circulation sold at full price vs 99% of Daily Record
- Record retained 29% readership lead against Sun
- Record PM provides advertisers with new, valuable audience – 81% under the age of 44



Sources: ABCs June 2007; NRS; Progressive Research February 2007

Awards

- **UK Press Awards:**
 - Daily Mirror: *Scoop of the Year; Front Page of the Year; Show Business Writer of the Year; Photographer of the Year*
- **London Press Club Awards:**
 - Daily Mirror: *Scoop of the Year; Daily Newspaper of the Year*
- **Scottish Press Awards:**
 - Daily Record: *Newspaper of the Year; News Photographer of the Year; Scoop of the Year; Journalist Team of the Year*
 - Sunday Mail; *Young Reporter of the Year*
- **Tom Cordner North East Press Awards:**
 - The Journal: *Newspaper of the Year; Trainee journalist of the year; Award for hard news reporting; Best arts reportage; Overall newspaper page design; Best consumer affairs writing; Business prize*
 - The Evening Chronicle: *Journalist of the Year; Investigative Journalism Prize; North East Women's Writer of the Year; Best Front Page.*
 - The Sunday Sun: *Scoop of the Year*
- **Scottish Media Awards:**
 - Scottish & Universal Newspapers: *Local Sales Team of the Year*
 - Scottish Daily Record and Sunday Mail Ltd: *Grand Prix Media Company of the Year; Individual sales prize; Salesperson of the year; Sales newcomer of the year; Magazine sales team of the year; Free newspaper sales team of the year; online sales prize; product launch of the year; sponsorship and promotion sales team of the year; marketing campaign of the year*
- **British Insurance Association Journalist of the Year Awards:** The Daily Mirror: *John Husband*

Technology-led operating model

- On time and on budget
- Numerous projects to improve efficiency and customer service
 - Standardised ad-booking system
 - New pre-press systems to reduce ad creation time
 - Upgrading of editorial systems to feature production of multi-media content across print and online

Manufacturing

- Programme of investment in colour presses on schedule
- Re-pressing in Scotland completed earlier this year
- Watford due to complete in first quarter of '08
- Retained print contract for The Independent

Conclusion

- Good, steady progress at half year
- Profits up
- Margin up
- Improving trends in ad markets
- Firm grip on cost base
- Strong focus on portfolio development

Vijay Vaghela,
Finance Director



Financial highlights

26 weeks to 1st July 2007

- Revenues* down 0.4% or £1.9m to £526.3m (2006: £528.2m)
- Operating profit* up 5.9% or £6.1m to £109.4 (2006: £103.3m)
- Operating margin* up 1.2% to 20.8% (2006: 19.6%)
- Profit before tax* increased 7.4% to £98.2m (2006: £91.4m)
- Earnings per share* up 7.3% to 23.5p (2006: 21.9p)
- Net debt increased by £26.9m to £467.8m after:
 - £45.1m payment of dividends
 - £26.1m net capital expenditure
 - £11.8m net acquisition of Totallylegal.com Limited
 - £16.1m accelerated pension deficit funding payments
- 2007 interim dividend maintained at 6.4p per share

£99.1m in total

*On an adjusted basis, which is including the Sports division and excluding the Magazines & Exhibitions division and the traditional recruitment consultancy business, non recurring items (including the £150m impairment of Regional newspaper titles), the amortisation of intangible assets and the impact of IAS 39. See reconciliation between statutory and adjusted results on pages 55 and 56.

Cost performance

26 weeks to 1st July 2007

	2007* £m	2006* £m	Change £m	Change %	Inflation Impact £m	Impact of decreased pension charge £m	Underlying cost reduction £m
Labour	169.1	169.8	0.7	0.4%	(5.1)	1.3	4.5
Newsprint	74.5	76.2	1.7	2.2%	(3.8)	-	5.5
Depreciation	17.3	19.5	2.2	11.3%	-	-	2.2
Other	156.1	160.6	4.5	2.8%	(4.0)	-	8.5
Total Costs	417.0	426.1	9.1	2.1%	(12.9)	1.3	20.7

*On an adjusted basis

Investment

26 weeks to 1st July 2007

- £26.1m net capital expenditure during the half year, including £21.6m for presses
- On track to complete current re-pressing by end of Q1 2008, giving Nationals full colour
- Announced last week further investment of £23m in presses to secure 12 year print contract for The Independent
- Continue to replace and modernise our key operational IT systems
- Ongoing capital expenditure:
 - £75m expected for 2007
 - £40m expected for 2008
 - post 2008 annualised spend of £20 to £25 million
- Continuing investment in launching new products and services

Defined benefit pension schemes

26 weeks to 1st July 2007

	Interim 2007 £m	Interim 2006 £m	Annual Forecast 2007 £m	Annual 2006 £m
IAS 19 Pension charge				
Current service cost	13.5	14.8	27.5	30.4
Past service cost	0.7	-	0.7	0.8
Finance income	(5.5)	(4.6)	(12.3)	(9.9)
Total income statement charge before non-recurring items	8.7	10.2	15.9	21.3

- Cash funding increased from £26.4m to £42.1m in 2007, including £16.1m of accelerated deficit funding payments
- 2007 forecast cash contributions of approx £50m
- Pension scheme liabilities, before deferred tax, have fallen £58.8m to £154.2m

Non-recurring items

26 weeks to 1st July 2007

	2007 £m	2006 £m
Continuing operations:		
Impairment of intangible assets	150.0	250.0
Restructuring costs	3.9	-
Profit on disposal of land and buildings	(0.8)	-
Total – Continuing	153.1	250.0

- 2007 estimated non-recurring items of around £10 million for the full year (excluding impairment charge)

Regionals division

26 weeks to 1st July 2007

- Revenues* down 1.3% or £3.3m to £259.8m (2006: £263.1m)
- Operating profit* down 4.1% or £2.7m to £63.0m (2006: £65.7m)
- Operating margins* down 0.8% to 24.2% (2006: 25.0%)
- Advertising revenues* decreased by 1.4% or £2.9m to £198.1m (2006: £201.0m) with:
 - Decline of 2.3% in Q1 followed by a decline of 0.5% in Q2
- Total digital revenues up 25.4% on an underlying basis**
- Circulation revenues* increased by 0.7% or £0.3m to £42.5m (2006: £42.2m)

* On an adjusted basis

** Underlying includes the impact of acquisitions completed in 2006 and 2007 as if they had been owned by the Group in the current and corresponding periods



totallylegal

26 weeks to 1st July 2007

- Acquired in May for £11.8m
- In H1 totallylegal contributed £0.4m revenue and £0.2m operating profit
- In 2008, our first full year of ownership, we expect revenues of at least £2.5m with margins in excess of 25%
- This investment will achieve returns ahead of our cost of capital within a three year period

Nationals division

26 weeks to 1st July 2007

- Revenues up 0.2% or £0.4m to £240.7m (2006: £240.3m)
- Operating profit* up 21.7% or £8.1m to £45.5m (2006: £37.4m)
- Operating margin* up 3.3% to 18.9% (2006: 15.6%)
- Advertising revenues down 2.3% or £1.9m to £80.4m (2006: £82.3m)
 - UK Nationals down 4.2%
 - Scottish Nationals up 2.7%
 - Digital advertising revenues increased to £1.1m from £0.8 in 2006
- Circulation revenues up 0.8% or £1.1m to £139.3m (2006: £138.2m)
 - UK Nationals down 0.2%
 - Scottish Nationals up 4.8%

*On an adjusted basis

Sports division*

26 weeks to 1st July 2007

- Revenues up 4.0% or £1.0m to £25.8m (2006: £24.8m)
 - Circulation revenues up 1.2% or £0.2m to £16.6m (2006: £16.4m)
 - Advertising revenues up 12.5% or £0.8m to £7.2m (2006: £6.4m)
- Operating profit up 29.0% or £2.0m to £8.9m (2006: £6.9m)
- Operating margin up 6.7% to 34.5% (2006: 27.8%)

*The Group numbers, on an adjusted basis, include the results of the Sports division. The Group numbers, on a statutory basis, disclose the Sports division within Discontinued operations.

Disposals programme

- Already announced disposal of seven sub regions in London and the South East, for a gross consideration of £92.9m
 - In 2006 these businesses realised revenue of £65m and operating profit of £12m before central costs of the London and South East region
 - Revenue split between £58m advertising, £3m circulation and £4m other revenue
- In H1 2007 all businesses being disposed realised revenue of £128m and operating profit of £28m
- We are continuing with disposal of other regional newspapers in London and the South East, and the Midlands and the Sports Division
 - Expect this to conclude by the end of Q3

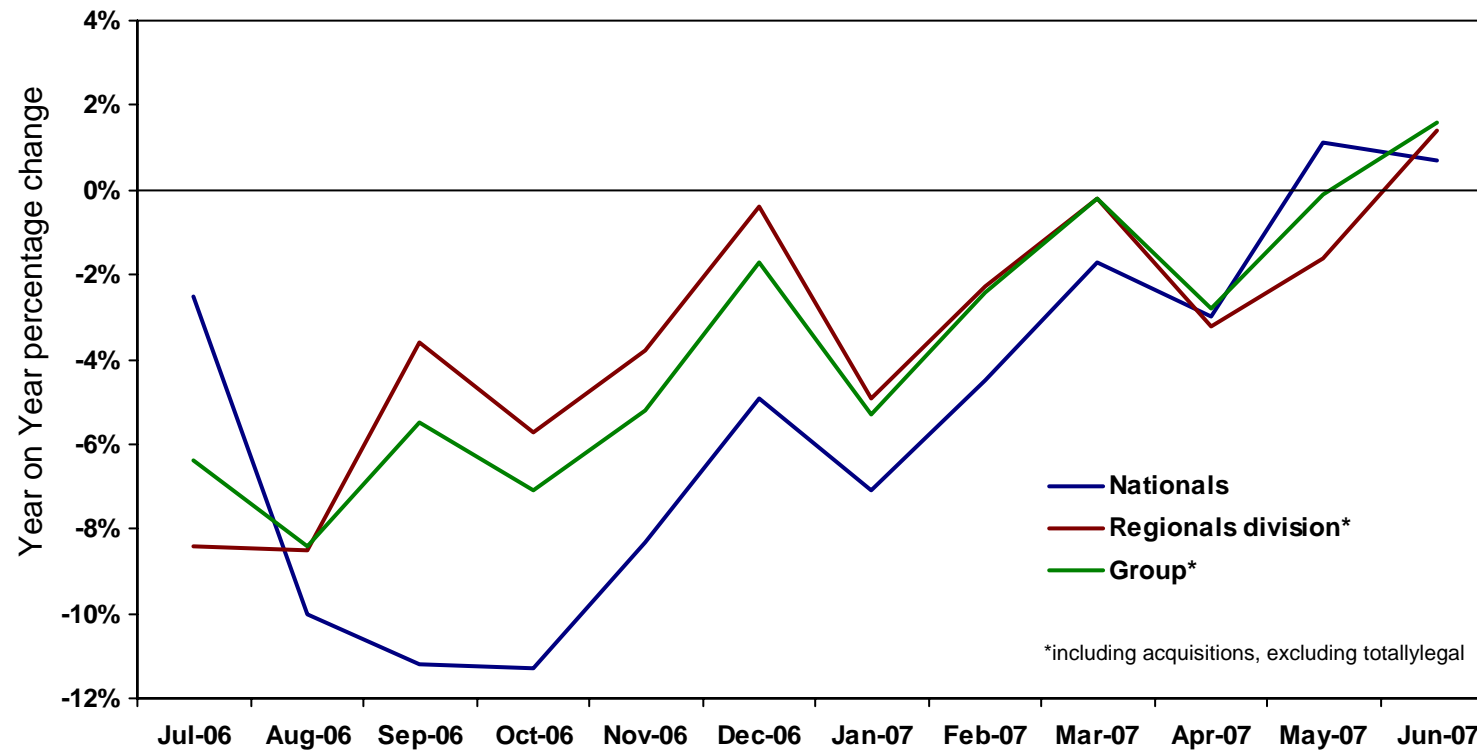
Disposals programme (contd.)

Deductions from sales proceeds

- Do not envisage a tax liability in relation to the disposals
- In terms of pensions:
 - Estimate around £50m to be paid to pension schemes as a direct result of disposals
 - Further payment to pension schemes required before returning any capital to shareholders
 - Amount to be agreed with pension scheme trustees and clearance will be sort from pensions regulator
- Transaction costs
- Estimated £20m cost associated with early repayment of private placement

Advertising Performance

July 2006 to June 2007



Trading Outlook

52 weeks to 30th December 2007

- Advertising:
 - Marginal improvement in rate of decline in second half
 - Full year advertising revenue could decline by less than 1% on an underlying basis*
- Circulation revenues will remain relatively flat in H2
- Overall expect performance in line with expectations

* Underlying excludes disposals we have already completed and treats acquisitions completed in 2006 and 2007 as if they had been owned by the Group in the current and corresponding periods

Conclusion

26 weeks to 1st July 2007

- Significant improvement in H1 with:
 - Improved advertising trends
 - Stable circulation revenues
 - Our embedded culture of cost management
 - Continued investment for the future
 - Increase profitability
- All contributes to strong sustainable cash flows thereby maximising value

Appendices



Financial Summary

Income Statement

26 weeks to 1st July 2007

	2007 Statutory Continuing Operations £m	2006 Statutory Continuing Operations £m
Group revenue	500.5	521.7
Operating profit	(55.6)	(159.7)
Profit before taxation	(70.4)	(186.5)
Earnings per share (p)	Total	Total
Basic loss per share – continuing	(1.6)	(44.9)
Basic earnings per share – discontinued	2.1	3.0
Basic earnings/(loss) per share – total	0.5	(41.9)

Financial Summary

Income Statement

26 weeks to 1st July 2007

	2007 Adjusted* £m	2006 Adjusted* £m
Group revenue	526.3	528.2
Operating profit	109.4	103.3
Profit before taxation	98.2	91.4
Earnings per share (p)		
Underlying earnings per share – adjusted*	23.5	21.9
Sports division	(2.1)	(1.6)
Non recurring items	(31.7)	(60.1)
Disposed businesses	-	0.2
Amortisation	(0.7)	(1.7)
IAS 39	(0.9)	(3.6)
Rate change	10.3	-
Basic loss per share – statutory continuing	(1.6)	(44.9)

*On an adjusted basis, which is including the Sports division and excluding the Magazines & Exhibitions division and traditional recruitment consultancy business, non recurring items (including £150m impairment of Regional newspaper titles), the amortisation of intangible assets and the impact of IAS 39.

Financial Summary

Analysis of revenue by type
26 weeks to 1st July 2007

	2007 statutory ⁽¹⁾ £m	2007 adjusted ⁽²⁾ £m	2006 statutory ⁽¹⁾ £m	2006 adjusted ⁽²⁾ £m	Change statutory ⁽¹⁾ %	Change adjusted ⁽²⁾ %
Circulation	181.8	198.4	180.4	196.8	0.8%	0.8%
Advertising	278.5	285.7	283.3	289.7	(1.7)%	(1.4)%
Other revenues	40.2	42.2	58.0	41.7	(30.7)%	1.2%
Total revenue	500.5	526.3	521.7	528.2	(4.1)%	(0.4)%

⁽¹⁾Statutory continuing operations

⁽²⁾Adjusted which is including Sports and excluding disposed businesses

Financial Summary

Analysis of revenue by segment and type
26 weeks to 1st July 2007

Statutory continuing operations

Nationals

	Regionals £m	UK £m	Scotland £m	Total £m	% of total
Circulation	42.5	111.0	28.3	181.8	36.3%
Advertising	198.1	57.4	23.0	278.5	55.6%
Other	19.2	18.3	2.7	40.2	8.0%
Total revenue	259.8	186.7	54.0	500.5	
% of total	51.9%	37.3%	10.8%		

Financial Summary

Analysis of revenue by segment and type continued
26 weeks to 1st July 2007

Adjusted ⁽¹⁾	Nationals			Sports £m	Total £m	% of total
	Regionals £m	UK £m	Scotland £m			
Circulation	42.5	111.0	28.3	16.6	198.4	37.7%
Advertising	198.1	57.4	23.0	7.2	285.7	54.3%
Other	19.2	18.3	2.7	2.0	42.2	8.0%
Total revenue	259.8	186.7	54.0	25.8	526.3	
% of total	49.4%	35.5%	10.3%	4.9%		

⁽¹⁾Adjusted which is including Sports and excluding disposed businesses

Financial Summary

Operating Costs⁽¹⁾

26 weeks to 1st July 2007

	2007	2007	2006	2006	Change	Change
	statutory⁽²⁾	adjusted⁽³⁾	statutory⁽²⁾	adjusted⁽³⁾	statutory⁽²⁾	adjusted⁽³⁾
	£m	£m	£m	£m	%	%
Labour	163.8	169.1	179.1	169.8	8.5%	0.4%
Newsprint	71.0	74.5	72.5	76.2	2.1%	2.2%
Depreciation	17.2	17.3	19.4	19.5	11.3%	11.3%
Other	148.1	156.1	154.6	160.6	4.2%	2.8%
Total operating costs	400.1	417.0	425.6	426.1	6.0%	2.1%

⁽¹⁾Excluding non-recurring items and amortisation

⁽²⁾Statutory continuing operations

⁽³⁾Adjusted which is including Sports and excluding disposed businesses

Financial Summary

Balance Sheet

26 weeks to 1st July 2007

	1 st July 2007 £m	31 st December 2006 £m	Movement £m
Non current assets	1,401.8	1,923.4	(521.6)
Current assets	141.9	174.7	(32.8)
Held for sale assets	407.7	0.0	407.7
Total assets	1,951.4	2,098.1	(146.7)
Non current liabilities			
Borrowings	(338.6)	(346.3)	7.7
Obligations under finance leases	(10.2)	(13.2)	3.0
Retirement benefit obligations	(154.2)	(213.0)	58.8
Deferred tax liabilities	(306.9)	(482.4)	175.5
Long term provisions	(8.3)	(8.9)	0.6
Derivative financial instruments	(119.5)	(107.4)	(12.1)
Total non current liabilities	(937.7)	(1,171.2)	233.5
Current liabilities	(206.3)	(203.7)	(2.6)
Held for sale liabilities	(112.6)	0.0	(112.6)
Total liabilities	(1,256.6)	(1,374.9)	118.3
Net assets	694.8	723.2	(28.4)

Analysis of revenue by segment
26 weeks to 1st July 2007

	2007 statutory⁽¹⁾ £m	2007 adjusted⁽²⁾ £m	2006 statutory⁽¹⁾ £m	2006 adjusted⁽²⁾ £m	Change statutory⁽¹⁾ %	Change adjusted⁽²⁾ %
Regionals division	259.8	259.8	281.4	263.1	(7.7)%	(1.3)%
Nationals division	240.7	240.7	240.3	240.3	0.2%	0.2%
Sports division	0.0	25.8	0.0	24.8	0.0%	4.0%
Total revenue	500.5	526.3	521.7	528.2	(4.1)%	(0.4)%

⁽¹⁾Statutory continuing operations

⁽²⁾Adjusted which is including Sports and excluding disposed businesses

Group operating profit⁽¹⁾ by segment
26 weeks to 1st July 2007

	2007	2007	2006	2006	Change	Change
	statutory ⁽²⁾	adjusted ⁽³⁾	statutory ⁽²⁾	adjusted ⁽³⁾	statutory ⁽²⁾	adjusted ⁽³⁾
	£m	£m	£m	£m	%	%
Regionals division	63.0	63.0	66.6	65.7	(5.4)%	(4.1)%
Nationals division	45.5	45.5	37.4	37.4	21.7%	21.7%
Sports division	0.0	8.9	0.0	6.9	0.0%	29.0%
Central costs	(8.1)	(8.1)	(7.9)	(7.9)	(2.5)%	(2.5)%
Associates	0.1	0.1	1.2	1.2	(91.7)%	(91.7)%
Total operating profit⁽¹⁾	100.5	109.4	97.3	103.3	3.3%	5.9%

(1) Excluding non-recurring items and amortisation

(2) Statutory continuing operations

(3) Adjusted which is including Sports and excluding disposed businesses

Margins⁽¹⁾ by segment
26 weeks to 1st July 2007

	2007 statutory⁽²⁾ %	2007 adjusted⁽³⁾ %	2006 statutory⁽²⁾ %	2006 adjusted⁽³⁾ %	Change statutory⁽²⁾ %	Change adjusted⁽³⁾ %
Regionals division	24.2	24.2	23.7	25.0	0.5	(0.8)
Nationals division	18.9	18.9	15.6	15.6	3.3	3.3
Sports division	0.0	34.5	0.0	27.8	0.0	6.7
Total operating margin⁽¹⁾	20.1	20.8	18.7	19.6	1.4	1.2

(1)Excluding non-recurring items and amortisation

(2)Statutory continuing operations

(3)Adjusted which is including Sports and excluding disposed businesses

Regionals division
Performance
26 weeks to 1st July 2007

	2007 statutory £m	2007 adjusted⁽²⁾ £m	2006 statutory £m	2006 adjusted⁽²⁾ £m	Change statutory %	Change adjusted⁽²⁾ %
Revenue	259.8	259.8	281.4	263.1	(7.7)%	(1.3)%
Profit ⁽¹⁾	63.0	63.0	66.6	65.7	(5.4)%	(4.1)%
Margin ⁽¹⁾	24.2%	24.2%	23.7%	25.0%	0.5%	(0.8)%

⁽¹⁾Excludes amortisation of intangibles of £3.0m (2006: £7.0m statutory and £5.8m adjusted)

⁽²⁾Adjusted which is excluding disposed businesses

Regionals division
 Analysis of revenue
 26 weeks to 1st July 2007

	2007 statutory £m	2007 adjusted ⁽¹⁾ £m	2006 statutory £m	2006 adjusted ⁽¹⁾ £m	Change statutory %	Change adjusted ⁽¹⁾ %
Circulation	42.5	42.5	42.2	42.2	0.7%	0.7%
Advertising	198.1	198.1	201.0	201.0	(1.4)%	(1.4)%
Other	19.2	19.2	38.2	19.9	(49.7)%	(3.5)%
Total revenue	259.8	259.8	281.4	263.1	(7.7)%	(1.3)%

⁽¹⁾Adjusted which is excluding disposed businesses

Regionals division
 Analysis of advertising revenue
 26 weeks to 1st July 2007

Advertising by category	Change statutory & adjusted %	Change excluding totally legal %
Display	(0.4)%	(0.4)%
Recruitment	(1.3)%	(2.1)%
Property	4.0%	4.0%
Motors	(10.3)%	(10.3)%
Other classified	(3.9)%	(3.9)%
Total net advertising	(1.4)%	(1.6)%

Regionals division
 Analysis of advertising revenue
 26 weeks to 1st July 2007

	2007 Statutory & adjusted £m	2007 Excluding totally legal £m	2006 Statutory & adjusted £m	Change statutory & adjusted %	Change excluding totally legal %
Core Newspapers	172.8	172.8	181.1	(4.6)%	(4.6)%
Metros	9.8	9.8	8.3	18.1%	18.1%
Sub total - Print	182.6	182.6	189.4	(3.6)%	(3.6)%
Digital	15.5	15.1	11.6	33.6%	30.2%
Total Regionals Division	198.1	197.7	201.0	(1.4)%	(1.6)%

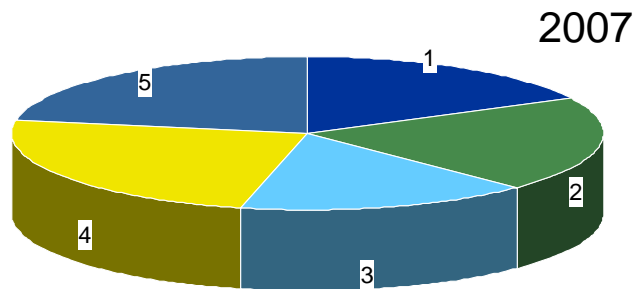
Nationals division
Performance
26 weeks to 1st July 2007

	2007 statutory & adjusted	2006 statutory & adjusted	Change statutory & adjusted
	£m	£m	%
Nationals division			
Revenue	240.7	240.3	0.2%
Profit	45.5	37.4	21.7%
Margin	18.9%	15.6%	3.3%
UK Nationals			
Revenue	186.7	188.8	(1.1)%
Profit	33.2	28.3	17.3%
Margin	17.8%	15.0%	2.8%
Scottish Nationals			
Revenue	54.0	51.5	4.9%
Profit	12.3	9.1	35.2%
Margin	22.8%	17.7%	5.1%

UK Nationals
 Analysis of revenue
 26 weeks to 1st July 2007

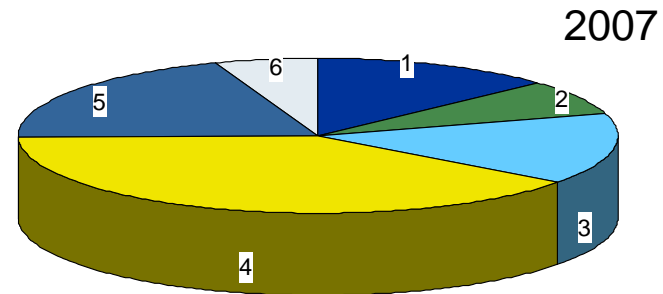
	2007 statutory and adjusted £m	2006 statutory and adjusted £m	Change statutory and adjusted %
Circulation	111.0	111.2	(0.2)%
Advertising	57.4	59.9	(4.2)%
Other	18.3	17.7	3.4%
Total revenue	186.7	188.8	(1.1)%

UK Nationals
 Newspaper advertising market share (volumes)
 26 weeks to 1st July 2007



Dailies

	2007	2006
1 Mirror	17.6%	18.3%
2 Sun	19.8%	21.5%
3 Star	16.1%	16.3%
4 Mail	24.4%	22.9%
5 Express	22.1%	21.0%



Sundays

	2007	2006
1 Sunday Mirror	13.1%	13.1%
2 People	7.1%	7.6%
3 News of the World	15.1%	15.4%
4 Mail on Sunday	39.5%	39.5%
5 Sunday Express	19.7%	19.1%
6 Daily Star Sunday	5.5%	5.3%

Scottish Nationals
 Analysis of revenue
 26 weeks to 1st July 2007

	2007 statutory and adjusted £m	2006 statutory and adjusted £m	Change statutory and adjusted %
Circulation	28.3	27.0	4.8%
Advertising	23.0	22.4	2.7%
Other	2.7	2.1	28.6%
Total revenue	54.0	51.5	4.9%

Sports division
Performance
26 weeks to 1st July 2007

	2007 statutory⁽¹⁾ & adjusted £m	2006 statutory⁽¹⁾ & adjusted £m	Change statutory⁽¹⁾ & adjusted %
Revenue	25.8	24.8	4.0%
Profit	8.9	6.9	29.0%
Margin	34.5%	27.8%	6.7%

⁽¹⁾The group numbers, on a statutory basis, disclose the Sports division within Discontinued operations

Net debt
26 weeks to 1st July 2007

	1 st Jan 2007 £m	Cash flow £m	IAS 39 Impact £m	Other non-cash charges £m	1 st Jul 2007 £m
Non-current					
Loan notes	(346.3)	-	8.5	(0.8)	(338.6)
Derivative financial instruments	(107.4)	-	(12.1)	-	(119.5)
Finance leases	(13.2)	2.1	-	-	(11.1)
	(466.9)	2.1	(3.6)	(0.8)	(469.2)
Current					
Bank overdrafts	(3.3)	2.4	-	-	(0.9)
Short term loans	-	(15.0)	-	-	(15.0)
Loan notes	(0.7)	0.1	-	-	(0.6)
Finance leases	(2.8)	0.2	-	-	(2.6)
	(6.8)	(12.3)	-	-	(19.1)
Cash and cash equivalents	32.8	(12.3)	-	-	20.5
Net debt	(440.9)	(22.5)	(3.6)	(0.8)	(467.8)

Reconciliation of Group statutory results to adjusted results 26 weeks to 1st July 2007

2007	Statutory results £m (a)	Sports division £m (b)	Non- recurring items £m (c)	Disposed businesses £m (d)	Amort £m (e)	IAS 39 impact £m (f)	Rate change £m (g)	Adjusted result £m
Revenue	500.5	25.8	-	-	-	-	-	526.3
Operating (loss)/profit	(55.6)	8.9	153.1	-	3.0	-	-	109.4
Profit before tax	(70.4)	8.9	153.1	-	3.0	3.6	-	98.2
Earnings per share	pence	pence	pence	pence	pence	pence	pence	pence
Basic	(1.6)	2.1	31.7	-	0.7	0.9	(10.3)	23.5

- (a) Loss per share on continuing operations excluding discontinued operations (Sports and Magazines and Exhibitions divisions)
(b) Sports division has been included in adjusted as it had not been disposed of prior to the interim date while the Magazines and Exhibitions division has been excluded from adjusted as it was disposed of in July 2006
(c) Details of non-recurring items are set out on slide 24
(d) Sale of hotgroup traditional recruitment consultancy business
(e) Amortisation of intangible assets
(f) Impact of fair value, exchange rate and amortisation adjustments on borrowings and associated financial instruments, accounted for under IAS 39
(g) Impact of change in tax rate from 30% to 28% on the opening deferred tax position

Reconciliation of Group statutory results to adjusted results

2006	Statutory results £m (a)	Sports division £m (b)	Non- recurring items £m (c)	Disposed businesses £m (d)	Amort £m (e)	IAS 39 impact £m (f)	Rate change £m (g)	Adjusted result £m
Revenue	521.7	24.8	-	(18.3)	-	-	-	528.2
Operating (loss)/profit	(159.7)	6.9	250.0	(0.9)	7.0	-	-	103.3
Profit before tax	(186.5)	6.9	250.0	(0.9)	7.0	14.9	-	91.4
Earnings per share	pence	pence	pence	pence	pence	pence	pence	pence
Basic	(44.9)	1.6	60.1	(0.2)	1.7	3.9	-	21.9

- (a) Loss per share on continuing operations excluding discontinued operations (Sports and Magazines and Exhibitions divisions)
(b) Sports division has been included in adjusted as it had not been disposed of prior to the interim date while the Magazines and Exhibitions division has been excluded from adjusted as it was disposed of in July 2006
(c) Details of non-recurring items are set out on slide 24
(d) Sale of hotgroup traditional recruitment consultancy business
(e) Amortisation of intangible assets
(f) Impact of fair value, exchange rate and amortisation adjustments on borrowings and associated financial instruments, accounted for under IAS 39
(g) Impact of change in tax rate from 30% to 28% on the opening deferred tax position