



ebiquity

Data-driven insights

COMPANY PRESENTATION

YEAR ENDED 31 DECEMBER 2015

March/April 2016

COMPANY PRESENTATION

Contents

1 2015 review

2 Service offering

3 Financials

4 Outlook

5 *Appendices*

The background of the slide features a dark blue world map. Overlaid on the map is a complex network of glowing blue lines and nodes, resembling a global communication or data network. The lines are curved and intersect at various points, with some nodes highlighted by concentric circles. The overall aesthetic is high-tech and digital.

1. 2015 REVIEW

2015 REVIEW

Growing demand for our services

Continued strong demand for Marketing Performance Optimization (MPO) services

Active in a large number of media agency pitches (MVM)

Encouraging response to first phase of new Advertising Intelligence product roll out (MI)

Appointment of Michael Karg as new Group CEO

Jointly appointed by American ANA¹ to conduct media trading transparency study

2015 REVIEW

Another strong year of growth driven by MVM and MPO

8% revenue growth

Combined revenue growth from MVM and MPO of 16%

Improvement in underlying operating profit margin to 16.2%

Growth in underlying diluted EPS to 10.8p

Increase in proposed dividend on annualised basis



2. SERVICE OFFERING

SERVICE OFFERING

Ebiquity is a global, independent marketing performance specialist – organized into three core Practices

Marketing Performance
Optimization

MPO

A set of processes and methodologies which help clients decide how to allocate and optimize their marketing budgets across communication channels and consumer touch-points

Media Value
Measurement

MVM

A set of proprietary tools and methodologies to help clients improve the efficiency of their media spend; it delivers both increased transparency into media performance and contractual compliance

Market
Intelligence

MI

A technology platform that enables clients to monitor their own and their competitors' creative executions including marketing spend; plus a tool that analyzes conversations on social networks

ebiquity

Data-driven insights

SERVICE OFFERING

Marketing Performance Optimization (MPO)

Client Questions

- How should we allocate our marketing budget to maximize business impact?
- How can we optimize our marketing mix month over month?
- Where do we have weaknesses in the digital consumer path to purchase?
- Do we have the right analytics tools, marketing technologies and processes in place?

Our Core Services

- Marketing ROI and effectiveness
- Test design and implementation
- Web analytics (i.e. owned digital media performance measurement)
- Marketing and business driver analysis
- Marketing investment simulators and forecasting

Our Methodologies/ Tools

- Econometric modelling
- Regression techniques, attribution modelling, and data landscaping techniques
- PlanIT
- TestMatch
- Bespoke dashboards

SERVICE OFFERING

Media Value Measurement (MVM)

Client Questions

- How well does our media agency's performance compare, and where can they improve?
- Do we have the right agency, the right contract, and the right incentivization scheme in place?
- Is our agency delivering on their promises and contractual obligations?
- Are we benefiting from the rebates our media agency receives?

Our Core Services

- Media benchmarking
- Strategic media consulting
- Cost saving and guarantee tracking
- Digital paid media performance measurement
- Digital paid media best practice reporting
- Paid media training
- Client / media agency process review
- Media agency pitch management
- Media agency contract compliance

Our Methodologies/Processes

- The Rack®
- ValueTrack
- Peera
- MAPS

SERVICE OFFERING

Market Intelligence (MI)

Client Questions

- What are our competitors saying in their advertising...where are they saying it... and how much are they spending?
- How are our competitors' media or messaging strategies changing?
- How can we protect our brand from misuse by partners or third parties?
- What are consumers saying about our brand online?

Our Core Services

- Advertising monitoring spanning creative, messaging and spend
- Advertising compliance monitoring (i.e., partner marketing)
- Custom-tailored analysis and reporting of advertising campaigns
- Social Media analysis
- Media/PR analysis
- Bespoke primary research

Our Products

- Portfolio International
- Portfolio Plus
- Portfolio UK/DE/AU
- ePublisher

SERVICE OFFERING

We work with most of the world's leading brands



Unilever



Pernod Ricard



Data-driven insights

SERVICE OFFERING

Why Ebiquity?

Independent, transparent advice

Deep subject matter expertise in marketing and media analytics

Proven track records, working with over 80 of the worlds top 100 advertisers

Fast growing multi-country MPO business

Number 1 player in Media benchmarking and auditing worldwide (MVM)

World's largest advertising database of creative assets (MI)

A low-angle, upward-looking shot of a modern skyscraper with a glass facade. The building's structure is composed of a grid of dark metal frames and large glass panels. The sky is visible in the background, appearing bright and slightly overcast. A dark, semi-transparent horizontal band runs across the middle of the image, serving as a background for the section header.

3. FINANCIALS

FINANCIALS

Change in year end from April to December

Year ended 31 December 2014 (pro forma)

Year ended 30 April 2015 (reported)

8m ended 31 December 2015 (reported)

Year ended 31 December 2015 (pro forma)

Dec
2013

April
2014

Dec
2014

April
2015

Dec
2015

Our statutory reporting presents the 8m to December 2015 vs 12m to April 2015. However, this presentation focuses on the 12m to December 2015 performance.

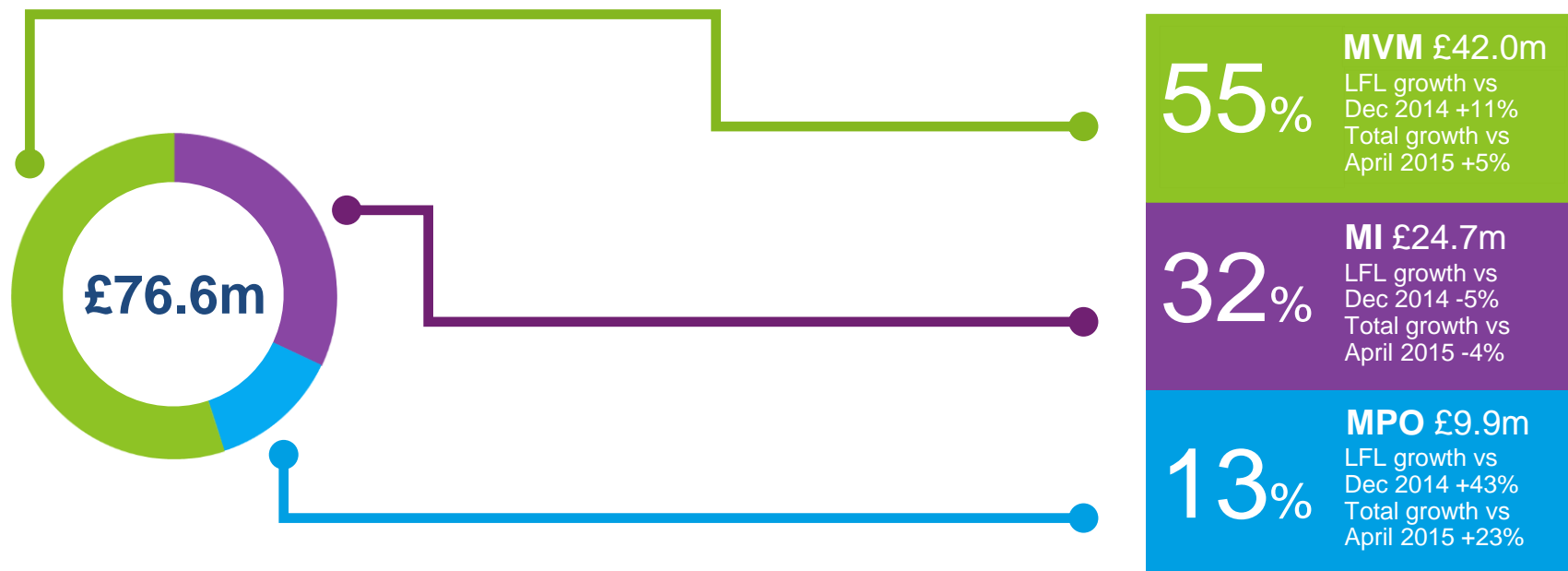
FINANCIALS

Continued growth since last reported results

	12m to December 2015	12m to April 2015	12m to December 2014
Revenue	£76.6m	£73.9m	£69.1m
Op profit	£12.4m	£11.7m	£8.0m
<i>Op mgn</i>	16.2%	15.9%	11.5%
PBT	£11.2m	£10.6m	£6.8m
EPS (u/l dil)	10.8p	10.7p	6.6p

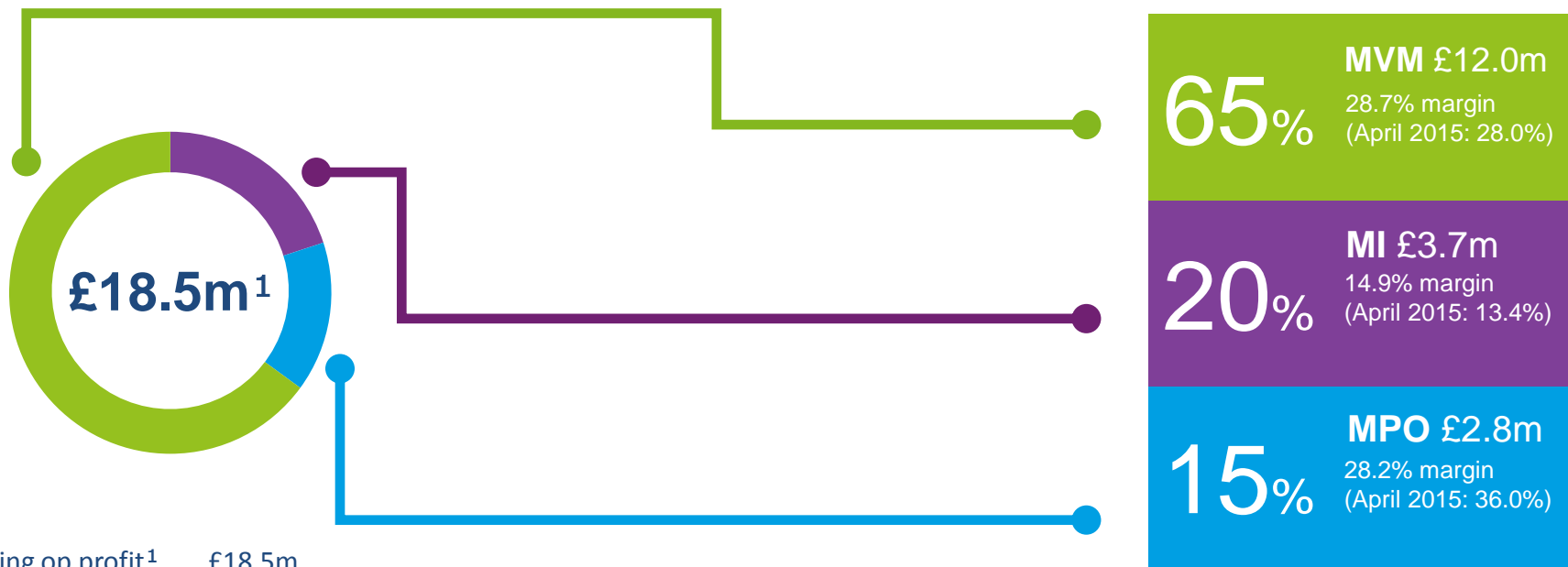
FINANCIALS

Combined revenue growth from MVM and MPO of 16%



FINANCIALS

Group operating margin increased to 16.2%



Trading op profit ¹	£18.5m
Central costs	(£6.1m)
<hr/>	
Total op profit	£12.4m
	16.2%

FINANCIALS

Continued strong demand for MVM services

Strong year on year revenue growth (11% LFL), particularly in the US

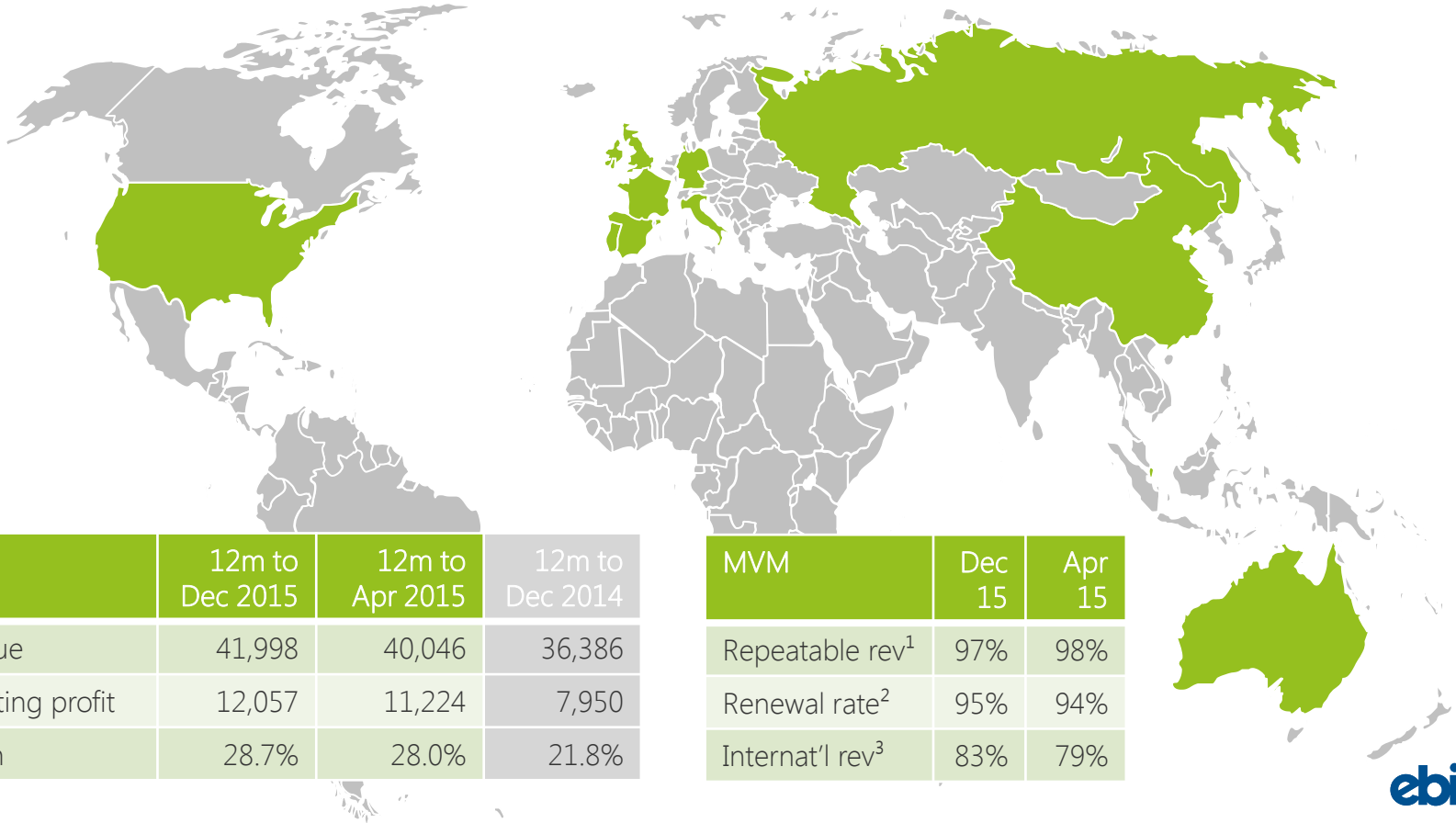
Very active in media agency pitches in H2

Margin improvement due to agency pitch work requiring less third party costs

Increase in renewal rate (to 95%) and more international assignments (83% of revenue)

FINANCIALS

Accelerating MVM growth in US and Europe



MVM	12m to Dec 2015	12m to Apr 2015	12m to Dec 2014
Revenue	41,998	40,046	36,386
Operating profit	12,057	11,224	7,950
Margin	28.7%	28.0%	21.8%

MVM	Dec 15	Apr 15
Repeatable rev ¹	97%	98%
Renewal rate ²	95%	94%
Internat'l rev ³	83%	79%

FINANCIALS

Stabilisation of revenues from advertising monitoring within the **MI** Practice, representing 85% of the Practice

Early signs of stabilisation of advertising monitoring Portfolio platforms (+0.4% on constant currency basis)

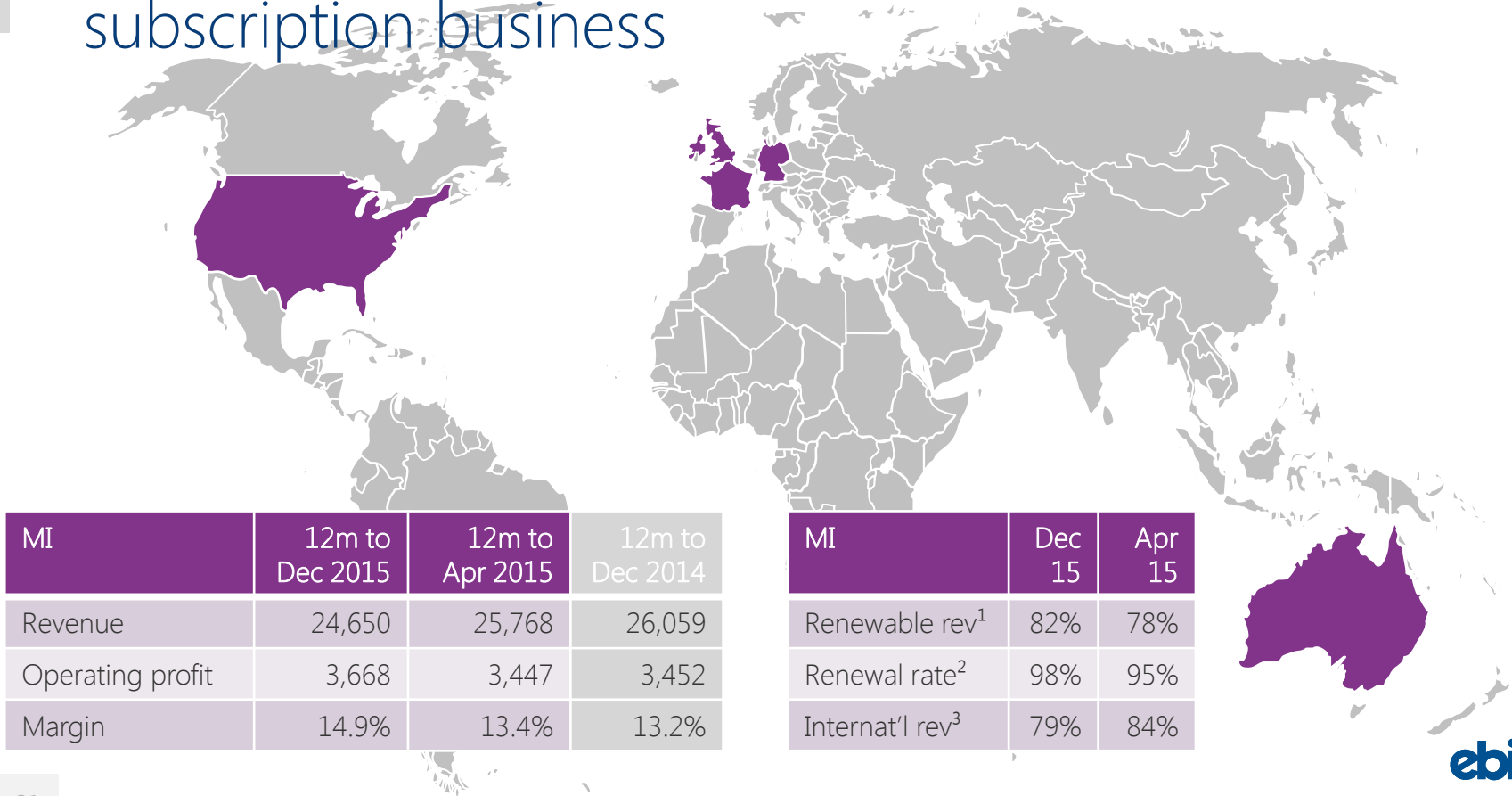
Disappointing performance from research/PR project work (-22%)

Margin improvement due to mix of revenues and cost efficiency programmes

Record renewal rates (98%) following platform improvements

FINANCIALS

Decline in **MI** project revenue masks improvement in subscription business



MI	12m to Dec 2015	12m to Apr 2015	12m to Dec 2014
Revenue	24,650	25,768	26,059
Operating profit	3,668	3,447	3,452
Margin	14.9%	13.4%	13.2%

MI	Dec 15	Apr 15
Renewable rev ¹	82%	78%
Renewal rate ²	98%	95%
Internat'l rev ³	79%	84%

FINANCIALS

Strong revenue growth in MPO

Exceptional year on year revenue growth (+43% LFL)

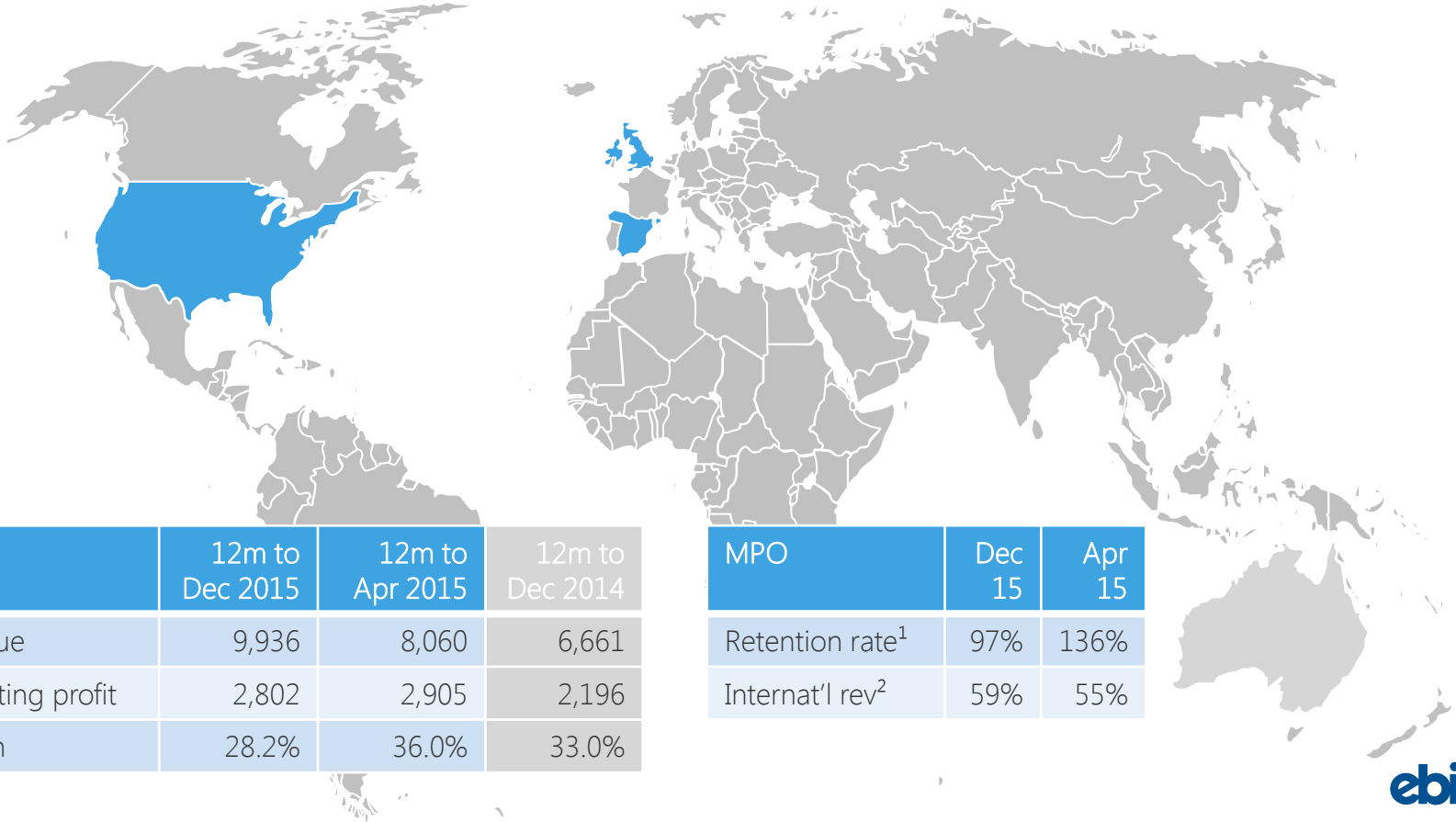
Now accounts for 13% of the group (PY 10%)

Planned margin adjustment to a more sustainable level (28.2%)

Strong client retention rate (97% by value)

FINANCIALS

MPO continues to grow at an exceptional rate



MPO	12m to Dec 2015	12m to Apr 2015	12m to Dec 2014
Revenue	9,936	8,060	6,661
Operating profit	2,802	2,905	2,196
Margin	28.2%	36.0%	33.0%

MPO	Dec 15	Apr 15
Retention rate ¹	97%	136%
Internat'l rev ²	59%	55%

FINANCIALS

Improvement in working capital management

Improved operating cash

Cash from operations up 45%
versus April 2015, to £11.5m

Strong cash conversion

Underlying cash conversion
up from 88% in April 2015 to 110%

Improved working capital

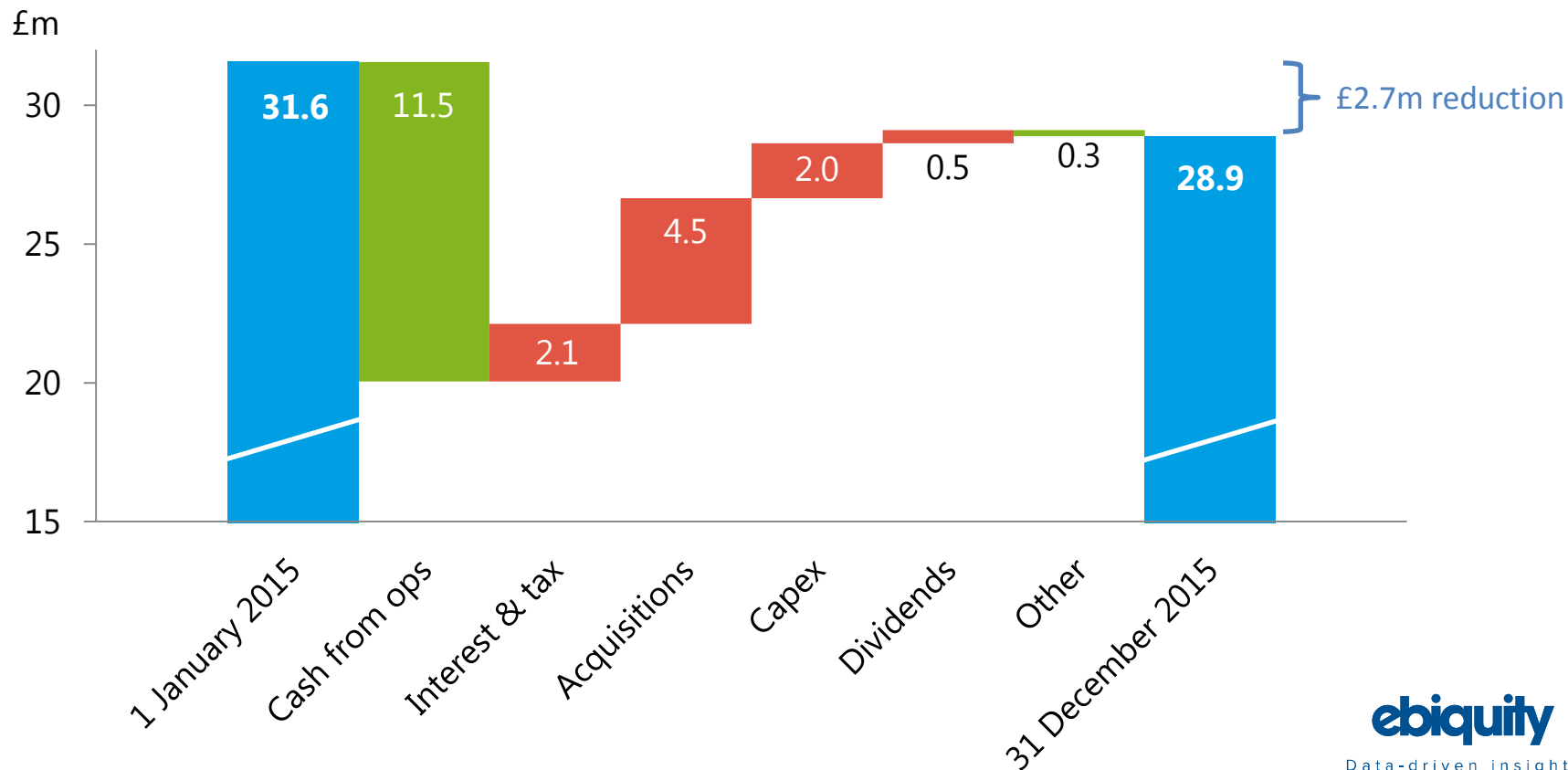
Net trade debtor/creditor outflow
improved by >75% to less than £1m

Comfortable gearing

Net debt of £28.9m
Net debt to EBITDA 2.04x

FINANCIALS

Net debt reduced by £2.7m over the last 12 months despite £4.5m of acquisition payments



FINANCIALS

Growth in all key underlying metrics, in line with expectations

Revenue £76.6m	Diluted EPS 10.8p
Profit before tax £11.2m	Operating margin 16.2%

4. OUTLOOK

OUTLOOK

2016 outlook

Continuing demand for our products and services

Proven strategy to deliver growth in MPO and MVM

Marginal increase in level of visibility over 2016 revenues compared to the same time last year

Continue to position ourselves to capitalise on growth in the MPO market

OUTLOOK

Six focus areas for growth

Growth of MPO practice

Building on strong position of MVM

Stabilizing the performance of MI

Global client management and growth

Building ONE Ebiquity network

Selective acquisitions to bolster service offering and geographical reach

The background of the slide is a dense, overlapping field of 3D-rendered numbers (0-9) in a light blue-grey color. The numbers are of varying sizes and are scattered across the entire frame, creating a textured, data-like appearance. A semi-transparent dark grey horizontal band runs across the middle of the image, serving as a backdrop for the title text.

5. APPENDICES

INTRODUCTION TO NEW GROUP CEO

Michael Karg has considerable experience across our industry and in growing businesses on a global scale

15 year career with Razorfish and Digitas (digital agencies of Publicis Groupe)

Over 20 years of experience in marketing, most of it digital

Significant international experience

Extensive experience in managing multinational clients

Successfully run large scale MPO teams

FINANCIAL APPENDICES

Segmental reporting

12m to December 2015	MVM	MI	MPO	Total segments	Central costs	Total
Revenue	41,998	24,650	9,936	76,584	-	76,584
Underlying operating profit	12,057	3,668	2,802	18,527	(6,116)	12,411
Margin	28.7%	14.9%	28.2%	24.2%		16.2%

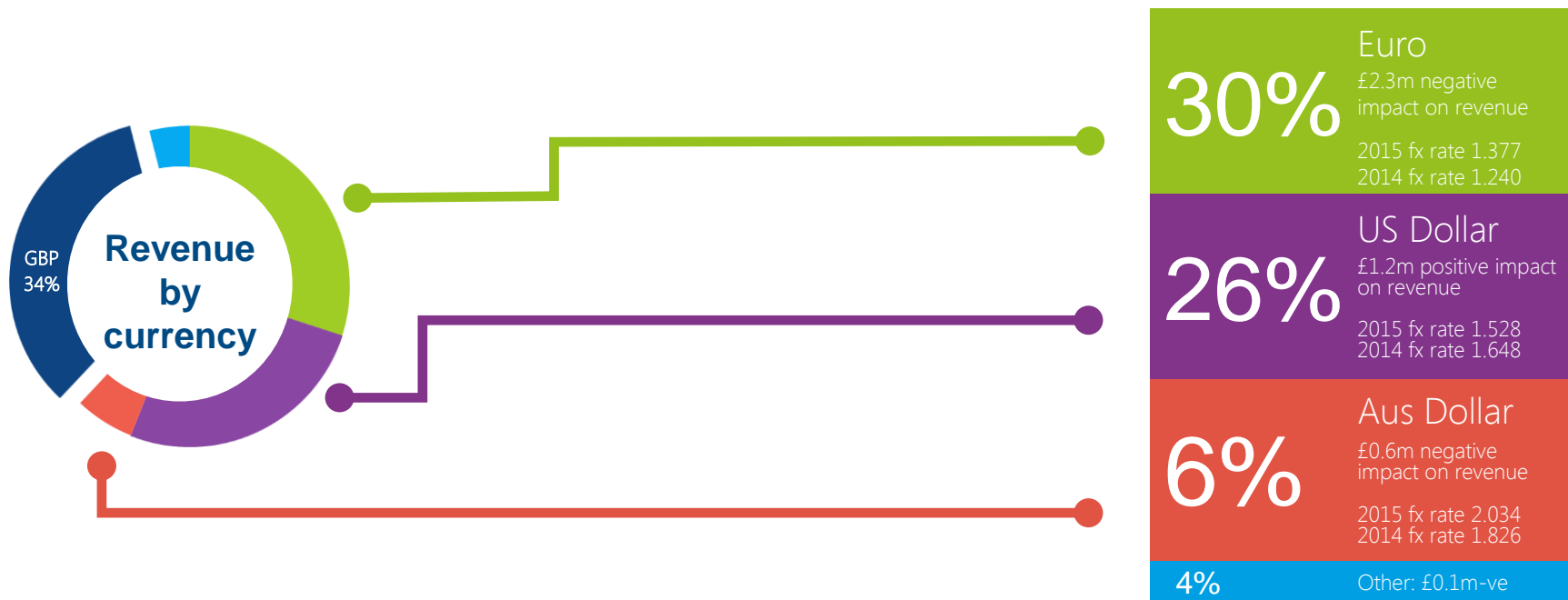
12m to April 2015	MVM	MI	MPO	Total segments	Central costs	Total
Revenue	40,046	25,768	8,060	73,874	-	73,874
Underlying operating profit	11,224	3,447	2,905	17,576	(5,847)	11,729
Margin	28.0%	13.4%	36.0%	23.8%		15.9%

12m to December 2014	MVM	MI	MPO	Total segments	Central costs	Total
Revenue	36,386	26,059	6,661	69,106	-	69,106
Underlying operating profit	7,950	3,452	2,196	13,598	(5,636)	7,962
Margin	21.8%	13.2%	33.0%	19.7%		11.5%

8m to December 2015	MVM	MI	MPO	Total segments	Central costs	Total
Revenue	20,409	16,002	6,899	43,310	-	43,310
Underlying operating profit	(81)	2,070	1,874	3,863	(3,866)	(3)
Margin	(0.4%)	12.9%	27.2%	8.9%		

FINANCIAL APPENDICES

2% negative foreign exchange impact on revenue



FINANCIAL APPENDICES

Client metrics



International sources defined as multi-territory or non-UK domestic

FINANCIAL APPENDICES

Cross-selling analysis

	2012/13	2013/14	2014/15	2015
2 services	11%	11%	13%	13%
2+ services	14%	15%	17%	18%
3+ services	3%	4%	4%	5%

FINANCIAL APPENDICES

Highlighted items

	12 months to 31 December 2015	12 months to 30 April 2015
Recurring (non-cash) – share options and IFA amortisation	2,931	3,385
Non recurring (cash) – acquisitions and restructuring	1,471	2,528
Non recurring (non cash) – impairment ¹	4,366	5,837
Total	8,768	5,913

¹We are fully impairing the goodwill, purchased intangible asset and related capitalised development costs in relation to the Reputation business. This business, formerly Echo Research Group, was acquired in 2011. Over the last four years we have integrated the business fully into our Market Intelligence Practice; the technologies and methodologies which were represented by the goodwill and purchased intangibles have been replaced, integrated or superseded and the client relationships have in many cases evolved into more integrated contracts. We are no longer able to support the original carrying value and believe that full impairment reflects the evolution of this part of our business in line with our longer-term corporate strategy.

FINANCIAL APPENDICES

Profit before tax

	12 months to 31 December 2015	12 months to 30 April 2015	8 months to 31 December 2015
Underlying operating profit/(loss)	12,411	11,729	(3)
Highlighted items	(8,768)	(5,913)	(6,656)
Reporting operating profit/(loss)	3,643	5,816	(6,659)
Net finance costs/associates	(1,181)	(1,159)	(787)
Reported profit/(loss) before tax	2,462	4,657	(7,446)
<i>Underlying profit/(loss) before tax</i>	<i>11,230</i>	<i>10,570</i>	<i>(790)</i>

FINANCIAL APPENDICES

Underlying effective tax rate for the 12m to December 2015

		12m to Dec 2015	Effective tax rate
Underlying operating profit		12,411	
Interest/associates		(1,181)	
Underlying PBT		11,230	
	CY Corp tax	(2,759)	24.6%
	CY Def tax	(134)	1.2%
	Prov'n releases	396	(3.5%)
Underlying tax charge		(2,498)	22.2%
Underlying PAT		8,732	

25.8%

FINANCIAL APPENDICES

Increase in second dividend following maiden dividend

Intention to pay dividend of 0.4p/share for the 8 months ended 31 December (cash cost approx £0.3m)

Equivalent to 0.6p/share on an annualised basis

This represents a 50% increase compared to the prior year maiden dividend

Modest level continues to take into consideration our current gearing

Allows us to continue with our ambitious growth plans

FINANCIAL APPENDICES

Outstanding deferred consideration

As at 31 December 2015	2013/14		2015
	Stratigent	CMCG	Media Value
Nature of business	Multi-channel analytics in the US	Media auditing in China	Media auditing in Spain/Portugal
Operations	Chicago	Shanghai and Beijing	Madrid/Barcelona/Lisbon
Transaction date	19 August 2013	15 January 2014	26 February 2015
Transaction detail	100% acquisition	100% acquisition	100% acquisition
Cash up front	£2,700k	£1,600K	£545k
Deferred consideration max	£2,756k	£5,344k	£3,874k
Deferred consideration paid	£2,494k	£2,331k	£1,438k
Estimated remaining deferred consideration:	£262k:	£3,013k:	£1,579k:
H2 2016	£262k	£1,581k	£1,579k
H2 2017	-	£1,432k	-
Total potential consideration	£5,456k	£6,944k	£4,419k
Total estimated consideration	£5,456k	£6,944k	£3,562k
Earn out end date	April 2016	April 2017	April 2016
Earn out basis	1 yr profit multiple & 3 yr rev growth/profit mgns	3 yr based on profit multiple	3 yr based on profit multiple
Key financials at acquisition	Dec 12: Rev £2.2m u/l op profit £0.6m 20 staff	Dec 13: Rev £1.4m u/l op profit £0.4m 22 staff	Apr 14: Rev £1.7m u/l op profit £0.3m 32 staff

FINANCIAL APPENDICES

Statement of financial position

		December 2015	April 2015	December 2014
Non current assets	Goodwill	54,827	58,096	55,376
	Purchased intangibles	10,370	12,243	13,677
	Other	8,397	7,569	4,713
		73,594	77,908	73,766
Current assets	Trade debtors	16,283	17,390	13,473
	Accrued income	5,253	9,852	6,922
	Cash	8,755	9,295	3,838
	Prepayments	1,678	1,716	1,512
	Other	1,104	921	961
		33,073	39,174	26,706
Current liabilities	Trade creditors	3,538	3,866	2,032
	Loans	4,801	3,822	2,185
	Deferred income	7,677	6,933	4,163
	Accruals	4,663	4,577	4,047
	Other	6,794	9,963	5,876
		27,473	29,161	18,303
Non current liabilities	Loans	32,615	31,880	32,901
	Deferred tax	2,244	2,821	2,730
	Other	1,926	4,562	3,910
		36,785	39,263	39,541
Net assets		42,409	48,658	42,628

FINANCIAL APPENDICES

Cash flow statement

	Year ending 31 December 2015	Year ending 30 April 2015	8 month period ending 31 December 2015
Cash generated from operations	11,515	7,927	5,028
Net finance expense	(1,009)	(1,234)	(588)
Income taxes paid	(1,062)	(1,618)	(892)
Net cash from operating activities	9,444	5,075	3,548
Investing activities			
Net acquisition of subsidiaries, net of cash acq'd	(3,425)	(5,180)	(3,002)
Purchase of PPE	(988)	(1,464)	(502)
Purchase of intangible assets	(998)	(1,664)	(826)
	(5,411)	(8,308)	(4,330)
Financing activities			
Issue of new shares	224	252	205
New borrowings	3,224	36,703	2,578
Loan repayments	(3,232)	(31,107)	(1,982)
Bank loan fees/swap closure	-	(389)	-
Acquisition of interest in subsidiary from NCI	(1,105)	(282)	(1,105)
Dividends paid to shareholders	(291)	-	(291)
Dividends paid to non-controlling interests	(178)	(259)	(195)
Repayment of finance leases	(8)	(197)	(4)
	(1,366)	4,721	(794)
Net increase/(decrease) in cash	2,667	1,488	(1,576)

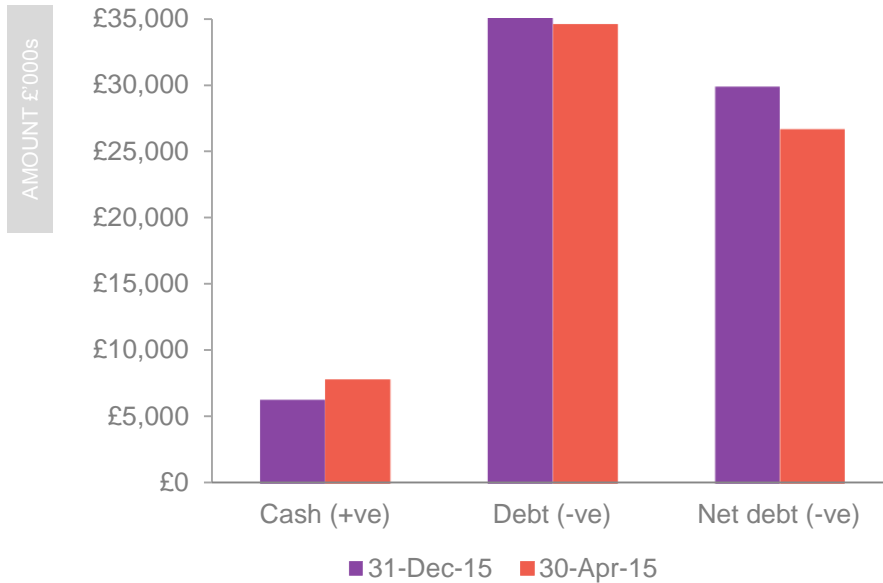
FINANCIAL APPENDICES

Cash generated from operations

	Year ending 31 December 2015	Year ending 30 April 2015
Profit before tax	2,462	4,657
Adjustments	9,924	7,053
	12,386	11,710
Decrease/(increase) in trade receivables	(5,434)	(2,270)
Increase/(decrease) in trade payables	4,650	(1,040)
Increase/(decrease) in provisions	(87)	(473)
Cash generated from operations	11,515	7,927

FINANCIAL APPENDICES

Net debt analysis



- Net debt Dec 2015 of £28.9m (Apr 2015: £26.7m)
- Net debt:EBITDA of 2.04x
- Interest at 2.5% above LIBOR
- £3.2m drawn in the last 12m towards £4.5m of acquisition payments
- £3.2m debt repayments made in the last 12m
- Current estimate of deferred consideration £5.9m (£3.6m payable in the next 12 months)

FINANCIAL APPENDICES

Cash and net debt analysis

	Cash	Gross debt	Net debt
Opening at 1 January 2015	3,838	(35,401)	(31,563)
Trading cash flow	11,515		11,515
Interest and tax	(2,071)		(2,071)
Debt repayments	(3,232)	3,232	-
Drawdown for acquisitions	3,224	(3,224)	-
Payments for acquisitions	(4,530)		(4,530)
Capex	(1,986)		(1,986)
Dividends incl MI	(469)		(469)
Other/forex	75	143	218
Closing at 31 December 2015	6,364	(35,250)	(28,886)
<i>vs pro forma EBITDA (£14.1m)</i>		2.50x	2.04x

FINANCIAL APPENDICES

Summary of banking facility

- £40m multi-currency facility in place, maturing in July 2018
- Approx £39.0m drawn; £35.3m outstanding
- Approx £1.0m available
- Accordion option to increase by a further £20m
- Interest rate of 2.5% plus LIBOR (can be lowered depending on covenants)
- Analysis of repayment plan on outstanding balance set out below:

	Currency	GBP	Future repayments	Bullet
GBP	£32,321k	£32,321k	£6,250k	£26,071k
Euro	€3,975k	£2,929k	-	£2,929k
		£35,250k	£6,250k	£29,000k
Repayment quarters			/10	
Repayment/quarter			£625k	

FINANCIAL APPENDICES

Cash conversion

	12m to 31 December 2015	12m to 30 April 2015
Reported cash from operations	11,515	7,927
Underlying cash from operations	13,673	10,345
Underlying operating profit	12,411	11,729
Cash conversion	110.2%	88.2%

FINANCIAL APPENDICES

Shareholder analysis at 29 February 2016

Name	Holding	% Holding
Artemis	9,945,522	12.9%
Kabouter	7,827,917	10.1%
T Rowe Price	6,776,200	8.8%
Invesco	6,531,663	8.5%
JO Hambro	5,933,247	7.7%
Herald	5,491,125	7.1%
Hargreave Hale	4,330,000	5.6%
L&G	3,945,200	5.1%
Fidelity	3,443,664	4.4%
Henderson	3,060,000	4.0%
Top 10 total	57,284,538	74.2%

Name	Holding	% Holding	Options
Nick Manning	230,000	0.30%	2,670,230
Andrew Beach	20,000	0.03%	260,000
Morag Blazey	-	-	728,169
Richard Nichols	100,000	0.13%	-
Michael Higgins	64,500	0.08%	-
Michael Greenlees	324,267	0.42%	3,741,368
Total Directors	738,767	0.96%	7,399,767

Total shares in issue at 31 December 2015/29 February 2016: 77,161,688.
Market cap at 29 February 2015: £105m.

Share options outstanding at 31 December 2015: 10,280,037 of which 4,201,504 will be satisfied from shares already issued and held in an EBT (i.e. only 6,078,533 are dilutive).

FINANCIAL APPENDICES

Recent performance

Year end	April 10	April 11	April 12	April 13	April 14	April 15	Dec 15 ¹
Revenue	21,218	44,165	52,919	64,046	68,452	73,874	76,584
<i>growth</i>	15%	108%	20%	21%	7%	8%	4%
Op profit	2,643	5,298	8,205	10,441	11,339	11,729	12,411
<i>margin</i>	12.5%	12.0%	15.5%	16.3%	16.6%	15.9%	16.2%
EPS	5.6p	6.0p	7.4p	9.0p	10.1p	10.7p	10.8p

¹Change in year end to December 2015. April 2015 and December 2015 both include the same 4m period to 30 April 2015

FINANCIAL APPENDICES

12 months to December 2015 H1/H2 split

£m	H1	H2	Total
Revenue	39.6	37.0	76.6
Operating profit	7.9	4.5	12.4
<i>Operating profit margin</i>	<i>20.0%</i>	<i>12.2%</i>	<i>16.2%</i>
PBT	7.3	3.9	11.2
EPS	7.3p	3.5p	10.8p
Net debt	27.6	-	28.9

Guide to future H1/H2 splits:

Revenue 51.6%/48.4%

Operating costs 49.3%/50.7%

Operating profit 62.2%/37.8%



ebiquity.com



blog.ebiquity.com



[@ebiquityglobal](https://twitter.com/ebiquityglobal)



enquiries@ebiquity.com

ebiquity

Data-driven insights