ebiquity

EBIQUITY PLC ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2015

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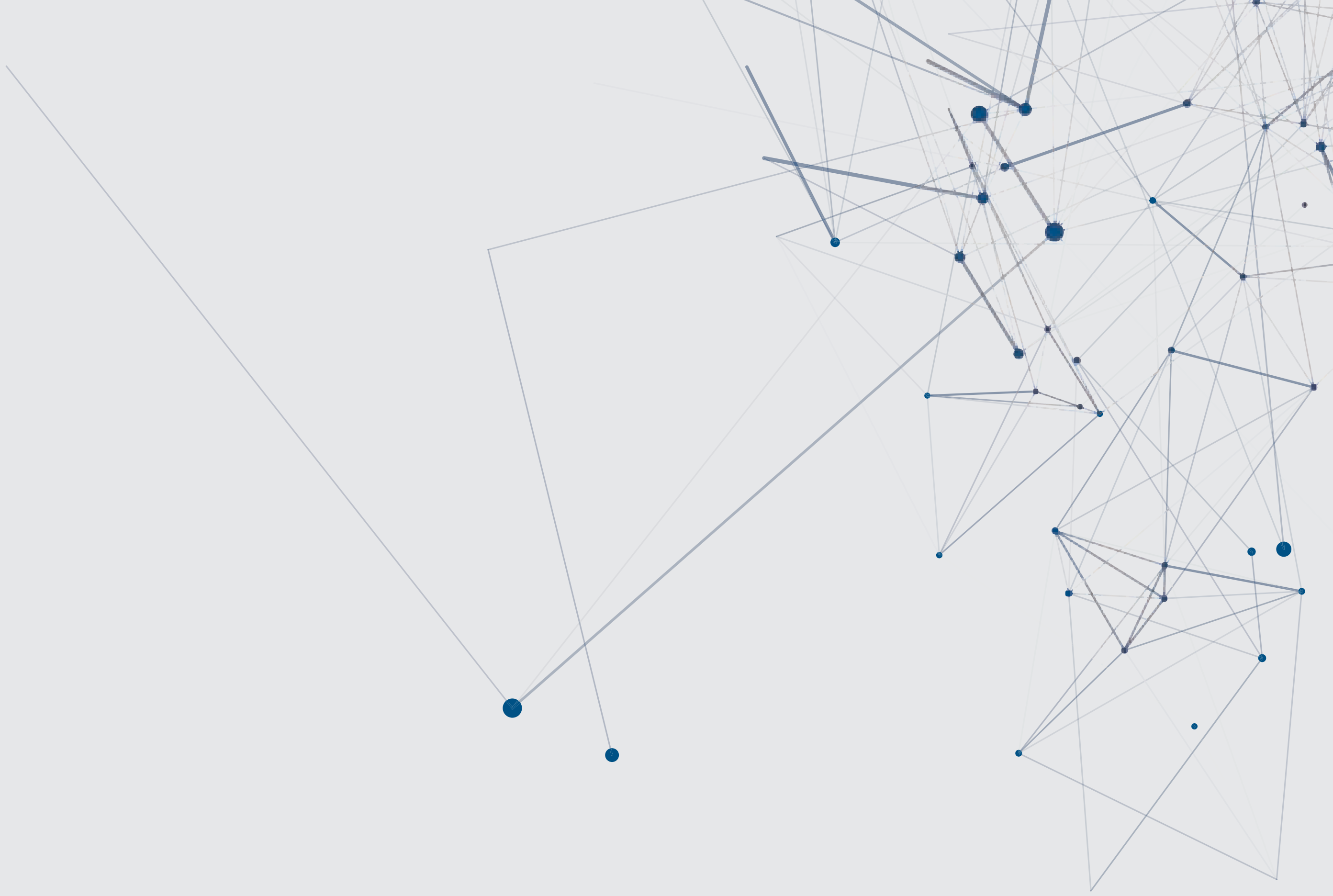

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HIGHLIGHTS

Continued revenue growth, strong new business pipeline, maiden dividend

Ebiquity plc, the independent marketing performance specialist, presents its final results for the year ended 30 April 2015. Ebiquity provides services to more than 1,100 clients across 70 countries, including over 85% of the top 100 global advertisers.[1]

Strong full year financial performance and double-digit revenue growth

- Revenue up 11% on a constant currency[2] basis to £76.3m (2014: £68.5m), up 8% to £73.9m (2014: £68.5m) on a reported basis
- Like for like[2] revenue up 8% on a constant currency basis
- Underlying operating profit up 12% to £12.9m on a constant currency basis and £11.7m (2014: £11.3m) on a reported basis
- PBT up 64% on a constant currency basis to £5.6m (2014: £3.4m), up 38% to £4.7m (2014: £3.4m) on a reported basis
- Underlying diluted EPS up 14% on a constant currency basis to 11.55p (2014: 10.11p), up 6% to 10.71p (2014: 10.11p) on a reported basis
- Recommended maiden dividend of 0.4p reflecting confidence in the Group's future

Progress across all divisions with demand increasing significantly for data and analytics segments

- Demand continuing to increase for Media Value Measurement ("MVM") and Marketing Performance Optimization ("MPO") divisions
- Market Intelligence ("MI") significantly improved client renewal rate to 95% (2014: 87%) and ongoing enhancement programme expected to return the division to modest growth in 2016
- Strong pipeline of domestic and international business across the Group in line with developing market dynamics
- Media Value SL acquired to strengthen Ebiquity's leading European position in marketing and media data analytics
- Appointed two Non-Executive Directors to strengthen the Board

[1] Source: Advertising Age 2014

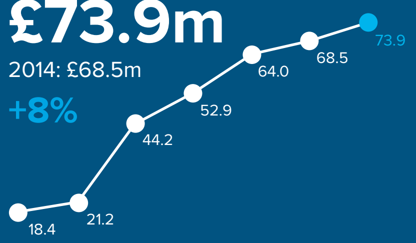
[2] Like for like means prior year results are adjusted to include the results of recent acquisitions as if they had been owned for the same period in the prior year. Constant currency is calculated by taking current year denominated results restated at last year's foreign exchange rates.

Revenue

£73.9m

2014: £68.5m

+8%

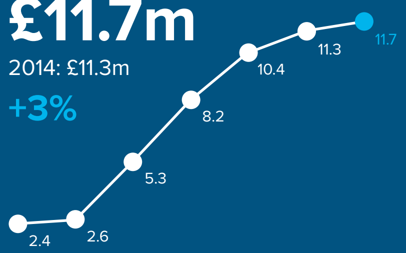


Underlying Operating Profit*

£11.7m

2014: £11.3m

+3%

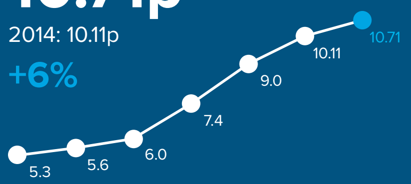


Underlying Diluted EPS*

10.71p

2014: 10.11p

+6%



* Underlying operating profit and underlying diluted EPS are stated before highlighted items.

"Ebiquity has delivered another excellent full year performance with double-digit revenue and profit growth. Our maiden dividend marks an important milestone and demonstrates the Board's confidence in the Company's potential for continued growth and expansion.

The positive current market dynamics are closely aligned to our sector-leading service offering and position Ebiquity at the forefront of global marketing and data analytics. We have continued to gain client traction as companies place increasing importance on gaining competitive advantage from the efficient use and analysis of data and marketing investments.

The strategic initiatives implemented across all three divisions throughout the year, combined with our strong new business pipeline, enable us to look forward to the future with confidence."

Michael Greenlees, CEO
28 July 2015

EBIQUITY EXPLAINED

Ebiquity are leaders in marketing analytics, uniquely differentiated by our independence. We provide online platforms, analysis and objective advice that help brands worldwide to optimise their performance in a rapidly changing marketing landscape.

The growing demand from brands for help and advice means the value of the global market for marketing analytics is forecast to reach $100bn by 2018[1].

We understand the value of having the knowledge in key markets, and have experts around the world. Unlike agencies, we don't make money from executing or transacting, and we are vendor-neutral. We recommend what actions are best for our clients, without any vested interest. Our clients value this objectivity.

We help our clients achieve greater brand and business performance in three key ways:

We help brands understand what's working, and what they can do to improve.

We call this

MARKETING PERFORMANCE OPTIMIZATION

Page 06

We help clients drive transparency and improve media performance.

We call this

MEDIA VALUE MEASUREMENT

Page 08

We help brands plan more effectively for better advertising and communications results.

We call this

MARKET INTELLIGENCE

Page 10

[1] Big Data Spending to reach $114 billion in 2018 – ABI Research 2013
http://tinyurl.com/q8u3apr

Our Clients
We work with more than 1,100 clients worldwide including over 85% of the top 100 global advertisers

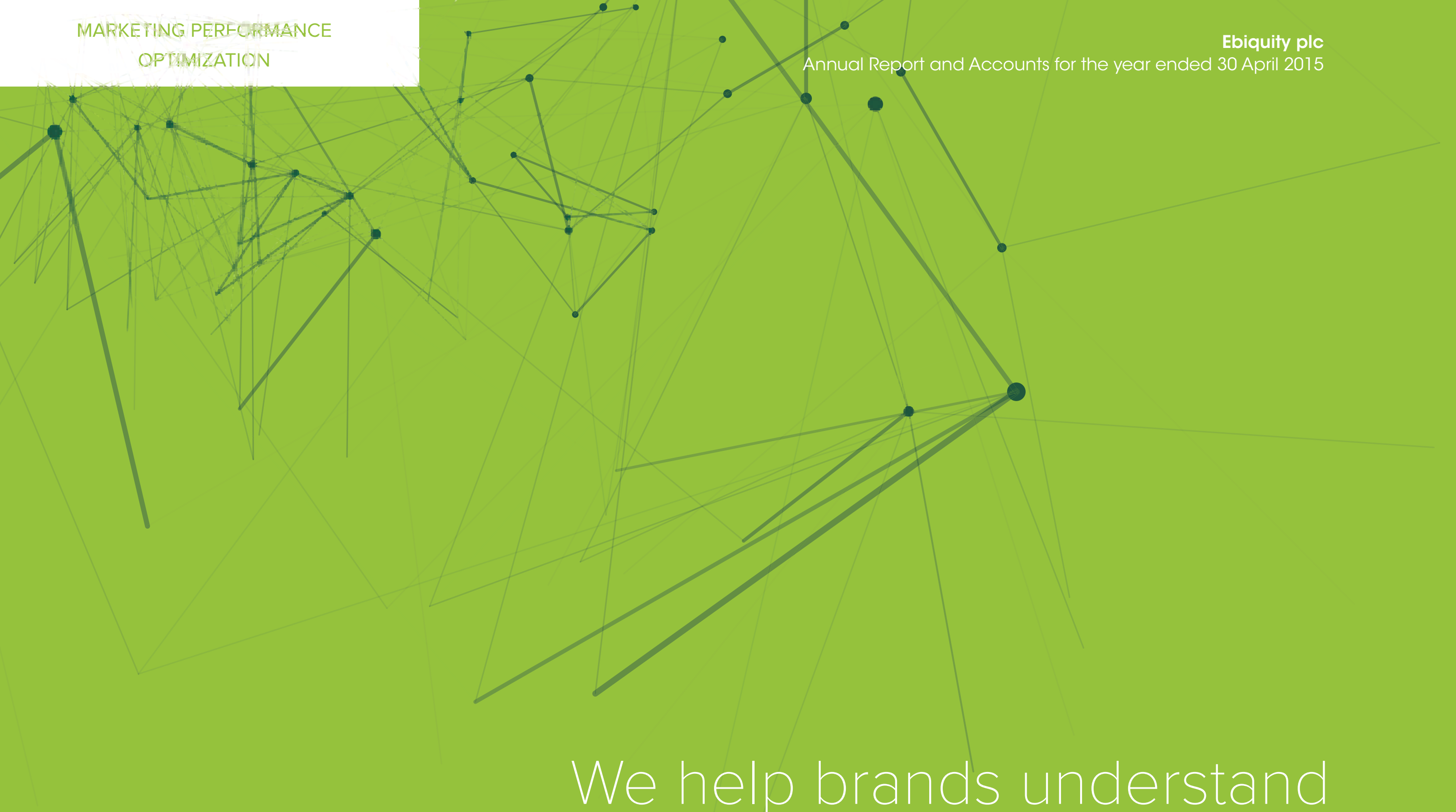
Global Locations
Global expertise and offices in 14 countries across North America, Europe and Asia Pacific

Our People
Employing over 800 people with agency, client, and consultancy backgrounds

Marketing analytics enables brands to understand how – and why – their marketing programs are really performing, and what they can do to achieve more.

"They have added real value... to the extent that we are seeing benefits this year and look forward to next."

Entertainment client



We help brands understand what's working, and what they can do to improve.

MARKETING PERFORMANCE OPTIMIZATION

Marketers have more channels than ever with which to influence the opinions and purchasing habits of consumers. Their need to understand which channels are working, and which aren't, has never been greater. Their ability to make rapid changes to improve results is growing. A recent Forbes article[2] said:

> *"Marketing is going through its own transformation, away from traditional tactics to analytics- and data-driven strategies that deliver measurable results."*

Marketers are increasingly employing our analysts to undertake marketing mix modelling to optimise their budget allocation, make budgets go further and maximise ROI. Demand from brands is growing for our help enriching and exploiting their customer data sets. Our multi-channel analytics is fuelling our clients' desires to personalise and automate their marketing communications across multiple channels.

[2] Roundup Of Analytics, Big Data & Business Intelligence Forecasts And Market Estimates, 2014 – Forbes June 2014 http://tinyurl.com/m574d4r

Objective
No vested media interests – our advice is always objective and non-partisan

Advanced Methods
Sophisticated statistical analysis methods and tools

Experienced
700+ effectiveness projects evaluating $18bn of marketing spend

Understanding
We work hard to obtain it, and ensure we deliver it back to our clients

Marketing Performance Optimization in action

Illustrations of our work, and the results our clients have subsequently enjoyed.

Multi-channel analytics helps InterContinental Hotels Group understand its customers and improve ROI

A lack of management trust in their data prompted the hotel group to overhaul their global analytics. They invested in people and technology and external help from the Ebiquity Group because of the "unbiased advice about the tools we should recruit and deploy" says Garrod Gibb. Five years into our contract with IHG the Director, Digital Analytics & Site Optimization, says we have "evolved into a strategic partner" due to our "understanding of both technology and the digital analytics space."

IHG use digital analytics to gain insights into who their customers are, what they want, and what they prefer like never before, significantly reducing guesswork, reducing waste and enabling commercial teams to focus on the right things. Having seen typical returns of 600-800 percent in tests, management "are confident in the insights and implications we get from our data". Consequently IHG's annual results reports are "full of digital success stories about the outcomes of our campaigns".

Optimising budget allocation across brands and countries saves FMCG client €15m

When a major long-term FMCG client made the decision to centralise their allocation of their marketing budget, they were faced with 96 brand/market combinations. Their goal was optimising its allocation while involving local marketers and agencies so they bought into the conclusions.

We devised a tailored approach to make the best use of the data our client had. We proposed mixing econometrics in main markets with the gaps elsewhere filled with data landscaping and benchmarking. We built strategic scoring into our models that accounted for budget levels, anticipated media cost and profitability by country.

We identified opportunities to redistribute the budget more profitably, allowing the client to realise €15m in efficiency gains and cultural changes thanks to our approach. Ebiquity's involvement is now yearly in their budget allocation process.

We help clients drive transparency and improve media performance.

MEDIA VALUE MEASUREMENT

Media is becoming increasingly complicated and opaque presenting further challenges for brands keen to extract the maximum value from their significant investment in media. Media agency practices[3] are increasingly under the spotlight[4] as profits continue to rise[5]. Brands seeking greater transparency and accountability value advice that is both informed and independent. We provide such advice to help them choose the right agency, put in place the right contract, set them targets, measure their performance, and pay them appropriately. We benchmark their agency's planning and buying performance using our media cost pools; the largest in most markets worldwide.

Digital channels are taking a growing share of marketers' budgets. Worldwide for example advertisers have doubled their investment in programmatic buying in the last year. However 85% of them are concerned about ads being placed against inappropriate content, according to a survey amongst World Federation of Advertisers[6] members. The survey also found that 76% of respondents think trading desks are less transparent than traditional methods of trading.

> *"I personally believe we're living through the least transparent time for the media industry in our careers."*
>
> **Bill Duggan, Group Exec VP, Association of National Advertisers**

[3] Former Mediacom CEO Alleges Widespread U.S. Agency 'Kickbacks' – Ad Age March 2015 http://tinyurl.com/kudpxou

[4] There Is A Bear In Madison Avenue's Woods, And It's Kicking Back: Analyst Says Agency Rebates Are No Bull – MediaPost April 2015 http://tinyurl.com/p2toko5

[5] Advertising giant WPP annual profits hit record - BBC News March 2015 http://tinyurl.com/pshkwry

[6] Marketers Double Programmatic Spend Despite Worries About Transparency and Fraud – Ad Age Sep 2014 http://tinyurl.com/noy5plu

Global Leaders
The world's leading specialist - last year we analysed media spend from over 250 advertisers

Largest Database
The world's largest cost database ($41bn pool)

Advanced Tools
Market-leading processes, tools, and methodologies

Endorsed
Effectiveness partners of World Federation of Advertisers

Market Expertise
Experienced practitioners with agency and advertiser backgrounds in all major markets

Media Value Measurement in action

Illustrations of our work, and the results our clients have subsequently enjoyed.

Delivering continuous improvement and support for major Hollywood movie studio.

Opening weekend ticket sales are critical to film studios, and this one wanted to ensure they were planning their time-sensitive media buys across the world as efficiently and effectively as possible. They sought to establish whether their agencies were delivering competitive value, and whether agency relationships were being effectively policed.

Ebiquity's analysis of the planning and buying strategies of their agency continues to identify areas for potential improvement. Our recommendations have generated double-digit media value savings for them each year helping cement our status as trusted adviser across Europe, Asia, and Latin America, with a remit that includes advice on remuneration, contracts, and performance-related fees.

"Your team has been a critical asset to us during our transition of agencies."

Technology client (Pitch Management)

We help brands plan more effectively for better advertising and communications results.

MARKET INTELLIGENCE

Marketers are finding it increasingly difficult to plan their communication strategies. The rate of change is simply increasing. It is becoming harder for them to keep up with what their competitors are saying to consumers, what the press is saying to them, and what those consumers are saying to each other online that might affect sales and brand reputation.

Ebiquity has a regularly updated global advertising database which we use to tell our clients what their competitors are saying, where and when, enabling them to better react and plan. Our Reputation and Research teams tell brands how they are portrayed in the media and what impact this is having on their brand and their business.

"We watch our competitors, learn from them, see what they are doing for customers and copy those things as much as we can."

Jeff Bezos Founder & CEO, Amazon

Comprehensive Advertising Database
The largest international advertising database; multimedia coverage in 80+ countries, updated daily since the 1950s

Expert Categorisation
Category experts viewing over 2,000 ads each month

Delivery
Online platform, workshops, scorecards, alerts, reports, and presentations

Social Media
Analysing billions of social interactions across multiple global platforms in real time

Reputation
Our reputation and communications effectiveness research has helped over 500 world-class clients

Market Intelligence in action

Illustrations of our work, and the results our clients have subsequently enjoyed.

Australian drinks industry thrives on innovative ad planning, response tool.

With a large volume of retailer ads featuring multiple brands, offers and price points, the Australian alcoholic drinks market is intensely competitive. Competitor monitoring was a laborious task which The Drinks Association sought to modernise for its members with Ebiquity's help. Using our Portfolio database as the engine, we created a bespoke, timely, accurate and well-tagged monitoring service that provided creative and spend intelligence in near real-time.

Its value means our tool has become firmly embedded in the industry. Around 70% of members use the system daily both strategically (price planning, positioning etc) and tactically (defensive price promotions etc). The unique speed of our comprehensive monitoring allows us to deliver express alerts at the start of the working day. Over 700 recipients across 26 members can now see competitor activity in time to plan and react effectively.

"You act as a vital part of our partnership management operations, to keep tabs on how our brand is being used, and sometimes abused!"

Automotive client (Advertising Compliance)

Highlights

- Seven years of consistent year on year growth
- Positive pipeline of new business opportunities that will underpin our future growth
- Board's intention to adopt a progressive dividend policy
- Market dynamics continue to create a very positive trading environment for Ebiquity

CHAIRMAN'S STATEMENT

Our role is to help clients exploit the evolving marketing landscape to drive business success.

This year we have delivered another set of strong results, growing revenues to £73.9m and underlying operating profit to £11.7m. We now have a proud track record of seven years of consistent year on year growth. We have entered the new financial year with a pipeline of new business opportunities that we are confident will underpin our future growth.

I am also very pleased to announce our maiden dividend of 0.4p per share. As we have already announced, it is the Board's intention to adopt a progressive dividend policy in the coming years in order to provide a return to shareholders in line with our strengthening financial performance.

What is perhaps most encouraging is the clear evidence that market dynamics continue to create a very positive trading environment for Ebiquity.

The marketing landscape for our clients continues to become increasingly complex as channels and platforms multiply, data proliferates and becomes the main driving force of 'programmatic' targeting and trading. Ebiquity's purpose is to help our clients to not only understand but to exploit this evolving marketing landscape, and to be their invaluable data analytics partner across all marketing channels.

During the year we conducted research that clearly indicates the growing importance that our clients attribute to gaining a greater competitive advantage from their use and analysis of data; perhaps even more importantly they seek greater transparency and efficiency from their media investments.

To achieve this they need a genuinely independent perspective and this is provided by our impartial analytics and trusted advice.

Current market trends play to our strengths and underline the importance of the investment decisions we have taken to ensure we remain a leader in our sector and that we continue to provide our clients with the insights they seek.

Our decision to focus on the growth opportunities within our Marketing Performance Optimization (MPO) segment is beginning to reap reward. This is the second full year in which we have enjoyed high double digit revenue growth. Our growth strategy centres on the increasing development of this segment as we aim to be a global leader in performance measurement.

Although the results from our Market Intelligence (MI) segment were disappointing we are confident that the steps being taken to upgrade the delivery platform will see us generate a more positive performance in the coming year.

Separately we have announced our intention to change the Company's financial year and financial reporting cycle and adopt the calendar year as its financial year. As March and April are traditionally our busiest months for new business and contract renewals, this makes a year end closing on 30 April more complex and challenging. The Board believes that a change to a December year end will provide greater certainty of year end out-turn earlier within the Company's financial year. This should enable the Company to provide clearer and more timely shareholder communications and will give management greater flexibility as they take steps to execute the Company's business plan. We plan to report our results for the 8-month period from 1 May 2015 to 31 December 2015 in March 2016.

As always we are dependent on our employees around the world. It is their professionalism and commitment that enables us to deliver the quality of advice and service our clients now require. I cannot write this statement without acknowledging the sadness felt by our entire London team at the tragic death of their much-loved and missed colleague Joe Burgess earlier this year. Joe was young, but had already established a career with us and built a reputation with clients and colleagues alike for his professionalism and good nature. Our thoughts remain with his family, friends and team.

I am delighted that during the year we welcomed Julie Baddeley and Tom Alexander to the Board as Non-Executive Directors. They bring important new skills and experience and I look forward to working with them.

In the coming year we will continue to invest in strengthening our skills in order to maintain our competitive advantage as one of the most respected independent marketing analytics partners for brands worldwide.

The final months of 2014/15 were extremely active with a significant volume of new business. We therefore begin 2015/16 with a level of visibility on our revenue potential which, together with the fact that our acquisitions continue to perform well, gives us confidence about the year ahead.

Michael Higgins
Chairman

27 July 2015

STRATEGY FOR CONTINUED GROWTH

Strategic Report

Highlights

- Seven out of ten global CMOs plan to appoint external consultancies
- Percentage of revenue from recurring / renewable sources in 2014/15 was 83%
- Percentage of revenue from international sources in 2014/15 was 78%
- Percentage of clients taking two or more services in 2014/15 was 17%

BACKGROUND

Marketing continues to change dramatically as companies seek to achieve increased competitive advantage through a deeper understanding of their customers' purchasing behaviour, developing better targeted messages and by ensuring a better return on their investment in advertising and media.

Our financial year 2014/15 was one in which our unique position as an independent provider of critical insights, based on independent data analytics, began to show clear evidence of increasing client traction with higher levels of revenue growth than we have witnessed in the recent history of the Company.

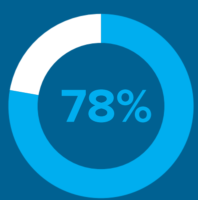
Research recently conducted by the CMO Council on behalf of Ebiquity has shown that seven out of ten global CMOs plan to appoint external consultancies to help to manage their consumer data, with almost eight in ten planning to work with external partners to automate and personalise their marketing programmes. It is this, together with the increasing drive for greater transparency and accountability in the media trading market, that continues to drive our business forward.

Ebiquity now works with over 1,100 clients worldwide across 70 countries from 20 offices, providing independent marketing analytics and insights across the marketing and media landscape.

The increasing proliferation of digital channels has imposed significant challenges on all marketers. Ebiquity's unique depth of knowledge across markets and categories has helped our clients achieve better results by benchmarking their performance against market norms and helping set clear measurable objectives.

OVER
1,100
CLIENTS
WORLDWIDE

OVER
70
COUNTRIES



OF OUR
BUSINESS FROM
INTERNATIONAL
SOURCES

On pages 26-39 are a number of articles from Response magazine, Ebiquity's quarterly journal. These articles will help our various stakeholders gain a greater understanding of the markets in which we operate.

OUR BUSINESS

Ebiquity's clients are primarily the CEOs, CMOs, CTOs and procurement officers of both domestic and global businesses with over 78% of our business now coming from international sources. We engage with them in a number of ways:

- We manage and analyse a vast range of data from multiple sources, helping to bring greater clarity to their business model. We determine what aspects of their marketing mix delivers the best results and establish how to deploy their marketing investment in order to maximise performance and create greatest efficiencies across the marketing chain. We also ensure they have the right analytics tools and technology to measure performance. We call this Marketing Performance Optimization.
- We support our clients by helping to create transparent and accountable relationships with their media supply partners, including agencies and other vendors. We help measure and benchmark media buying performance against market norms. We help determine appropriate media choices to ensure improved customer engagement and we help deliver on-going and long term improvements in overall media performance. We also help our clients select the right partners for their needs, ensure that they have the right contracts in place and audit contract compliance by their media agencies. We call this Media Value Measurement.

- Our unique database of worldwide advertising and media pricing in up to 80 markets enables us to help our clients understand the competitive landscape in near real time, determine pricing and promotional policies and develop competitive strategies. We help our clients measure their reputation and understand how social media affects it, and we help our clients ensure that their brand is protected from misuse by third parties. We call this Market Intelligence.

We combine these skills to provide a unique combination of expertise and objective data-insights to help improve our clients' marketing performance. In doing so, we build lasting client relationships with highly recurring assignments and projects by providing an increasing range of services frequently across multiple geographies.

OUR STRATEGY

Our vision is to be the most respected, independent marketing analytics partner for brands and businesses worldwide.

In doing so, we aim to help our clients:

- Achieve greater insights into the marketing landscape
- Make better informed decisions
- Achieve the best return on their media and marketing investments
- Continuously improve their business performance
- Monitor competitors' advertising strategy and investments
- Understand the value of their business and brand reputation

{ The most respected, independent marketing analytics partner for brands worldwide. }

We achieve this as follows:

BUILD

data, analytics and software capabilities that will enable us to provide our clients with the insights that they need to achieve their objectives and improve their performance

Page 18

GROW

our international footprint to ensure that we can serve the needs of our global clients in geographies that are important to them and in the process to provide a seamless global service

Page 20

DEVELOP

the skills and talent of our people to enable them to help drive our business by providing our clients with significant added value

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INCREASE

our brand profile and reputation to help achieve a worldwide competitive advantage

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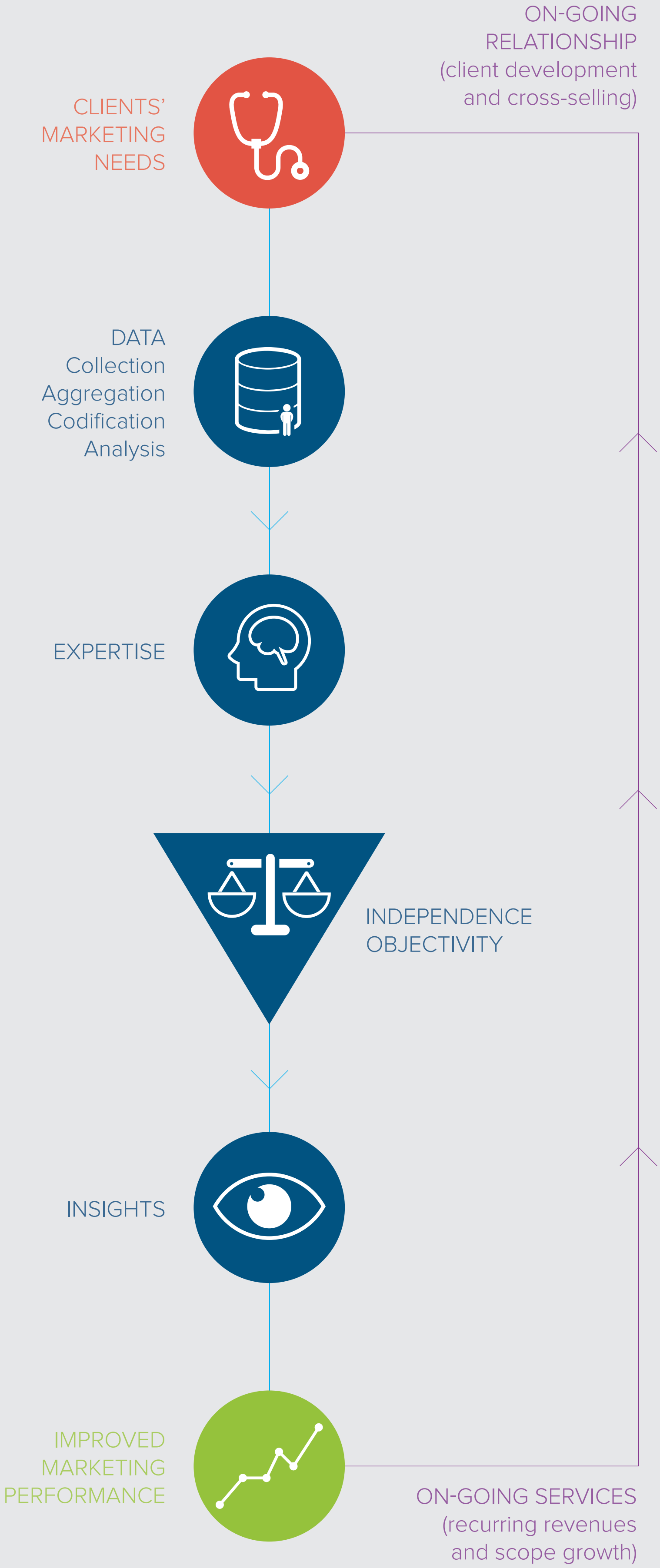
Business Model



BUILD

data, analytics and software capabilities that will enable us to provide our clients with the insights that they need to achieve their objectives and improve their performance

KPIs

Revenue from recurring / renewable sources.

In 2014/15 renewable revenue increased by 6%.

2014/15 Priorities

To protect our competitive advantage in media monitoring via further product enhancements.

To invest in digital services in line with our clients' needs.

To further develop our Marketing Performance Optimization (MPO) services where we continue to experience significant demand.

2014/15 Progress

We have made significant progress in enhancing our Advertising Intelligence platform, Ebiquity Portfolio. Our new user interface (UI) is easier to use and is capable of accessing larger volumes of digital media coverage. We will continue UI redevelopment in 2015/16.

Our clients now demand to better understand the value of their digital media spend. We plan to deliver a unique service to the market in 2015/16 that will significantly improve our capabilities.

Our MPO teams delivering marketing effectiveness and multi-channel analytics continue to deliver high double-digit growth.

2015/16 Priorities

To continue the UI redevelopment of our Portfolio platform and add further digital capabilities.

To bring our new digital media measurement product to market.

To continue to expand our MPO capacity and service offerings globally.

Risks

The market is competitive and investment may not result in anticipated returns. We manage this risk by ensuring our data is sufficiently comprehensive and that we are not overly dependent on any one revenue source.

Media technology is complex and fast moving. We have created a new Chief Strategy Officer position whose role is to ensure that we can anticipate future changes in the marketplace, and react accordingly.

Acquisition targets are highly valued by the sellers. However, we aim to make acquisitions that are earnings enhancing. Where this is not possible we will look to develop our own internal capabilities to meet client needs.

GROW

our international footprint to ensure that we can serve the needs of our global clients in geographies that are important to them and in the process to provide a seamless global service

KPIs

Revenue from international sources (multi-territory or non-UK domestic contracts).

In 2014/15 international revenue increased by 7%.

2014/15 Priorities

To accelerate the growth of our US business under new leadership.

To further develop our presence in South East Asia by opening a regional hub.

To consolidate our European network.

To explore opportunities to increase our representation in emerging markets.

2014/15 Progress

Our US business has grown by 15.4% during the 2014/15 year.

Our new media team in Singapore has established a strong foothold in South East Asia and has a solid pipeline of new business opportunities.

We appointed Dietmar Kruse (previously CEO of our German business) as CEO Continental Europe in November 2014 and he is leading work on many fronts to leverage our resources across Europe.

We completed the acquisition of our Media and Effectiveness partners in Iberia in February 2015.

2015/16 Priorities

To establish a strong footprint for multi-channel analytics in the European market, building on our success in the US.

To integrate and streamline our analytics systems throughout our network of offices to provide greater consistency of output and improve efficiency.

Risks

Data analytics is a nascent market with individual geographies developing at different rates and in different directions dependent on local conditions. We prioritise market penetration so as to exploit the greatest opportunities in growth markets.

Most of our acquisitions require varying degrees of integration activities which may not proceed as planned and thus may not deliver the levels of profitability and cash flows that we expect. We develop detailed integration plans where significant integration is necessary, which include regular milestones and steering committee meetings to ensure that our integration plans are successful.

DEVELOP

the skills and talent of our people to enable them to help drive our business by providing our clients with significant added value

KPIs

Percentage of clients taking two or more services.

In 2014/15 this was 17% (2013/14: 15%).

2014/15 Priorities

To further strengthen our global leadership team including the development of Client Partners to help develop our key client relationships.

To introduce segment leadership.

2014/15 Progress

We appointed a Media Value Measurement (MVM) Strategy Development Director early in 2014/15. This role is leading our strategic response to measurement of digital media value.

We continued with training and development initiatives, supported by our CRM programme, which are enabling us to gain more and higher access to our clients, as evidenced by the increase in cross-buying.

2015/16 Priorities

To continue to establish a stratum of client development specialists to further relationships with our most strategic 100-150 clients globally.

To continue to supplement our leadership talent at local level.

Risks

Experienced and skilled managers are in high demand and developing appropriate skill sets can be a challenge. We aim to make our offices an attractive place to work, offer competitive salaries, and look to grow our roster of global blue-chip clients.

INCREASE

our brand profile and reputation to help achieve a worldwide competitive advantage

KPIs

We continue to monitor the awareness of Ebiquity amongst the global marketing community. We will introduce a mechanism for monitoring our performance against this objective during 2014/15.

2014/15 Priorities

To work with marketing organisations and associations including WFA and the CMO Council to build Ebiquity's worldwide profile.

2014/15 Progress

We have continued to work with the WFA throughout the year, raising awareness of issues of transparency in media markets and agency relationships.

We conducted a major survey with the CMO Council in late 2014 to better understand relative market needs for independent marketing analytics support and to understand awareness of Ebiquity amongst senior marketers. We intend to commission further such surveys on a periodic basis in the future.

2015/16 Priorities

To build on the findings of the awareness research and implement marketing and PR activities with a particular focus on raising awareness of Ebiquity's MPO services amongst senior marketers, especially in the UK and the US, and to continue to provide thought leadership on the issues of transparency in media buying.

Risks

Larger and better known brands are developing their data and analytic skills. We aim to remain a specialist and provide our clients with unique capabilities relative to our competition.

A YEAR OF INSIGHTS

A selection of articles published this year responding to the challenges for the international Marketing communications industry

Articles

CMO research heralds 'data dawn' in Europe

What keeps the modern/today's Chief Marketing Officers (CMOs) awake at night? What resources and skills do they need to enable them to thrive in the always-on world of digital and social media? What talent and external consultancy are they looking for to help their brands to grow? Ebiquity's Group Head of Marketing, Richard Hemming, shares the findings of a new study of CMOs worldwide. The research shows that, while concerns are similar the world over, CMOs in post-recession Europe are now actively tackling the issues and challenges of harnessing and exploiting digital data and new channel choices, to some extent following the lead of their North American counterparts.

The CMO of 2015 is required to be a very different animal from the CMO of even just five years ago. The demands placed on today's CMOs are intense, and the biggest challenges centre on capturing, harnessing, and managing consumer and customer data. The CMO who can become the master of Big Data to personalise and tailor individual customer experience – combining both logic and magic, in the words of Marc Mathieu, Unilever's Global SVP of Marketing – is the CMO who will thrive. As IBM Europe's CMO Caroline Taylor recently said, Big Data is "marketing heaven," adding that "the biggest challenge as a marketer in the current marketplace is trying to achieve the transformation of being a 'digital CMO' with the speed at which digital is evolving."

Global research findings

The Ebiquity/CMO Council study asked CMOs to rank 12 challenges on a scale from most to least challenging. Across the world, the top three challenges were consistently agreed to be centred on Big Data and multi-channel analytics, specifically:

1. Managing the explosion in consumer data
2. Analysing and exploiting consumer data to automate and/or personalise marcomms
3. Exploiting new consumer channel and device choices

72 percent of our global sample ranked managing the explosion in consumer data as one of their three leading challenges, compared – for instance – with social media management, which just 4 percent ranked in their top three concerns. Indeed, CMOs appear to be reaping the benefits of investment of time, resources, and personnel in social media management, an area that has historically been a major area of concern. Moreover, today's focus on data and tech contrasts strongly with a 2007 study from

Richard Hemming
is Group Head of Marketing

CMOs’ concerns, ranked in priority order

	PRIORITY
Managing the explosion in consumer data	1
Analysing and exploiting this data to automate or personalise marcomms	2
Exploiting new channel and device choices	3
Privacy concerns around customer data	4
Generating content marketing	5
Overcoming financial constraints and demonstrating ROI	6
Decreasing brand loyalty	7
Corporate transparency and reputation management	8
Consumer collaboration and influence online	9
Realizing the potential in growth markets	10
Social media management	11
Shifting consumer demographics	12

“The demands placed on today’s CMOs are intense, and the biggest challenges centre on capturing, harnessing, and managing consumer and customer data.”

Forrester that found fewer than 15 percent of CMOs ranked tech-savviness as important to their success.

What this new research demonstrates is that CMOs today find it difficult to deal with and harness the benefits from the smog of data that digital and social media assets generate. They’re aware that digital analytics – in essence, understanding how their customers experience their brand across multiple channels and devices – offers the prospect of automated, personalised, and highly-targeted marketing communications, but they are also honest enough to admit this is still relatively uncharted territory. Our findings echo a recent study conducted by IBM which showed that 79 percent of CMOs feel underprepared to manage the impact of key changes in marketing, particularly the data explosion, and growth of channel and device choices.

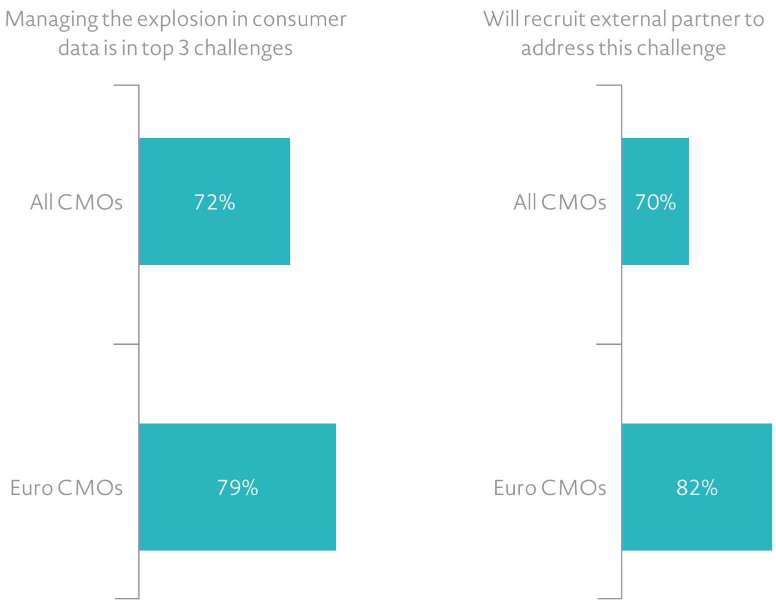
Moreover, although globally CMOs are most concerned about how to manage, analyse, and exploit consumer data across channels and platforms, they are nevertheless confident that they will succeed. 77 percent say they feel fairly or very well-equipped to manage the explosion in consumer data – 69 percent feel they are fairly or very well-equipped to automate and personalise marketing communications. But it’s clear they won’t be doing this alone or using solely in-house resource. One of the consequences of the rapid drive to digital analytics is a global talent squeeze, and seven in ten global CMOs plan to recruit external consultancy help to manage consumer data, and almost eight in ten plan to work with external partners to automate and personalise marcomms.

Our finding that managing and exploiting consumer data is a pain point for CMOs specifically and not for marketing executives in general is backed up by a recent article in DM News. This showed that while 64 percent of CMOs have marketing analytics as a responsibility, by contrast only 31 percent of marketing executives say that harnessing insights from Big Data is a pain point. The onus of data-into-insights rests with the top women and men in the marketing world.

The European ‘data dawn’

It is generally agreed that North American businesses lead the world in the application of digital analytics to grow their businesses, tailoring marcomms at the individual customer level. During the recessionary years around the end of the first decade of the new millennium, many European businesses stalled investment here just as customer data was exploding and new opportunities for more effective and measurable targeting became possible.

The responses in the CMO Council’s research for Ebiquity from CMOs based in Europe suggest that the continent’s marketers are at a critical inflection point in the history of commerce managing digital customer data to automate and personalise marketing. Europe’s pause in developing solutions in this space means that European CMOs see managing the explosion in consumer data as even more of a priority than their peers in North America or elsewhere (79 percent rank this concern as among their top three challenges against 72 percent globally).



Morag Blazey, CEO of Ebiquity UK, commented: "Consumer data analytics features in more and more of our client briefs. It is clear that marketers across Europe have realised that embracing multi-channel analytics – a new skillset for many – is critical to the future success of their business."

Like their North American counterparts, European CMOs say they are confident they will be able to address this challenge, with 78 percent saying they are fairly or very well-equipped to tackle it, but they will be even more dependent on external consultancy help in managing the explosion of consumer data. 82 percent in Europe – compared with just 58 percent of CMOs in the USA/Canada, and 70 percent worldwide – will turn to external help, suggesting that the talent crunch is even more pronounced in Europe.

Dietmar Kruse, CEO Continental Europe at Ebiquity, added: "Our experience helping US brands in this area (see sidebar) is leading to deeper conversations with their European counterparts. What is clear is that Europe's 'data dawn' is very definitely upon us, and we're ready for the challenge."

Transforming business through digital analytics

Stratigent, Ebiquity's North American Multi-Channel Analytics subsidiary, has an established track record in helping businesses to manage, analyse, and harness the power of digital data from across the customer journey to commercial advantage.

For InterContinental Hotels Group – operating 4,800 hotels across 100 countries and nine brands – Stratigent has helped the hotel operator innovate at scale, from effective tag management to global web analytics.

For a major FMCG player, Stratigent implemented an evidence- and behaviour-based redesign of the client's webpage, enhanced the shopping cart experience and functionality, and maximised cross-sell and upsell opportunities.

And for a leading airline, Stratigent has improved the customer journey at every step to deliver an additional $30m in annual revenue.

About our research

The CMO Council is a knowledge-sharing, by-invitation network of thousands of senior-level marketers from across the world. In early 2015, Ebiquity commissioned the Council to poll a representative sample of 224 of its members to help us understand CMOs' biggest concerns and challenges. While four in ten of the sample polled are based in North America, three in ten work in Europe, and two in ten in Asia. Their most common job titles were SVP/EVP Marketing, Head of Marketing, CMO, Marketing Director, and VP of Marketing.

Respondents came equally from B2C, B2B, and B2C-B2B hybrid businesses, with a third in each group. They work in a broad cross-section of categories, with entertainment and leisure (18 percent), retail (17), and consumer electronics (12) the best-represented. Respondents ranged from Adidas to Mondelez, Burberry to Samsung, Yum! to Jaguar Land Rover, with 60 percent of their companies having revenues in excess of $1bn. A third of those polled have media budgets greater than $50m.

Stephen Broderick is Global CEO of FirmDecisions

Like marriage, great client-agency relationships need constant vigilance

A few years ago, we published an article[1] on the secrets of great partnerships between advertisers and media agencies. Since then, plenty has changed in the dynamics of this critical relationship, so now is a good time for Stephen Broderick – Global CEO of FirmDecisions, Ebiquity's compliance auditing business – to update our advice.

"The advent and growing dominance of Automated Trading Desks (ATDs) had made agency paper trails more opaque than ever."

Over recent years, it is clear that trust between media agencies and advertisers has eroded. Across the world, the onward march of programmatic buying and decreased transparency have done nothing to help. Recent examples of the causes behind the erosion in trust include:

- The recent controversies in Australia and media rebates in the US have kept the topic of accountability high on advertisers' concerns.
- A former senior agency finance executive has suggested that, despite the common view that the market is relatively transparent, kick-backs have been an established part of the market for many years. Further revelations meant this was a hotly-debated subject at April 2015's ANA Financial Management Conference.

The advent and growing dominance of Automated Trading Desks (ATDs) had made agency paper trails more opaque than ever, and, with Ebiquity CEOs estimating[2] that between 12 and 15 percent of all advertising inventory will be traded programmatically by the end of 2015, the odds are stacked increasingly against harmonious client-agency relationships.

On one level, clients only have themselves to blame, as agencies enticed them into signing up for apparently keenly-priced digital deals on the proviso that the clients signed away their audit rights, excluding specified media from audit. True transparency requires a full audit of the composition of media pricing and the rebate chain at agency and group level, yet Ebiquity data suggests that today as much as 50 percent of digital revenue remains in agency groups as revenue and/or via mark-ups during the purchase. While some of this is necessary – for adserving and technical costs – a lack of insight into the purchasing trail has meant many advertisers are fundamentally unclear how their money is being spent and managed by agencies; agencies are doing little to clear muddy waters.

Consolidation in the agency world into fewer, bigger, and – critically – listed groups has created an oligarchy of media agency power-players who have their own shareholders to satisfy and targets to meet. The net result of consolidation is that even major advertisers like multi-brand FMCGs are only a small part of a GroupM or Vivaki portfolio.

So at a time when agency margins have increased as much as they have as a result of non-transparent media trading and agency rebates, it's time advertisers asserted themselves.

Here's our six-point plan for better client-agency relationships:

- Have a fair and clear contract – based on your own and not your agency's template – and enforce it, with regular checks
- Work with industry bodies including the WFA and ISBA to write better contracts
- Insist on 100 percent visibility of an audit
- Pay your agency a fair fee, with clear KPIs
- Don't make your relationship about the cheapest media
- Consider doing deals direct with media owners, as well as with the major platforms such as Google or Facebook

In 2012, we talked about client-agency relationships as arranged marriages needing a good marriage contract. As negotiations have got tougher in the intervening period, it's become increasingly important for advertisers and agencies to sign and enforce the equivalent of pre-nuptial agreements, and indeed that exact language is starting to be used in pitches; clients are now routinely encouraged to get agency agreement on legal and commercial terms as a precondition of agencies getting on the pitch list.

And while what's happening in Asia, Australia, and the Americas is top of mind right now, it's important to remember that these issues aren't new – they're just manifesting themselves in new ways because of the emerging trading ecosystem that programmatic brings with it. There were similar issues around Interpublic Group (IPG) as long ago as 2005, as reported in Advertising Age.[3] In the intervening time, global advertisers who have invested the time and effort to craft, sign, and have agencies stick to fair, clear, and binding contracts – often working in partnership with third parties such as FirmDecisions – are those that have not been affected.

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2. Ebiquity CEOs on 2014 and 2015. Response, 18, pp.4-5. http://tinyurl.com/qc8nbxh

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Bill Bruno
is CEO of Stratigent

Attribution in a multi-device world

Bill Bruno, CEO of Ebiquity's multi-channel analytics consultancy Stratigent, sets out some straightforward rules of thumb for building an attribution framework to track the consumer path to purchase across multiple devices.

There are two main challenges advertisers currently face: transparency and the fact that we now live in a multi-device world. Customers interact with brands on mobile devices, computers, and in person. With an increasingly complex landscape of customer touchpoints, advertisers are left with the conundrum of trying to understand which campaigns and touchpoints are responsible for each customer's conversion.

Measurement and analysis of marketing effectiveness is one of the major imperatives for business right now. Without the ability to understand the customer journey and tie interactions across multiple devices to one user, brand owners are reduced to making educated guesses on which aspects of their marketing mix are the star performers and so should be invested in more heavily, while removing underperforming investments.

A major challenge in the advertising space historically has been that ad pixels are all based upon third-party cookies. In the age of privacy, third-party cookies are taking hits left and right. As a result, we've seen a rise in technology that offers the ability to place first-party cookies on all ad placements. In addition, Google, Verizon, Microsoft, and AT&T among others have publicly created, or divulged that they are creating, specific capabilities to track individuals more accurately as they view ads on third-party sites.

With technology making strides to improve ad tracking effectiveness, the real challenge as the industry matures will be on connecting multiple devices to a single individual across the customer journey. Apps on mobile devices are increasingly the preferred medium for customers, and brands should include a mobile attribution framework for their business in 2015.

For those planning to build an attribution framework for mobile apps, here are some questions for you to think about:

- How does a visitor identify themselves within a mobile app?
- What actions are available within the app for a user to complete?
- What actions can only be performed on the web (website or mobile site) and so require users to jump out of the mobile app to complete?

- What investments are being made to promote the app or drive conversion across multiple devices?
- Is there a sound strategy in place for tracking different types of digital campaign?

An important factor to bear in mind about mobile apps is that people will naturally feel more comfortable remaining signed in or having to login in the first place since the experience is being delivered on their mobile device. So you, the advertisers, shouldn't be afraid to push users to identify themselves when they set up the app for your future use. If you're not doing that already, then build that in to your next release of the app. Highlight the benefits of creating an account, make it easy to set up an account (social login options, etc.), and then reap the benefits of being able to collect the right information going forward.

Next, don't attempt to reinvent the wheel with analytics tracking within the mobile app. It doesn't matter which screen I'm on within the app, all that matters is what actions I perform within the app. When building an attribution framework, you just need to be able to do the following:

- Track individual users based on a login or loyalty account
- Identify the device, OS, and app version
- Track the actions within the app as they happen
- Or simply collect them if the device is offline and send the data later

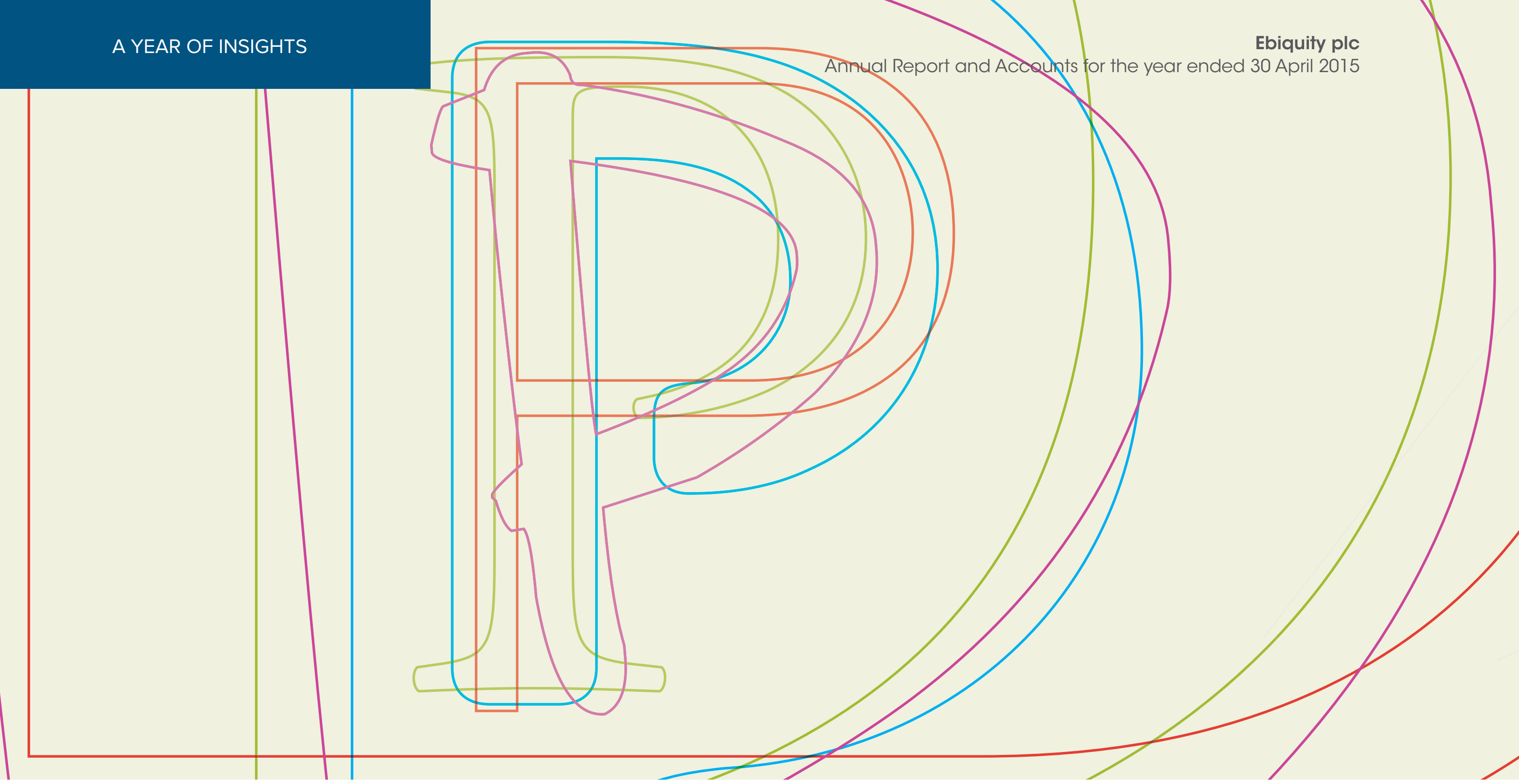
Taking this approach, you will be able to confidently track which actions users are completing within the app – and, critically, who they are. The more difficult hurdle is tracking the same person across multiple mobile devices and your other channels. Here are four fundamentals to bear in mind:

1. Remember that this will never be an exact science, and 100% accuracy is impossible.
2. Do the best possible job at collecting information so you can be confident in the decisions you make based on the story the data is telling you.
3. If you've set it up right, you already have the user identified within your mobile app.
4. If there are actions that can only be completed on the web, then include links within the mobile app so users can jump directly to the site. When they do this, you can pass along identifiers in the link to ensure you can track that activity from start to finish.

If the user doesn't jump from within the mobile app and just simply comes to your website from a laptop or a mobile browser, if the action requires a login first, then you're all set. But if the action doesn't require a login, then you have to track those actions as they happen and tie it all together down the road once that user provides identifying information, which may happen in a future visit.

If you break the approach down logically as outlined in this article, you'll be well on your way not only to understanding your mobile channel better, but also to building an attribution framework. From there, you can start to improve the user experience, generate personalised content, and even build a retargeting program to improve conversion.

"Without the ability to understand the customer journey and tie interactions across multiple devices to one user, brand owners are reduced to making educated guesses."



Sam Knowles
is Director, Reputation, at Ebiquity

The new four P's of PR

To be taken seriously in the C-suite, PR needs to deliver tangible benefits that the C-suite respects, understands, and can measure. Director of Ebiquity Reputation, Sam Knowles, urges communicators to stand up and be counted.

Ebiquity recently commissioned Helen Dunne, editor of CorpComms magazine, to ask the heads of comms and marketing in global businesses the all-important question: "Can marketing and corporate communications ever live in harmony?" Although the research found tantalising evidence that some businesses are starting to dismantle the silos that exist between the traditional powerhouses of paid and earned media, it also identified that many corporate and brand communications teams are not – yet – being taken seriously at board level because they do not talk the language of the C-suite.

This confirms the findings of a survey by Fournaise Marketing Group which found that 73% of CEOs think marketers lack business credibility. The study reported that: "They keep talking about brand, brand values, brand equity ... [without] linking back to results that really matter: revenue, sales, EBIT, or even market valuation."

To thrive, grow, and not be outflanked by metrics-rich social and digital – or advertising and marketing and their tradition of making impactful short films – comms needs to address the critical new four P's of PR: Protect, Promote, Perform, and Prove.

Protect

Comms plays a pivotal role in building and sustaining corporate and brand reputation. CEOs typically lean on CCOs in difficult times, from financial underperformance to corporate scandals, but the C-suite needs to learn to invest in reputation capital as well as draw on its reserves.

Promote

Novelty and new product development often brings the C-suite in contact with comms, and comms plays a pivotal role in sharing new news with key stakeholders, internal and external – from media and bloggers to NGOs and parliamentarians. But the ability of comms to direct attention to a company or brand is just as important in fallow periods, when innovation is not the driver of news.

Perform

Gone are the days of random acts of PR or communications for its own sake. PR must be aligned to and contribute to the core business (and financial) objectives of an organisation. It must also be properly and genuinely integrated with marketing, social, digital, IT,

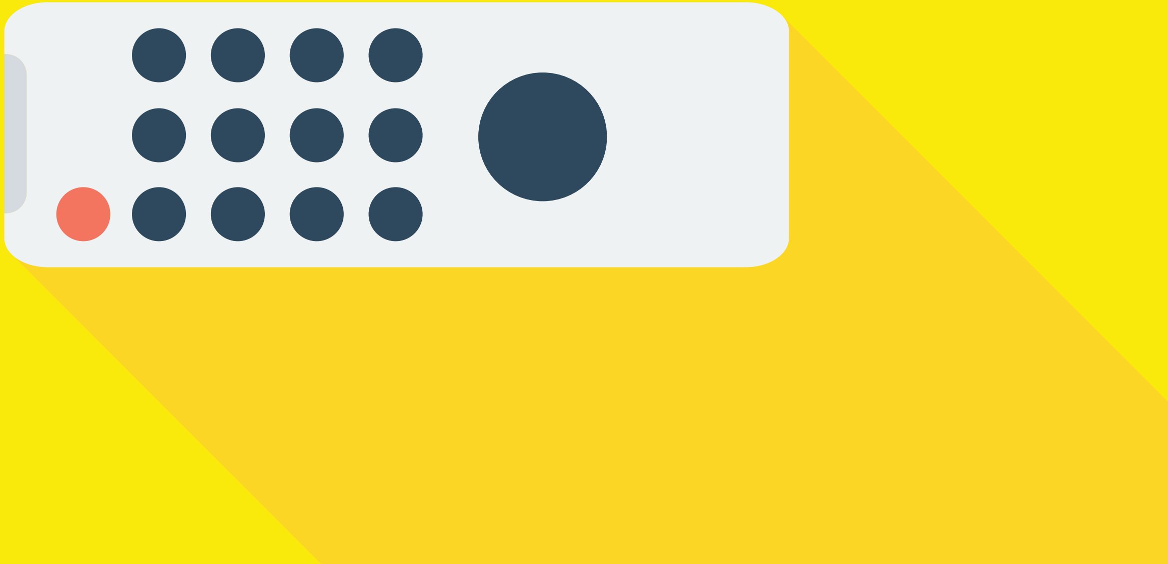
data, insights, and consumer/customer market intelligence.

Prove

A modern communications function needs to generate evidence-based narrative and data-driven insights that can demonstrably shift and sustain perception and reputation. The one area where comms has the most ‘growing up’ to do from the C-suite’s perspective is in providing meaningful metrics that the CEO (and particularly the CFO) find credible additions to the company’s balanced scorecard.

We are so passionate about the importance and simplicity of the new four P’s of PR that we’ve started to bring together leading in-house and consultancy thinkers to debate the best ways of ensuring corporate and brand communications meet C-suite expectations.

> *“Many corporate and brand communications teams are not ... taken seriously at board level because they do not talk the language of the C-suite.”*



Nick Manning
is Chief Strategy Officer at Ebiquity

The key to accountability and transparency in online advertising: control

Ebiquity's Chief Strategy Officer, Nick Manning, recently issued a call to arms on how to achieve accountability and transparency in online advertising with an increasingly influential and powerful audience: procurement. Here he shares the best practice guidelines that captured the attention of Europe's leading marketing procurement professionals at the third international ProcureCon Marketing conference in London. And at the heart of his advice to brand custodians, Nick urges advertisers to take control.

Online advertising can be spectacularly successful or incredibly ineffective; the difference between success and failure depends on many variables, far beyond those of offline media. The online market is a complex one which requires careful management of multiple components to get it right.

One example of success was our recent ROI analysis of a UK gaming client spending more than £4m in online channels. The company had been using network buys with little effect but, when the client switched to Facebook, their cost-per-click was dramatically higher but their click-through rates increased by 550 percent. This enabled digital display to outperform all other channels in terms of ROI, more than three times the rate of both TV and generic pay-per-click (PPC).

Conversely, we analysed the ROI for a UK finance client spending in excess of £3m online annually on network buys. The topline results suggested a positive ROI, but our deep-dive showed that online display was returning only 15 percent of investment. So we ran a test and control exercise to determine the true effect of online, and found that the client's online advertising was no more effective than charity ads run at the same time. In this instance the client had been put under pressure by its agency to put more money into online via its Agency Trading Desk on the promise of better performance.

The ugly and inconvenient truth for advertisers, agencies, and the many links in the online advertising chain is that this category of advertising is hugely sensitive and requires far more control than any other channel. Yet we routinely find that advertisers have less understanding of where their money is going in online and of how it is performing than in any other channel. What's more, the fastest-growing elements of online advertising – programmatic, mobile, and video – are producing the worst results and are the least well understood by clients.

And while many clients understandably feel underinformed and underserved by their agencies, we would argue that they need to learn and know more about the sector because of its complexity. It's time they wrested back control and demanded increased accountability and transparency around online advertising.

Data from the World Federation of Advertisers (WFA) has shown that as much as 60 percent of online ad value is lost before any revenue reaches online publishers. Beyond the WFA data, there is typically additional wastage in non-human traffic 'viewing' ads placed online, and as much as half of all advertising placed online may well never be viewed at all (even at a very low threshold of viewability). Allowing for these factors, the actual exposure of online advertising is often no more than 15–20 percent of a client's budget. So it is no surprise that much of it is ineffective, but the agents involved in placing the ads get paid handsomely anyway.

Compounding the factors underlying significant value erosion from undisclosed agency fees, mark-ups, and technology costs is the issue of brand safety. In a recent audit of online advertising for a US drinks brand, dozens of placements were found on wholly inappropriate sites (such as Alcoholism.about.com, Childfun.com, and Teenmachine.us). Hardly a ringing endorsement for an automated system, and yet revenue continues to pour into digital display.

Consumers increasingly live online, and advertisers naturally want to follow and engage with them. But they need to do so appropriately and in a way that delivers genuine and demonstrable value and ROI. The way to do this is by taking control: systems and data control to improve accountability, and contractual control to provide financial transparency. Control requires clients to take responsibility for their online ad spend and not expect their agency to do everything for them with little scrutiny. It demands setting media objectives and KPIs across all channels, setting new targets for continuous improvement, and interrogating data, tech, and buying infrastructure and strategies.

While online is complex and requires hands-on management by clients, the good news is that the tools exist to do this job. The two key areas where control needs to be exercised are in performance management and financial management, and clients need a rigorous program for both, armed with the right advice, data, and reporting tools.

To ensure accountability of advertising effectiveness, clients need to have clear sight of what is being bought on their behalf, how it is being bought, what the audience size and shape is, and what the relevant success metrics are; the ad verification elements of viewability, non-human traffic and brand safety must be reported on at a granular level to ensure continuous improvement is built into the media trading process. Clients should expect a higher level of reporting in online than in any other channel – not less

"To ensure accountability of advertising effectiveness, clients need to have clear sight of what is being bought on their behalf, how it is being bought, what the audience size and shape is, and what the relevant success metrics are."

– including site-level analysis. After all, in a world of programmatic trading, this data is vital for future performance. And yet it is often not reported at all.

Marketing procurement in particular has a critical role to play in ensuring client media teams actively manage agency relationships, and this begins with putting in place rigorous and fair contracts to ensure financial transparency. Having the right contract is essential, and there are six key areas where advertisers should focus:

1. Ensure that the definition of 'agency group' in the contract includes all links in the chain.
2. Ensure that discounts, rebates, early payments, and unbilled media are all defined unambiguously.
3. Ensure that the 'balancing services' which exist between media vendors and the agency are clearly defined.
4. Insist on strict, water-tight definitions of media services and KPI deliverables.
5. To ensure transparency, be certain to align performance incentivisation to KPIs.
6. Secure full data ownership, access, and audit rights.

Asking the right questions and taking control of the contract and agency relationship is demanding. But when advertisers do assert control; when the right strategy, insight, data, systems, and performance improvement measures are put in place; when the right incentivisation programme is established to reward better accountability and transparency; then – and only then – can advertisers be certain that they are getting the levels of control and ROI they deserve from a medium that has been allowed, for too long, to get away with underperformance because of its apparent complexity.

"Procurement has a critical role to play in ensuring client media teams actively manage agency relationships, and this begins with putting in place rigorous and fair contracts to ensure financial transparency."

The industry view

Before ProcureCon, we spoke to leading figures and authorities in the international marketing community. Here's what they had to say about the issues of accountability and transparency in online advertising.

Mark Butterfield, Head of Global Media for pharma giant Boehringer Ingelheim, observed: "We have little or no clear understanding of what percentage of digital spend is being delivered to the media owner and what is being taken in fees from either the agency or middle men. There needs to be clarity in the value chain, otherwise clients will continue to question the validity of the digital buy."

David Wheldon, CMO at RBS and WFA President, said: "I am very concerned about what's happening with click fraud and the lack of measurement and accountability. This crosses borders in a way that nothing has been able to cross borders before. We, as an industry, need to focus on how we can do something to make sure that the internet serves all of our customers as well as our businesses correctly."

Mike Hughes, Director General of ISBA, UK, commented: "The major media issues that we're confronting as a community centre very much on the digital space. We're talking about brands finding themselves on totally inappropriate sites at the end of the day. It's all to do with lack of tracking and lack of care."

And Martin Riley, former CMO of Pernod Ricard and WFA President, added: "One of the problems we have in programmatic media is that we don't fully understand it and we don't see full transparency, and until we fully understand it I think there will always be a question mark over how it really works."

"It's time advertisers wrested back control and demanded increased accountability and transparency around online advertising."

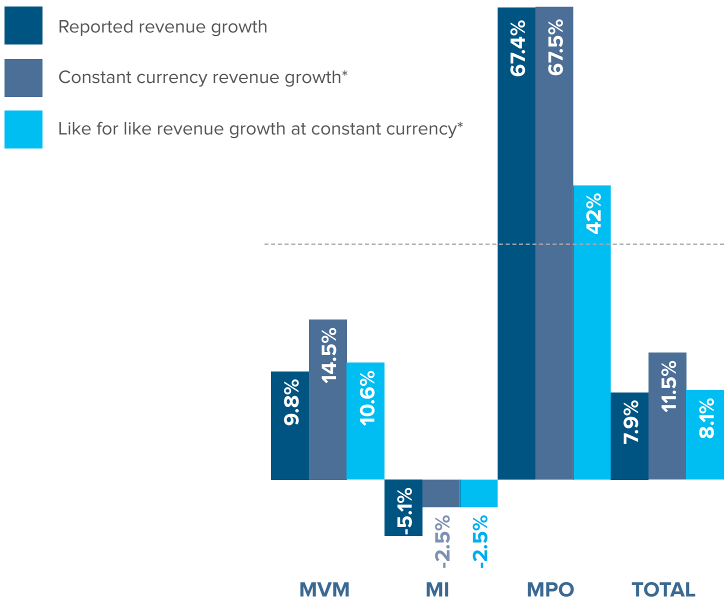
ACHIEVING CONTINUED GROWTH

Summary of results

Highlights

- Revenue growth of 11.5% on a constant currency basis
- Underlying cash from operations up 19.3% to £10.3m
- MVM and MPO together account for 65.1% of our Group

Revenue growth by segment



* Like for like means prior year results are adjusted to include the results of recent acquisitions as if they had been owned for the same period in the prior year. Constant currency is calculated by taking current year denominated results restated at last year's foreign exchange rates.

We have delivered a strong set of results for the year ended 30 April 2015:

- Reported revenue growth of 7.9%, with growth of 11.5% on a constant currency basis
- Underlying operating profit growth of 3.4%, with growth of 12.1% on a constant currency basis
- MVM like for like constant currency* revenue growth of 10.6%
- MPO like for like constant currency revenue growth of 42.0%
- MI like for like constant currency revenue decline of 2.5%
- MVM and MPO together account for 65.1% of revenue (2014: 60.3%)
- Underlying diluted EPS growth of 5.9% to 10.71p
- Underlying cash from operations up 19.3% to £10.3m
- Maiden dividend of 0.4p per share to be recommended

All results are reported before taking into account highlighted items, unless otherwise stated. These highlighted items include share based payment expenses, amortisation of purchased intangible assets, acquisition costs, restructuring and other non-recurring items.

At constant currency rates revenue has grown by 11.5% and operating profit by 12.1% with a resulting increase in operating margin.

The reported results reflect both the continued impact of foreign exchange on our recent performance (the average rate of the US Dollar moved from 1.6011 to 1.5984 and average rate of the Euro moved from 1.1884 to 1.2881), together with the planned investment in people and technology made in this financial year.

Results on a reported and constant currency basis

	2015 (constant currency) £'000	**2015** (as reported) £'000	**2014** (as reported) £'000
Revenue	**76,292**	**73,874**	68,452
Underlying operating profit	**12,710**	**11,729**	11,339
Underlying operating profit margin %	**16.7%**	**15.9%**	16.6%

We enjoyed particularly strong growth in both MVM and MPO – which together account for 65% of our Group (2014: 60%) - with combined like for like constant currency revenue growth rates of 14.7%. Overall growth for the year was held back as a result of revenue erosion in the MI segment where we operate in a highly competitive market. In response to changing client needs we are enhancing our delivery platform.

The underlying operating profit margin has declined from 16.6% to 15.9%. However, on a constant currency basis our operating margin has risen slightly from 16.6% to 16.7%. The decline in operating margins results largely from the adverse currency fluctuations but it is also impacted by an ongoing investment programme in our Market Intelligence offering and investment in a number of our teams across multiple areas of the Group.

Underlying gross margins have remained constant at 56.2%, with EBITDA margin declining slightly from 18.7% to 18.2%. On a constant currency basis EBITDA margin has risen to 19.1%.

REVENUE & OPERATING PROFIT

The table below sets out our results on a reported and constant currency basis by segment:

Revenue	**2015** (constant currency) £'000	**2015** (as reported) £'000	**2014** (as reported) £'000
Media Value Measurement	**41,750**	**40,046**	36,477
Marketing Performance Optimization	**8,064**	**8,060**	4,813
Market Intelligence	**26,478**	**25,768**	27,162
Total	**76,292**	**73,874**	68,452

Operating Profit	**2015** (constant currency) £'000	**2015** (as reported) £'000	**2014** (as reported) £'000
Media Value Measurement	**11,895**	**11,224**	10,289
Marketing Performance Optimization	**2,909**	**2,905**	1,523
Market Intelligence	**3,750**	**3,447**	4,801
Central costs	**(5,844)**	**(5,847)**	(5,274)
Total	**12,710**	**11,729**	11,339

ACQUISITIONS IN THE YEAR

On 26 February 2015, we acquired 100% of Media Value SL, incorporated in Spain (together with its subsidiaries, "Media Value") for total expected consideration of £3.9m (sterling equivalent) consisting of upfront consideration of £0.5m and estimated earn out payments of £3.4m. Total consideration is capped at approximately £4.4m (€6.0m).

Media Value comprises two divisions. The first is a leading independent media auditing and benchmarking business which is consolidated into our MVM segment. The second is an ROI/effectiveness practice, which is included in our MPO segment. Media Value has offices in Madrid, Barcelona and Lisbon.

MVM - Media Value Measurement (54% of total revenue)

The market for our media services continues to remain strong as clients seek more control over their advertising investments and demand a higher degree of accountability and transparency at both a domestic and international level. These are our core strengths.

We continue to see strong performance from our MVM segment with revenue up 10%. On a like for like constant currency basis, the segment has seen growth of 11% with strong performances in particular from a number of our European and US offices reflecting a growing trend for advertisers to seek independent advice and verification of both the value and efficacy of their media buying programs.

In addition, we have seen strong growth from FirmDecisions reflecting the increasing demand for agency compliance audits.

Operating profit margins have been broadly held to those reported in the prior year, despite adverse currency movements. This reflects the investment we have made to strengthen our teams in the UK, Continental Europe and the US combined with the enhancement of our technology.

MPO - Marketing Performance Optimization (11% of total revenue)

Demand for our MPO products and services continues to grow strongly as brand-owners demand greater visibility over the return-on-investment of their marketing budgets and better technology and data analytics tools. This trend is strengthening as technology plays a greater role in marketing.

Our MPO segment has performed exceptionally well in the financial year, with revenues increasing by 67% on a reported basis, and 42% on a like for like constant currency basis. Despite the ongoing investment in our teams to meet the increasing demands, the significant revenue growth has enabled our operating margin to increase to 36%.

The MPO segment will be a key area of expansion for the business in the coming financial year, as we seek to leverage and expand our current offering into new markets.

MVM	2015 (as reported) £'000	2014 (as reported) £'000
Revenue	**40,046**	36,477
Operating profit	**11,224**	10,289
Operating profit margin %	**28.0%**	28.2%

MPO	2015 (as reported) £'000	2014 (as reported) £'000
Revenue	**8,060**	4,813
Operating profit	**2,905**	1,523
Operating profit margin %	**36.0%**	31.6%

MI - Market Intelligence (35% of total revenue)

As channels proliferate, brand-owners have to spread their costs across an ever-wider range of data sources and they often seek lower-cost solutions for their data and information services. There is, however, a strong appetite for digital data which we are addressing during 2015/16.

Performance in our Market Intelligence segment has been disappointing, with revenues down 2.5% on a constant currency basis, but the rate of decline is slower than in the prior year. Whilst we have managed our cost base carefully, holding costs flat compared with last year, we have not been able to offset the revenue decline and this has reduced our operating profit margin.

Over the past year we have developed our new Portfolio product and this is currently being rolled out to clients. We continue to invest in our Portfolio product and will introduce more comprehensive digital monitoring by the end of the current financial year.

Retention of existing clients has substantially improved during the year - with a renewal rate (by value) of 95% (2014: 87%). A significant proportion of our contracts run on a calendar year, meaning the improvement in retention rate will positively impact the current financial year.

CENTRAL COSTS

Central costs include central salaries (Board, Finance, IT and HR), legal and advisory costs and property costs. Central costs have increased by £0.5m due to increases in staff costs of £0.1m, £0.1m increase in property costs, £0.1m of foreign exchange losses, in addition to a £0.2m accrual written back in the prior year.

MI	2015 (as reported) £'000	2014 (as reported) £'000
Revenue	**25,768**	27,162
Operating profit	**3,447**	4,801
Operating profit margin %	**13.4%**	17.7%

CENTRAL COSTS	2015 £'000	2014 £'000
Central costs	**5,847**	5,274

RESULT BEFORE TAX	2015 £'000	2014 £'000
Underlying operating profit	**11,729**	**11,339**
Highlighted items	(5,913)	(6,727)
Reported operating profit	**5,816**	**4,612**
Net finance costs	(1,171)	(1,191)
Share of profit of associates	12	19
Reported profit before tax	**4,657**	**3,440**
Underlying profit before tax	**10,570**	**10,167**

RESULT BEFORE TAX

Highlighted items total £5.9m, which includes £2.0m of purchased intangible asset amortisation, £1.4m of share option charges, £0.4m of refinancing costs and £0.5m adjustments to fair value of deferred consideration as a result of strong performance from our recent acquisitions. Other items included within highlighted items are office relocation costs, professional fees in relation to acquisitions and the costs of management restructuring.

Net finance costs were £1.2m (2014: £1.2m),a slight decline despite an increase in net debt from the previous year due to more favourable terms negotiated as part of the refinancing of our banking facilities.

Reported profit before tax is up 35% to £4.7m (2014: £3.4m) as a result of the increase in underlying operating profit combined with lower highlighted items.

TAXATION

The total tax charge for the year is £0.5m (2014: £nil) representing a current tax charge of £1.1m (2014: £0.9m) and a deferred tax credit of £0.6m (2014: £0.9m).

The tax charge on underlying profits for the year is £1.7m (2014: £2.0m), representing a current tax charge of £1.5m (2014: £1.8m) and a deferred tax charge of £0.2m (2014: £0.2m). This is an effective tax rate on underlying profits of 16.0% (2014: 20.1%). The effective tax rate is lowered by £1.4m of over provisions from the prior year and provision releases. Excluding the impact of these, the effective tax rate on underlying profits was 28.9%.

DIVIDEND

The Board is recommending the payment of a final dividend of 0.4 pence per share for the year ended 30 April 2015, reflecting our level of business maturity and expected future performance. This represents the commencement of a progressive dividend policy. If shareholders approve this payment at the AGM on 15 September 2015, the dividend will be paid on 9 October 2015 to all shareholders who were on the Register of Members at close of business on 18 September 2015.

EQUITY

During the year, 314,130 shares were issued upon the exercise of employee share options and 966,413 new shares were issued to acquire shares from the minority shareholder in Ebiquity Germany GmbH increasing our holding to 94.03%.

These events resulted in an increase in our share capital to 76,771,654 ordinary shares (30 April 2014: 75,491,111).

EARNINGS PER SHARE

Underlying diluted earnings per share was 10.71p (2014: 10.11p). This is an increase of 6% over the prior year, reflecting the positive impact of the continued high profitability of the majority of the segments, the impact of recent acquisitions along with the release of tax provisions (as previously described), offset by an increase in central costs.

The Group reports diluted earnings per share of 4.65p (2014: 3.99p), increased from the prior year due to the improved underlying profitability as well as lower highlighted items.

CASH CONVERSION

Underlying cash from operations represents the cash flows from operations excluding the impact of highlighted items. The underlying net cash inflow from operations has improved significantly to £10.5m (2014: £8.7m).

After highlighted items are considered, reported net cash inflow from operations for the period was up 18% to £8.0m (2014: £6.8m).

Due to stronger working capital management in the period, cash conversion has improved significantly.

NET DEBT AND BANKING FACILITIES

On 2 July 2014, we refinanced our banking facilities with Barclays and Royal Bank of Scotland and on 7 July 2014 we drew down on these new facilities. The new committed facility, totalling £40.0m, comprises a term loan of £10.0m (of which all was drawn on refinance) and a revolving credit facility ("RCF") of £30.0m (of which £20.8m was drawn on refinance). Both the term loan and the RCF have a maturity date of 2 July 2018. The £10.0m term loan is being repaid on a quarterly basis to maturity, and the drawn RCF and any further drawings under the RCF are repayable on maturity of the facility. The facility may be used for deferred consideration payments on past acquisitions, to fund future potential acquisitions, and for general working capital requirements.

At 30 April 2015, our total drawn facilities comprised £8.1m of term loan and £26.5m of RCF.

During the year the Group continued to trade within all of its banking facilities and associated covenants. Net debt to EBITDA remains at less than two times.

CASH CONVERSION	2015 £'000	2014 £'000
Reported cash from operations	**7,927**	6,799
Underlying cash from operations	**10,345**	8,672
Underlying operating profit	**11,729**	11,339
Cash conversion	***88.2%***	*76.5%*

NET DEBT AND BANKING FACILITIES	2015 £'000	2014 £'000
Net cash	**7,884**	6,521
Bank debt[1]	**(34,576)**	(29,321)
Net debt	**(26,692)**	(22,800)

[1] Bank debt on the Balance Sheet at 30 April 2015 is shown net of £0.3m (2014: £0.1m) of loan arrangement fees that have been paid and which are amortised over the life of the facility. The bank debt stated above excludes these costs.

STATEMENT OF FINANCIAL POSITION AND NET ASSETS

Net current assets as at 30 April 2015 increased by £5.8m to £10.0m and total net assets increased by £4.1m or 9% compared with 30 April 2014 primarily as a result of the improved performance of the Group including the impact of the recent acquisitions.

Goodwill as at 30 April 2015 was £58.1m (30 April 2014: £55.1m) with the increase due to the acquisition of Media Value. Management undertakes an annual impairment review of goodwill. Three cash generating units within the MI segment are sensitive to movements in management's forecast of future performance.

We have performed additional sensitivity analysis of the underlying assumptions and believe that the results of this analysis, together with the actions being taken to improve the MI segment performance, currently supports the goodwill carrying value.

Deferred contingent consideration has increased by a net £0.3m since 30 April 2014, due to the acquisition of Media Spain and increases in the provision for deferred consideration for recent acquisitions being offset by the settlement of deferred consideration. During the year, earn out payments totaling £5.2m were made. Remaining deferred consideration is currently estimated to be £9.0m which relates to our four most recent acquisitions, £4.9m of which is forecast to be settled in the next 12 months.

OUTLOOK

The final months of 2014/15 were extremely active with a significant volume of new business. We therefore begin 2015/16 with a level of visibility on our revenue potential which, together with the fact that our acquisitions continue to perform well, gives us confidence about the year ahead.

By order of the Board

Michael Greenlees
Chief Executive Officer

Andrew Beach
Chief Financial and Operating Officer

27 July 2015

LEADING GROWTH

Directors and Advisers

MICHAEL GREENLEES

Chief Executive Officer

Michael was one of the original founding partners, Chairman and CEO of Gold Greenlees Trott plc (GGT) an international advertising and marketing group, and one of the great names in British advertising. In 1998 Michael joined the Board of Omnicom Inc, serving as the President and Chief Executive of TBWA Worldwide and in 2001 was made Executive Vice-President of Omnicom Inc. Michael was Special Advisor to General Atlantic, a US based private equity group, and has served on the Board of a number of US companies. Until 2010 he was a Director of Hewitt Associates, a global human resources outsourcing and consulting firm, where he chaired the Compensation & Leadership Committee and served on the Nominations & Corporate Governance Committee. In February 2011 Michael became a Director of Abercrombie & Fitch Co. where he serves as Chairman of the Compensation Committee and is a member of the Audit Committee. Michael joined Ebiquity in April 2007. Michael sits on Ebiquity's Nomination Committee.

MICHAEL HIGGINS

Non-Executive Chairman

Having obtained his degree in economics and politics from Cambridge University, Michael qualified as an accountant at Price Waterhouse (now PricewaterhouseCoopers). He then gained experience in international banking with Saudi International Bank before joining Charterhouse, the merchant bank, in 1984. He became a Partner at KPMG in 1996, and following his retirement from the partnership in 2006, spent five years as a senior adviser with them. Michael is currently senior independent director of Plant Health Care plc, a leading provider of novel patent protected biological products to the global agricultural market, a non-executive director of Arria NLG plc, a software development business, a non-executive director of Progility plc, a project management services group and is also Chairman of the Quoted Companies Alliance. Michael also has interests in early stage businesses in online publishing and medical services. In addition to chairing the Ebiquity Board, Michael chairs the Nomination Committee and sits on the Remuneration Committee and the Audit Committee.

ANDREW BEACH

Chief Financial and Operating Officer

Andrew qualified as a Chartered Accountant with PricewaterhouseCoopers, working within their Assurance business for nine years until 2007. For the last six years he specialised in Entertainment and Media clients and headed up the firm's Publishing knowledge network. He joined Ebiquity as Financial Controller in 2007 and was promoted to Chief Financial Officer in 2008. Towards the end of 2013/14, Andrew was promoted to Chief Financial and Operating Officer, with a widening of his responsibilities to include IT and global data centres. He was shortlisted in the Young FD of the Year (Quoted Sector) category at the 2012 FDs' Excellence Awards in association with ICAEW.

NICK MANNING

Chief Strategy Officer

Nick has spent 35 years in the media industry, principally having co-founded Manning Gottlieb Media (MGM) in 1990. MGM became one of the most highly respected and fastest growing Media Specialist agencies before becoming part of Omnicom in 1997. His most recent agency position was CEO of OMD's operations in the UK. Nick also co-founded OPera, the media negotiation arm for OMD and PHD, with billings of £1 billion. Nick joined Ebiquity in October 2007 as Chief Operating Officer with special responsibility for the Analytics division before becoming President, International, in overall charge of Ebiquity's non-UK based operations. Nick is now Chief Strategy Officer, with responsibility for developing and implementing Ebiquity's strategy across its three business segments.

RICHARD NICHOLS

Non-Executive Director

Richard is Chief Executive of Instinctif Partners, the international business communications consultancy. Prior to joining Instinctif Partners, Richard was Chief Executive of Huntsworth plc, following the merger with Incepta Group plc where he was the Chief Executive and formerly Group Finance Director. An Economics graduate from Cambridge University, Richard subsequently qualified as a Chartered Accountant with Price Waterhouse (now PricewaterhouseCoopers) in London. He is Chairman of Ebiquity's Audit Committee and also sits on the Nomination Committee.

JULIE BADDELEY

Non-Executive Director

Julie is one of the UK's most experienced female company directors, having served in both executive and non-executive capacities on the boards of leading companies in the FTSE 100 and FTSE 250 as well as a number of major public sector organisations. She has chaired the remuneration committee of several boards on which she has served and been chairman of Harvey Nash plc since June 2013. Julie has broad experience both of businesses in professional services like Ebiquity, and of those in the consumer industry sectors Ebiquity serves, including BOC, Yorkshire Building Society, Camelot and Greggs. As Associate Fellow at Oxford University Said Business School, from 2000 to 2010, she coached top business teams from around the world on the execution of business strategy, having previously run a global team as the partner in charge of a substantial part of Accenture's change management practice. She is Chairman of Ebiquity's Remuneration Committee and sits on the Nomination Committee.

TOM ALEXANDER

Non-Executive Director

Tom brings a wealth of international business experience and consumer instinct to Ebiquity. Following senior sales positions with Telia and BT Cellnet, Tom founded Virgin Mobile in 1999 and subsequently built the business to revenues of £1 billion and 4.3 million customers in eight years. He led the company's IPO in 2004 and eventual sale to ntl in 2006. From 2007 he was Chief Executive Officer of Orange, leading its turnaround and subsequent successful merger in 2010 with T-Mobile to create Everything Everywhere. After running EE for a further year he left to pursue private equity opportunities and non-executive roles. He is a member of the Remuneration Committee, the Nomination Committee and the Audit Committee.

DIRECTORS

Michael Higgins
Non-Executive Chairman

Michael Greenlees
Chief Executive Officer

Andrew Beach
Chief Financial and Operating Officer

Nick Manning
Chief Strategy Officer

Richard Nichols
Non-Executive Director

Julie Baddeley
Non-Executive Director

Tom Alexander
Non-Executive Director

COMPANY SECRETARY

Andrew Watkins

REGISTERED OFFICE

CityPoint
One Ropemaker Street
London EC2Y 9AW

REGISTRATION

Registered and incorporated in England & Wales
Registration number 03967525

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

NOMINATED ADVISER AND BROKER

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square
London EC4M 7LT

REGISTRARS

Computershare Investor Services plc
PO Box 82
The Pavilions
Bridgwater Road
Bristol BS99 7NH

Corporate Governance Report

CHAIRMAN'S CORPORATE GOVERNANCE STATEMENT

This report describes the framework for corporate governance and internal control that the Directors have established. Ebiquity is committed to the highest standards of Corporate Governance.

As a company listed on AIM, Ebiquity is not required to comply with the UK Corporate Governance Code. Ebiquity has adopted the Corporate Governance Code for Small and Mid-Size Quoted Companies (2013) produced by the Quoted Companies Alliance (the "QCA Code") insofar as appropriate for a company of the size and nature of Ebiquity. The Quoted Companies Alliance is the membership organisation which represents the interests of small and mid-size quoted companies, of which Ebiquity is a member.

The QCA Code contains minimum disclosure requirements for a company to meet in order for that company to state that it complies with the QCA Code. The Directors are of the opinion that the Company complies with these minimum disclosure obligations save to the extent referred to in this report.

BOARD OF DIRECTORS

Role of the Board

The Board is responsible to shareholders for the proper management of the affairs of the Group. The Directors are also collectively responsible for acting in the way which they consider, in good faith, is most likely to promote the success of the Company for the benefit of Ebiquity's shareholders as a whole. In doing so, the Directors have regard (amongst other matters) to the interests of the Company's employees and the need to foster the Company's business relationships with suppliers, customers and other stakeholders.

A statement of the Directors' responsibilities with regards to the annual report and accounts is set out on page 61.

Composition of the Board

During the year, two additional Non-Executive Directors, Julie Baddeley and Tom Alexander, were appointed to the Board. The Board of Directors now comprises an independent Non-Executive Chairman, three further independent Non-Executive Directors and three Executive Directors. The Directors are of the view that Michael Higgins retains his independence notwithstanding that he chairs the Board.

Chairman and Chief Executive Officer

The Board is chaired by Michael Higgins. The Chairman's principal responsibility is to ensure that the Board is effective in interrogating, approving and monitoring the Company's direction and strategy. The Chairman is also responsible, in consultation with the Company Secretary, for ensuring proper information is supplied to the Board in a timely fashion, that Board meetings are conducted effectively and that proper debate is had at Board meetings.

Michael Greenlees is the Chief Executive Officer and is responsible for setting long-term strategy, developing appropriate annual business plans, agreeing management KPI's and leading the Executive Directors and the senior executive team in the day to day running of the Group's business, including chairing the Executive Committee and communicating its decisions/recommendations to the Board. He is also responsible for shareholder communication and ongoing relationships with investors.

The roles of Chairman and Chief Executive Officer are separate with each having clearly defined duties and responsibilities.

Matters reserved for the Board

As part of good governance there are certain matters which are not appropriate to be delegated to management or a committee of the Board and should be reserved for consideration by the Board as a whole. The Board has formally approved a written list of such matters (which is available on Ebiquity's website) and which include:

- Approving the annual budget and quarterly reforecasts
- Changes to the Group's capital structure
- Approving the Company's dividend policy
- Reviewing regulatory news service announcements made by the Company
- Ensuring the maintenance of a sound system of internal control and risk management
- Approving material contracts to be entered into by the Group

Board meetings

During the year the Board met formally on seven occasions. There were in addition several meetings convened on short notice to consider ad hoc matters.

The Board receives monthly management accounts and other relevant information as appropriate in advance of each Board meeting.

There are a number of standing agenda items reviewed by the Board at each regular Board meeting, including current trading and outlook. Other items are considered by the Board as appropriate, including as a minimum an annual review of the Company's governance arrangements.

The Company Secretary attends all Board meetings and is available to advise on any corporate governance issues which may arise.

Risk management

The Board retains ultimate control and direction over appropriate strategic, financial, organisational and compliance issues. The Board has put in place an organisational structure with defined lines of responsibility. The Executive Committee, which is described further below, has responsibility for ensuring compliance with the organisational structure. The Company has adopted an authority matrix which sets out the delegation of authority to individual business units and members of staff.

The internal control system put in place by the Company is designed to provide reasonable assurance against material misstatement or loss. Commercial risks are an inherent part of business and as such the internal control system cannot provide absolute assurance against these risks.

Director evaluation

The performance of each of the Executive Directors is reviewed annually as part of the Group's yearly appraisal process for all employees. There has not been an annual assessment of the performance of the Non-Executive Directors nor of the Board as a whole or any of its committees. It was not considered appropriate for such assessments to be introduced during the year, given the changes at Board level which were made in the year. The Board will review whether to commence such evaluation exercises during the current year.

BOARD COMMITTEES

The Board has constituted several committees to help it in the performance of its functions. The principal committees are the Audit Committee, the Remuneration Committee and the Nomination Committee. The roles of these committees are set out below.

Audit Committee

The Audit Committee, which meets at least three times a year, is chaired by Richard Nichols. The Audit Committee comprises Richard Nichols, Michael Higgins and, following his appointment in November 2014, Tom Alexander. The Board considers Richard Nichols to be a financial expert and to have recent and relevant financial experience.

The purpose of the Audit Committee is to ensure the preservation of good financial practices throughout the Group; to monitor that controls are in force to ensure the integrity of financial information; to review the interim and annual financial statements; and to provide a line of communication between the Board and the external auditors.

The Audit Committee is responsible for reviewing the performance of the external auditors on an annual basis, and for agreeing the scope of their work. The Audit Committee also monitors the level of non-audit work conducted by the external auditors to ensure that independence and objectivity are safeguarded. Details of non-audit fees paid to the external auditors are set out in note 4 to the consolidated financial statements.

The Audit Committee has not produced a report for inclusion in this report and accounts. The Audit Committee will consider whether it is appropriate to do so in future years.

Remuneration Committee

The Remuneration Committee, which meets at least once a year, is chaired by Julie Baddeley following her appointment in November 2014. The Remuneration Committee comprises Julie Baddeley, Michael Higgins and, following his appointment in November 2014, Tom Alexander. Richard Nichols stepped down as a member of the Remuneration Committee in November 2014. The Remuneration Committee is responsible for the Executive Directors' remuneration and other benefits and terms of employment, including performance related bonuses and share options.

The Company's Remuneration Report can be found on pages 58 to 60.

Corporate Governance Report

Nomination Committee

The Nomination Committee is chaired by Michael Higgins. The Nomination Committee comprises Michael Higgins, Richard Nichols, Michael Greenlees and, following their appointments in November 2014, Julie Baddeley and Tom Alexander. The Nomination Committee meets as necessary and has responsibility for nominating to the Board candidates for appointment as Directors, bearing in mind the need for diversity and a broad representation of skills across the Board.

Attendance at meetings

Details of the Directors' attendance at the regular Board and Committee meetings in the year is as set out below (number of meetings attended by each director/the maximum number of meetings each director was entitled to attend):

	Board	Audit	Remuneration	Nomination
Michael Higgins	7/7	4/4	3/3	4/4
Michael Greenlees	7/7	—	—	4/4
Andrew Beach	7/7	—	—	—
Nick Manning	7/7	—	—	—
Richard Nichols	7/7	4/4	1/1	4/4
Julie Baddeley	3/3	—	2/2	4/4
Tom Alexander	3/3	2/2	2/2	4/4

EXECUTIVE COMMITTEE

In addition to the above, and not a formal committee of the Board, the Company's management have constituted an Executive Committee.

The three Executive Directors, together with the UK CEO, the CEO of Americas, the CEO of Continental Europe, the HR/Marketing Director, the Group IT Director and the General Counsel/Company Secretary comprise the Executive Committee, which meets on a monthly basis. The Executive Committee provides the principal vehicle for directing the Group's business at an operational level.

SHAREHOLDERS

The Executive Directors meet regularly with institutional shareholders to discuss the Company's performance and future prospects. The views of institutional shareholders as presented at these meetings are reported by the Executive Directors to the Board. The principal vehicle for communications with private shareholders is the Company's Annual General Meeting. The information displayed on the Investor Relations pages of the Company's website is regularly refreshed in order to provide accurate and up-to-date information to all shareholders.

Directors' Report

The Directors present their report and the audited consolidated financial statements for the year ended 30 April 2015.

GENERAL INFORMATION

Ebiquity plc is incorporated in England and Wales under registered number 3967525. Its registered address and principal office is at CityPoint, One Ropemaker Street, London EC2Y 9AW. The Company is the ultimate parent of the Group. The Group has a branch in France. Its other overseas operations are subsidiaries or associates (see notes 12 and 13).

FUTURE DEVELOPMENTS

The future developments of the Group are considered in the Strategic Report on pages 14 to 25.

DIVIDENDS

The Board is recommending the payment of a final dividend of 0.4 pence per share for the year ended 30 April 2015, reflecting the Company's level of business maturity and expected future performance. This represents the commencement of a progressive dividend policy. If shareholders approve this payment at the AGM on 15 September 2015, the dividend will be paid on 9 October 2015 to all shareholders who were on the Register of Members at close of business on 18 September 2015.

RESEARCH AND DEVELOPMENT

The Group continues to invest in the development of products. During the year a total of £1.1m was capitalised in relation to development projects. This has resulted in the development of a number of new initiatives.

POLITICAL DONATIONS AND POLITICAL EXPENDITURE

No political donations were made and no political expenditure was incurred in the year (2014: nil).

POST BALANCE SHEET EVENTS

There have been no post balance sheet events that require disclosure.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors in office during the year and (unless indicated to the contrary below) until the date of this report were as follows:

Michael Higgins	Non-Executive Chairman	
Michael Greenlees	Executive Director	Chief Executive Officer
Andrew Beach	Executive Director	Chief Financial and Operating Officer
Nick Manning	Executive Director	Chief Strategy Officer
Richard Nichols	Non-Executive Director	
Julie Baddeley	Non-Executive Director	
Tom Alexander	Non-Executive Director	

Andrew Watkins, General Counsel, acts as the Company Secretary.

The beneficial interests of Directors, who were Directors at the year end, in the ordinary shares of the Company and options to purchase such shares at the beginning and end of the financial year comprised:

	Number of ordinary shares 30 April 2015	**Options 30 April 2015**	Number of ordinary shares 30 April 2014	Options 30 April 2014
Michael Higgins	**64,500**	**—**	64,500	—
Michael Greenlees	**324,267**	**3,741,368**	230,000	2,941,368
Andrew Beach	**20,000**	**310,000**	209,476	310,280
Nick Manning	**230,000**	**2,370,230**	230,000	2,170,230
Richard Nichols	**100,000**	**—**	100,000	—
Julie Baddeley	**—**	**—**	—	—
Tom Alexander	**—**	**—**	—	—

No Director has any direct interest in the shares of any subsidiary company. There have been no changes in the above Directors' shareholdings or holdings of options between 30 April 2015 and the date of this report.

Further information about the Directors' interests is provided in the Remuneration Report on pages 58 to 60.

Directors' Report

DIRECTORS' THIRD-PARTY AND PENSION SCHEME INDEMNITY PROVISIONS

The Company purchased and maintained throughout the year and up to the date of this report, directors' and officers' liability insurance in respect of its directors and officers and those of its subsidiaries. There were no pension scheme indemnity provisions in place during the year.

EMPLOYEES

Ebiquity is committed to the continuous development of its employees. The Group's employees are integral to the success of the business and as a result the Group pursues employment practices which are designed to attract, retain and develop this talent to ensure the Group retains its market leading position with motivated and satisfied employees. The Group has continued this year with its employee engagement programme, initiated in the year ended 30 April 2012, measuring engagement levels and drivers through an annual survey and taking actions to further develop the leadership and organisation on the back of these findings.

The Group has continued its practice of using formal and informal communication channels to provide employees with the information they need to understand and achieve the objectives of the Group and to keep employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. Where existing employees become disabled it is the Group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training. It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

Employees are encouraged to own shares in the Company, and many employees are shareholders and/or hold options under the Company's share option scheme and executive incentive plan.

FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise bank loans and cash. The main purpose of these financial instruments is to provide finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The operations of the Group generate cash and the planned growth of activities is cash generative. Full details of financial instruments are included in note 25 to the financial statements.

SUBSTANTIAL SHAREHOLDINGS

At the date of this report the Company's issued share capital consisted of 76,896,940 ordinary shares of 25p each and a total of 72,696,940 voting rights. The Ebiquity plc 2010 Employee Benefit Trust (the "EBT") held 4,200,000 issued ordinary shares to satisfy awards for the Company's senior management team. At the date of this report, these awards had not been exercised. The trustee has agreed not to vote the ordinary shares held by it. As such 4,200,000 ordinary shares are treated as not carrying voting rights for the purposes of the City Code on Takeovers and Mergers.

At the date of this report the following had notified the Company that they held more than 3% of the Company's ordinary share capital, other than the shareholdings held by Directors and the EBT. No other person has reported an interest of more than 3% in the Company's ordinary shares.

Name	No. of shares	% of issued share capital	% of total voting rights
Artemis Investment Management	8,263,630	10.75	11.37
Kabouter Management	7,309,801	9.51	10.06
JO Hambro Capital Management	7,080,000	9.21	9.74
T Rowe Price Global Investments	6,615,846	8.60	9.10
Invesco Perpetual	5,949,800	7.74	8.18
Herald Investment Management	5,491,125	7.14	7.55
Hargreave Hale	4,356,666	5.67	5.99
Legal & General	4,051,000	5.27	5.57
Miton Group	3,879,061	5.04	5.34
Blackrock	3,768,496	4.90	5.18
Old Mutual Global Investors	2,940,290	3.82	4.04
Henderson Global Investors	2,590,000	3.37	3.56

AGM NOTICE

The notice of the Company's Annual General Meeting is set out on pages 119 to 124.

GOING CONCERN

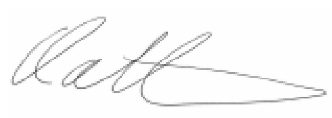
The Board is responsible for considering whether it is appropriate to prepare the financial statements on a going concern basis. After making appropriate enquiries the Board concluded that the Group has adequate resources to continue in operation for the foreseeable future and operate within banking facilities and the covenants therein. For this reason the Group continues to adopt the going concern basis in preparing the financial statements.

INDEPENDENT AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

By order of the Board



Andrew Watkins
Company Secretary
27 July 2015

Remuneration Report

REMUNERATION POLICY

The Board recognises the role of appropriate remuneration in attracting and retaining the people needed to develop and grow the business, and driving their and its performance.

The Remuneration Committee has maintained the policy set out in the Annual Report for the year ended 30 April 2014, which is used to determine Executive Directors' remuneration and as a guide for the Executive Committee in setting organisation-wide remuneration. In summary, the policy covers two key aspects:

1. *Fixed* remuneration components (base salary and benefits such as holiday entitlement, pension contributions, medical and life insurances) will be set at or around the market-median level for matched roles within comparable companies, while target *Total Compensation* may, as required, be established at up to upper quartile levels through the provision of attractive *Variable* reward components, the attainment of which is linked to individual and/or Company performance.

2. A mix of different variable remuneration components (annual cash bonuses, long-term incentives ("LTIs") and other equity participation) will be used to both retain and incentivise over the short, medium and longer term. The minimum threshold for any payment/vesting will be realistic, attainable levels of acceptable performance, with one or more levels of enhanced performance required in order to maximise the value realised. Annual bonuses will be set with reference to benchmark levels of target and maximum bonuses in job-matched roles in comparative companies. LTIs will be set with reference to benchmark levels of expected value of LTIs in job-matched roles in comparative companies. Annual bonuses will be achieved based on personal performance and the Group's performance relative to budgetary metrics (revenue and operating profit). Share options are tied to shareholder metrics, primarily underlying diluted EPS and, where appropriate, total shareholder return ("TSR").

This policy reflects the Company's current stage of development and anticipated growth, and balances risk and reward.

The Remuneration Committee relies from time-to-time on advice and benchmarking from third parties in setting specifics of the Executive Directors' remuneration.

DIRECTORS' REMUNERATION IN THE YEAR ENDED 30 APRIL 2015

	Salary/ Fees £'000	Taxable Benefits £'000	Bonus £'000	**Year ended 30 April 2015 Total £'000**	Year ended 30 April 2014 Total £'000
Executive					
Michael Greenlees	320	6	—	**326**	326
Nick Manning	275	20	—	**295**	270
Andrew Beach	210	9	—	**219**	236
Paul Adams	—	1	—	**1**	168
Non-Executive					
Michael Higgins	68	—	—	**68**	68
Richard Nichols	32	—	—	**32**	43
Julie Baddeley	15	—	—	**15**	—
Tom Alexander	15	—	—	**15**	—
Stephen Thomson	—	—	—	**—**	27
Sarah Jane Thomson	—	—	—	**—**	23
Jeffrey Stevenson	—	—	—	**—**	20
Christopher Russell	—	—	—	**—**	20
				971	1,201

The totals above are inclusive of annual performance bonuses, totalling £nil (2014: £nil). Directors were eligible for cash bonuses as a percentage of base salary, dependent on individual and Company performance against established financial targets in excess of analyst expectations. The taxable benefits shown above for Mr Paul Adams refers to the continuation of private medical insurance until the end of his contractual notice period after payment in lieu of notice which fell in the year ended 30 April 2014.

No Directors were a member of a company pension scheme (2014: nil). Contributions totalling £7,980 (2014: £21,462) were made to Directors' private pension schemes (£nil to the highest paid Director, 2014: £nil) during the year.

One Director exercised a total of 60,280 share options during the year (2014: 1,430,049) (the highest paid Director exercised no share options, 2014: nil).

Termination Payments to Directors

No Directors left the company in the year ended 30 April 2015 and no termination payments were made to Directors.

Long-Term Incentives

During the year a total of 55,944 Directors' share options vested that were previously granted, without performance conditions, under the Company's Executive Share Option Plan (2014: 89,465), as follows:

Beneficiary	No. of Options	Grant Date	Vest Date	Exercise Price
Andrew Beach	13,427	11 Aug 2011	11 Aug 2014	£0.25
Michael Greenlees	23,869	11 Aug 2011	11 Aug 2014	£0.25
Nick Manning	18,648	11 Aug 2011	11 Aug 2014	£0.25

Each of the above represents the final 1/3 vesting of options awarded on a three-year vesting structure in lieu of deferred bonuses for prior years. The Group's bonus programme has since been amended to deliver bonus entitlements in full in cash.

During the year, 1,060,000 (2014: 650,000) share options were granted to Directors.

A total of 560,000 of these were made under the Group's Executive Incentive Plan, with vesting subject to the achievement of specific performance conditions established and monitored by the Remuneration Committee. This total was awarded as follows:

Beneficiary	No. of Options	Grant Date	Vest Date	Exercise Price	Performance Conditions
Michael Greenlees	300,000	15 May 2014	30 April 2017	£0.25	3-yr EPS growth; min. 4% to vest 20%, 10% to vest 100%, 8% to vest 60% with straight-line vesting between these points
Nick Manning	200,000	15 May 2014	30 April 2017	£0.25	
Andrew Beach	60,000	15 May 2014	30 April 2017	£0.25	

In addition, a one-off Long-Term Incentive plan grant of 500,000 share options, exercisable at £0.25/share, was made to Michael Greenlees on 17 May 2014, vesting over three years up to and including 30 April 2017, as follows:

- Up to 30% of the total capable of vesting based on performance for the year ended 30 April 2015, up to 35% for the year ended 30 April 2016 and up to 35% (and any unvested options which have been rolled forward from the prior years) for the year ended 30 April 2017.
- Vesting in each year, subject to the growth in the average share price in the 20 trading days immediately following the preliminary announcement of results for the year (relative to the 20 trading days prior to 30 April 2014), as follows:
  - if TSR growth of 12% or more has been achieved, then 100% of the relevant Options would be capable of vesting,
  - if TSR growth of 4% has been achieved, then 25% of the relevant Options would be capable of vesting,
  - if TSR growth of 8% has been achieved, then 50% of the relevant Options would be capable of vesting,
  - if TSR growth of less than 4% has been achieved then none of the relevant Options would be capable of vesting, and
  - a straight-line allocation will be used to determine vesting between the three thresholds set out above
- Any unvested Options may also vest if, despite TSR performance, the Company's TSR for the three-year period is in the top quartile of TSR performance for the AIM media index, with full vesting if the compound adjusted diluted earnings per share (EPS) growth of the Company in the three years to 30 April 2017 is 8% or over and a straight-line allocation if EPS growth is between 4% and 8%.

Remuneration Report

IMPLEMENTATION OF REMUNERATION POLICY IN 2015/16

The Executive Directors' remuneration for the year that commenced on 1 May 2015 includes base salary and benefits and an annual cash bonus in line with the Company's remuneration policy.

The target bonus is 35% of base salary for the Group CEO and 30% for the other Executive Directors. Each individual must achieve the personal performance targets (KPIs) set for them by the Board, and the Company must achieve its budgeted levels of pro-forma (i.e. excluding that derived from in-year acquisitions) revenue and operating profit – which have been agreed by the Board and which are in excess of analyst expectations – for full 100% achievement of the theoretical target. Thresholds below budgeted levels of revenue (min. 97% of budget) and operating profit (min. 85% of operating profit post-bonus) have been set to allow for pro-rata payment of bonuses at a level which protects operating profit margins and overall Group performance. Each Director has the potential to achieve up to a maximum of 200% of their theoretical target bonus as a result of exceptional individual and Company performance.

No share options have been granted to Directors since 30 April 2015.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Group and parent company financial statements respectively;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EBIQUITY PLC

REPORT ON THE GROUP FINANCIAL STATEMENTS

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's affairs as at 30 April 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The group financial statements (the "financial statements"), which are prepared by Ebiquity plc, comprise:

- the consolidated statement of financial position as at 30 April 2015;
- the consolidated income statement and statement of comprehensive income for the year then ended;
- the consolidated cash flow statement for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of:

- whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Accounts (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit. We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 61, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER MATTER

We have reported separately on the company financial statements of Ebiquity plc for the year ended 30 April 2015.

Simon O'Brien (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 July 2015

Consolidated Income Statement

for the year ended 30 April 2015

		Year ended 30 April 2015			Year ended 30 April 2014		
	Note	Before highlighted items £'000	Highlighted items (note 3) £'000	Total £'000	Before highlighted items £'000	Highlighted items (note 3) £'000	Total £'000
Revenue		73,874	—	73,874	68,452	—	68,452
Cost of sales		(32,383)	—	(32,383)	(30,008)	—	(30,008)
Gross profit		41,491	—	41,491	38,444	—	38,444
Administrative expenses		(29,762)	(5,913)	(35,675)	(27,105)	(6,727)	(33,832)
Operating profit	4	11,729	(5,913)	5,816	11,339	(6,727)	4,612
Finance income	6	8	—	8	15	—	15
Finance expenses	6	(1,179)	—	(1,179)	(1,206)	—	(1,206)
Net finance costs		(1,171)	—	(1,171)	(1,191)	—	(1,191)
Share of profit of associates	13	12	—	12	19	—	19
Profit before taxation		10,570	(5,913)	4,657	10,167	(6,727)	3,440
Taxation (charge)/credit	7	(1,693)	1,155	(538)	(2,041)	2,046	5
Profit for the year		8,877	(4,758)	4,119	8,126	(4,681)	3,445
Attributable to:							
Equity holders of the parent		8,346	(4,723)	3,623	7,661	(4,637)	3,024
Non-controlling interests		531	(35)	496	465	(44)	421
		8,877	(4,758)	4,119	8,126	(4,681)	3,445
Earnings per share							
Basic	8			4.78p			4.06p
Diluted	8			4.65p			3.99p

The notes on pages 69 to 107 form part of these financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 April 2015

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Profit for the year	**4,119**	3,445
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss		
Exchange differences on translation of overseas subsidiaries	**350**	(1,929)
Movement in valuation of hedging instruments	**52**	93
	402	(1,836)
Total comprehensive income for the year	**4,521**	1,609
Attributable to:		
Equity holders of the parent	**4,025**	1,146
Non-controlling interests	**496**	463
	4,521	1,609

The notes on pages 69 to 107 form part of these financial statements.

Consolidated Statement of Financial Position

as at 30 April 2015

Company number: 03967525

	Note	**30 April 2015 £'000**	30 April 2014 £'000
Non-current assets			
Goodwill	9	**58,096**	55,121
Other intangible assets	10	**15,178**	14,426
Property, plant and equipment	11	**3,194**	3,162
Investment in associates	13	**32**	87
Deferred tax asset	20	**1,408**	1,377
Total non-current assets		**77,908**	74,173
Current assets			
Trade and other receivables	14	**29,879**	26,865
Cash and cash equivalents	15	**9,295**	6,521
Total current assets		**39,174**	33,386
Total assets		**117,082**	107,559
Current liabilities			
Trade and other payables	16	**(7,489)**	(8,370)
Accruals and deferred income	17	**(11,510)**	(10,838)
Financial liabilities	18	**(8,761)**	(7,747)
Current tax liabilities		**(1,280)**	(1,764)
Provisions	19	**(121)**	(465)
Total current liabilities		**(29,161)**	(29,184)
Non-current liabilities			
Financial liabilities	18	**(35,957)**	(30,360)
Provisions	19	**(485)**	(610)
Deferred tax liability	20	**(2,821)**	(2,888)
Total non-current liabilities		**(39,263)**	(33,858)
Total liabilities		**(68,424)**	(63,042)
Total net assets		**48,658**	44,517
Equity			
Ordinary shares	22	**19,193**	18,873
Share premium	23	**11,657**	10,750
Convertible loan note reserve	23	**—**	—
Other reserves	23	**772**	367
Retained earnings	23	**16,012**	13,810
Equity attributable to the owners of the parent		**47,634**	43,800
Non-controlling interests		**1,024**	717
Total equity		**48,658**	44,517

The financial statements on pages 64 to 107 were approved and authorised for issue by the Board of Directors on 27 July 2015 and were signed on its behalf by:

Michael Greenless
Director

Andrew Beach
Director

The notes on pages 69 to 107 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 April 2015

	Note	Ordinary shares £'000	Share premium £'000	Convertible loan note reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
1 May 2013		15,090	4,588	9,445	2,136	10,496	41,755	361	42,116
Profit for the year		—	—	—	—	3,024	3,024	421	3,445
Other comprehensive (loss)/income		—	—	—	(1,878)	—	(1,878)	42	(1,836)
Total comprehensive (loss)/income for the year		**—**	**—**	**—**	**(1,878)**	**3,024**	**1,146**	**463**	**1,609**
Shares issued for cash	22	307	67	—	109	(93)	390	—	390
Acquisition of non-controlling interest		25	101	—	—	(157)	(31)	(47)	(78)
Conversion of loan note		3,451	5,994	(9,445)	—	—	—	—	—
Share options charge	24	—	—	—	—	337	337	—	337
Deferred tax on share options	20	—	—	—	—	203	203	—	203
Dividends paid to non-controlling interests		—	—	—	—	—	—	(60)	(60)
30 April 2014		**18,873**	**10,750**	**—**	**367**	**13,810**	**43,800**	**717**	**44,517**
Profit for the year		—	—	—	—	3,623	3,623	496	4,119
Other comprehensive income		—	—	—	402	—	402	—	402
Total comprehensive income for the year		**—**	**—**	**—**	**402**	**3,623**	**4,025**	**496**	**4,521**
Shares issued for cash	22	79	110	—	3	(3)	189	—	189
Acquisition of non-controlling interest	22	241	797	—	—	(2,563)	(1,525)	113	(1,412)
Share options charge	24	—	—	—	—	1,215	1,215	—	1,215
Deferred tax on share options	20	—	—	—	—	(70)	(70)	—	(70)
Dividends paid to non-controlling interests		—	—	—	—	—	—	(302)	(302)
30 April 2015		**19,193**	**11,657**	**—**	**772**	**16,012**	**47,634**	**1,024**	**48,658**

The notes on pages 69 to 107 form part of these financial statements.

Consolidated Cash Flow Statement

for the year ended 30 April 2015

	Note	**Year ended 30 April 2015 £'000**	Year ended 30 April 2014 £'000
Cash flows from operating activities			
Cash generated from operations	27	**7,927**	6,799
Finance expenses paid		**(1,242)**	(856)
Finance income received		**8**	15
Income taxes paid		**(1,618)**	(1,159)
Net cash generated from operating activities		**5,075**	4,799
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		**(5,248)**	(9,230)
Proceeds from disposal of investments	28	**68**	—
Purchase of property, plant and equipment		**(1,464)**	(1,756)
Purchase of intangible assets	10	**(1,664)**	(796)
Net cash used in investing activities		**(8,308)**	(11,782)
Cash flows from financing activities			
Proceeds from issue of share capital (net of issue costs)		**252**	326
Proceeds from bank borrowings		**36,703**	10,766
Repayment of bank borrowings		**(31,107)**	(3,937)
Bank loan fees paid		**(360)**	—
Interest rate swap closure		**(29)**	—
Acquisition of interest in a subsidiary from non-controlling interests		**(282)**	(78)
Dividends paid to non-controlling interests		**(259)**	(60)
Capital repayment of finance leases		**(197)**	(202)
Net cash flow generated from financing activities		**4,721**	6,815
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		**1,488**	(168)
Cash, cash equivalents and bank overdraft at beginning of year	15	**6,521**	7,109
Effect of unrealised foreign exchange losses		**(125)**	(420)
Cash, cash equivalents and bank overdraft at end of year	15	**7,884**	6,521

The notes on pages 69 to 107 form part of these financial statements.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES

GENERAL INFORMATION

Ebiquity plc ('the Company') and its subsidiaries (together, 'the Group') provide independent data-driven insights to the global media and marketing community. The Group has 20 offices across 14 countries. During the year, the Group acquired Media Value S.L.U and its subsidiaries (Media Value), a business with a media auditing division and an ROI/effectiveness division, with offices in Madrid, Barcelona and Lisbon.

The Company is a public limited company, which is listed on the London Stock Exchange's AIM Market and is incorporated and domiciled in the UK.

BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and IFRS IC Interpretations (collectively IFRSs) issued by the International Accounting Standards Board (IASB) as adopted by European Union (Adopted IFRSs) and with those parts of the Companies Act 2006 applicable to companies preparing their financial statements under Adopted IFRSs.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

GOING CONCERN

The Directors, after making appropriate enquiries, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The Group holds bank borrowings which are subject to quarterly covenant tests. The Directors have a reasonable expectation that the covenants will be met for the foreseeable future. Further information on the Group's borrowings is given in note 18.

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Changes in accounting policies

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 May 2014 that have had a material impact on the Group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The results of each subsidiary are included from the date that control is transferred to the Group until the date that control ceases.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests represent the portion of the results and net assets in subsidiaries that is not held by the Group.

Business combinations

Acquisition method of accounting

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date. All costs directly attributable to the business combination are recorded as incurred in the Income Statement within highlighted items.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES CONTINUED

Where the consideration for the acquisition includes a contingent deferred consideration arrangement, this is measured at fair value at the acquisition date. Any subsequent changes to the fair value of the contingent deferred consideration are adjusted against the cost of the acquisition if they occur within the measurement period. Any subsequent changes to the fair value of the contingent deferred consideration after the measurement period are recognised in the Income Statement within administrative expenses as a highlighted item. The carrying value of contingent deferred consideration at the Balance Sheet date represents management's best estimate of the future payment at that date, based on historical results and future forecasts.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee generally accompanying a shareholding of between 25% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Investments in associates are carried in the Statement of Financial Position at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associate at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment annually.

Where a group company transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of an impairment of the asset transferred in which case appropriate provision is made for impairment.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment at least annually. Any impairment is recognised immediately in the Income Statement and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes. Income is recognised evenly over the period of the contract for our Market Intelligence businesses, and in accordance with the stage of completion of the contract activity for our Media Value Measurement and Marketing Performance Optimization businesses. The stage of completion is determined relative to the total number of hours expected to complete the work or provision of services. Where recorded revenue exceeds amounts invoiced to clients, the excess is classified as accrued income and where recorded revenue is less than amounts invoiced to clients, the difference is classified as deferred income.

Where services are performed by an indeterminate number of acts over a specific period, revenue is recognised on a straight-line basis over the specific period unless there is evidence that some other method better represents the stage of completion.

1. ACCOUNTING POLICIES CONTINUED

If the outcome of a contract cannot be estimated reliably, the contract revenue is recognised to the extent of contract costs incurred that it is probable would be recoverable. Costs are recognised as an expense in the period in which they are incurred.

Finance income and expenses

Finance income and expense represents interest receivable and payable. Finance income and expense is recognised on an accruals basis, based on the interest rate applicable to each bank or loan account.

Foreign currencies

For the purposes of the consolidated financial statements, the results and financial position of each Group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of transactions. At each year end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the year end date.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the year end date. Income and expense items are translated at the average exchange rate for the period, which approximates to the rate applicable at the dates of the transactions.

The exchange differences arising from the retranslation of the year end amounts of foreign subsidiaries and the difference on translation of the results of those subsidiaries into the presentational currency of the Group are recognised in the translation reserve. All other exchange differences are dealt with through the Income Statement.

Highlighted items

Highlighted items comprise non-cash charges and non-recurring items which are highlighted in the Income Statement as separate disclosure is considered by the directors to be relevant in understanding the underlying performance of the business. The non-cash charges include share option charges and amortisation of purchased intangibles.

The non-recurring items include the costs associated with potential acquisitions (where formal discussion is undertaken), completed acquisitions and their subsequent integration into the Group, adjustments to the estimates of deferred consideration on acquired entities, asset impairment charges and other significant one-off items. Costs associated with ongoing market landscaping, acquisition identification and early stage discussions with acquisition targets are reported in underlying administrative expenses.

Taxation

The tax expense included in the Income Statement comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted by the year end date.

The Group is subject to corporate taxes in a number of different jurisdictions and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. In such circumstances, the Group recognises liabilities for anticipated taxes based on the best information available and where the anticipated liability is both probable and estimable. Where the final outcome of such matters differs from the amount recorded, any differences may impact the income tax and deferred tax provisions in the period in which the final determination is made.

Tax is recognised in the Consolidated Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Using the liability method, deferred tax is provided on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES CONTINUED

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The recognition of deferred tax assets is reviewed at each year end date.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the year end date and are expected to apply when the deferred tax liabilities/assets are settled/recovered.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives and is recognised in the Income Statement within administrative expenses. The rates generally applicable are:

Motor vehicles	25% per annum reducing balance
Fixtures, fittings and equipment	7% to 20% per annum straight line; or 25% per annum reducing balance
Computer equipment	25% to 40% straight line
Short leasehold land and buildings improvements	Over the shorter of the life or the estimated useful life of the lease

Other intangible assets

Internally generated intangible assets – development expenditure

Internally generated intangible assets relate to bespoke computer software and technology developed by the Group's internal software development team.

An internally generated intangible asset arising from the Group's development expenditure is recognised only if all of the following conditions are met:

- It is technically feasible to develop the asset so that it will be available for use or sale;
- Adequate resources are available to complete the development and to use or sell the asset;
- There is an intention to complete the asset for use or sale;
- The Group is able to use or sell the intangible asset;
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised on a straight-line basis over their useful lives. Amortisation commences when the asset is available for use and useful lives range from 1 to 5 years. The amortisation expense is included within administrative expenses. Where an internally generated intangible asset cannot be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Purchased intangible assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives, which vary from 3 to 10 years. The amortisation expense is included as a highlighted item within the administrative expenses line in the Income Statement. Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. The significant intangibles recognised by the Group are customer relationships.

1. ACCOUNTING POLICIES CONTINUED

Computer software

Purchased computer software intangible assets are amortised on a straight-line basis over their useful lives which vary from 2 to 5 years.

Impairment

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, estimates are made of the cash flows of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value, less costs to sell, and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a discount rate appropriate to the specific asset or cash-generating unit.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying value of the asset or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised immediately in highlighted items in the Income Statement.

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if the impairment loss had been recognised.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The Group classifies its financial assets as 'loans and receivables'. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income Statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

Financial liabilities are initially recognised at fair value. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Statement of Financial Position. 'Finance expense' in this context includes initial transaction costs as well as any interest or coupon payable while the liability is outstanding.

Forward currency contracts and interest rate swaps are carried at fair value with changes in fair value being reflected in the Statement of Comprehensive Income, and are classified within other financial assets and liabilities as appropriate.

The convertible loan notes in the prior year possess all the characteristics of an equity instrument and have therefore been classified as such.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES CONTINUED

Bank borrowings

Interest bearing borrowings are initially recognised at fair value net of transaction costs incurred and subsequently measured at amortised cost. Finance charges are recognised in the Income Statement over the period of the borrowings using the effective interest method.

Loan fees relating to the bank borrowings are capitalised against the loan and amortised over the period of the borrowings to which they relate.

The revolving credit facility is considered to be a long term loan.

Derivative financial instruments

The Group uses derivative financial instruments to reduce its exposure to foreign exchange and interest rate movements. The Group does not hold or issue derivative financial instruments for financial trading purposes but derivatives that do not qualify for hedge accounting are accounted for at fair value through the Income Statement. Derivative financial instruments are initially recognised at fair value at the contract date and continue to be stated at fair value at the balance sheet date with gains and losses on revaluation being recognised immediately in the Income Statement.

Cash flow hedges are used to hedge against fluctuations in future cash flows on the Group's debt funding due to movements in interest rates, and on certain foreign currency trade receivable balances. When a cash flow hedge is employed and hedge accounting applied, the effective portion of the change in the fair value of the hedging instrument is recognised directly in equity (hedging reserve) until the gain or loss on the hedged item is realised. Any ineffective portion is always recognised in the Income Statement.

The fair value of derivatives is determined by reference to market values for similar instruments.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short term deposits. Bank overdrafts are an integral part of the Group's cash management and are included as a component of cash and cash equivalents for the purpose of the Cash Flow Statement. Cash and cash equivalents and bank overdrafts are offset when there is a legally enforceable right to offset.

Share capital

Ordinary shares are classified as equity.

Provisions

Provisions, including provisions for onerous lease costs, are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle that obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the year end date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate which reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligations.

Employee Share Ownership Plan (ESOP)

As the Company is deemed to have control of its ESOP trust, it is treated as a subsidiary and consolidated for the purposes of the Group financial statements. The ESOP's assets (other than investments in the Company's shares), liabilities, income and expenses are included on a line-by-line basis in the Group financial statements. The ESOP's investment in the Company's shares is deducted from shareholders' equity in the Group Statement of Financial Position as if they were treasury shares, except that profits on the sale of ESOP shares are not credited to the share premium account.

1. ACCOUNTING POLICIES CONTINUED

Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the Income Statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity investments expected to vest at each year end date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. A charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where there are modifications to share-based payments that are beneficial to the employee then as well as continuing to recognise the original share-based payment charge, the incremental fair value of the modified share options as identified at the date of the modification is also charged to the Income Statement over the remaining vesting period. Where the Group cancels share options and identifies replacement options this arrangement is also accounted for as a modification.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity financial statements.

Retirement benefits

For defined contribution pension schemes, the Group pays contributions to privately administered pension plans on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. Contributions are charged to the Income Statement in the year to which they relate.

Leases

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group (a 'finance lease'), the asset is treated as if it had been purchased outright. The amount initially recognised as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to the Income Statement over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are retained by the lessor (an 'operating lease'), the total rentals payable under the lease are charged to the Income Statement on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term on a straight-line basis. The land and buildings elements of property leases are considered separately for the purposes of lease classification.

Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the Income Statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are deducted from the carrying value of the assets that they are intended to compensate and are credited to the Income Statement on a straight-line basis over the expected lives of the related assets.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition

The Group is required to make an estimate of the project completion levels in respect of contracts which straddle the year end for revenue recognition purposes. Estimates are based on expected total costs and revenues from each contract. This involves a level of judgement and therefore differences may arise between the actual and estimated result.

Carrying value of goodwill and other intangible assets

Determining whether goodwill and other intangibles should be capitalised, the amortisation period appropriate to intangible assets and whether or not these assets are impaired requires estimation of the value in use of the cash-generating units to which the goodwill and other intangible assets has been allocated. The value in use calculation requires the entity to estimate future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details regarding the goodwill and other intangible assets' carrying value and assumptions used in carrying out the impairment reviews are provided in notes 9 and 10.

Income taxes

The Group is subject to income taxes in all the territories in which it operates, and judgement and estimates of future profitability are required to determine the Group's deferred tax position. If the final tax outcome is different to that assumed, resulting changes will be reflected in the Income Statement, unless the tax relates to an item charged to equity in which case the changes in the tax estimates will also be reflected in equity. The Group believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Contingent deferred consideration

The Group has recorded liabilities for deferred consideration on acquisitions made in the current and prior periods. The calculation of the deferred consideration liability requires judgements to be made regarding the forecast future performance of these businesses for the earn-out period. Any changes to the fair value of the contingent deferred consideration after the measurement period are recognised in the Income Statement within administrative expenses as a highlighted item.

Provisions

The Group provides for certain costs of reorganisation that has occurred due to the Group's acquisition and disposal activity. When the final amount payable is uncertain, these are classified as provisions. These provisions are based on the best estimates of management.

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS

The following new standards and changes came into effect during the year beginning 1 May 2014 and were adopted by the Group:

Amendment to IAS 32 'Financial instruments: Presentation'. This amendment provides guidance on offsetting financial assets and financial liabilities.

Amendments to IFRS 10 'Consolidated financial statements'; *IFRS 12 'Disclosure of interests in other entities'* and *IAS 27 'Consolidated and separate financial statements'*. These amendments provide guidance around investment entities.

1. ACCOUNTING POLICIES CONTINUED

Amendment to IAS 36 'Impairment of assets'. This amendment provides guidance on recoverable amount disclosures for non-financial assets.

Amendment to IAS 39 'Financial instruments: Recognition and measurement'. This amendment provides guidance on novation of derivatives and continuation of hedge accounting.

These did not have a material impact on the Group's financial statements.

Certain new standards, amendments to new standards and interpretations have been published that are mandatory to the Group's future accounting periods but have not been adopted early in these financial statements. These are set out below:

Amendments to IAS 16 'Property, plant and equipment' and *IAS 38 'Intangible assets'* (effective on or after 1 January 2016). This amendment provides clarification of acceptable methods of depreciation and amortisation. The Group will apply these amendments from 1 May 2016.

IFRS 15 'Revenue from Contracts with Customers' (effective on or after 1 January 2017). This standard establishes a single comprehensive framework for revenue recognition to determine when to recognise revenue and how much revenue to recognise. This standard replaces the previous revenue standards IAS 18 'Revenue' and IAS 11 'Construction Contracts'. There is the potential for the adoption of this standard to be deferred depending on the results of the current consultation. The Group will apply IFRS 15 from 1 May 2017.

IFRS 9 'Financial Instruments: Classification and Measurement' (effective on or after 1 January 2018). This standard introduces new requirements for the classification and measurement of financial assets and financial liabilities and for derecognition. The Group will apply IFRS 9 from 1 May 2018.

The Directors do not expect that the adoption of the Standards and amendments listed above will have a material impact on the financial statements of the Group in future periods, although the detailed impact has not yet been quantified.

2. SEGMENTAL REPORTING

In accordance with IFRS 8 the Group's operating segments are based on the reports reviewed by the Executive Directors that are used to make strategic decisions.

Certain operating segments have been aggregated to form three reportable segments, Media Value Measurement, Market Intelligence and Marketing Performance Optimization:

- Media Value Measurement includes our media benchmarking, financial compliance and associated services.
- Market Intelligence includes our advertising monitoring, reputation management and research/insight services.
- Marketing Performance Optimization consists of our marketing effectiveness and multi-channel analytics services.

The Executive Directors are the Group's chief operating decision-maker. They assess the performance of the operating segments based on operating profit before highlighted items. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and purchased intangible amortisation. The measure also excludes the effects of equity-settled share-based payments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

2. SEGMENTAL REPORTING CONTINUED

The segment information provided to the Executive Directors for the reportable segments for the year ended 30 April 2015 is as follows:

Year ended 30 April 2015

	Media Value Measurement £'000	Market Intelligence £'000	Marketing Performance Optimization £'000	Reportable Segments £'000	Unallocated £'000	Total £'000
Revenue	**40,046**	**25,768**	**8,060**	**73,874**	**—**	**73,874**
Operating profit before highlighted items	**11,224**	**3,447**	**2,905**	**17,576**	**(5,847)**	**11,729**
Total assets	**59,432**	**40,104**	**9,580**	**109,116**	**7,966**	**117,082**
Other segment information						
Capital expenditure – property, plant and equipment	**743**	**146**	**20**	**909**	**585**	**1,494**
Capital expenditure – intangible assets	**1,936**	**757**	**—**	**2,693**	**539**	**3,232**
Capital expenditure – goodwill	**2,790**	**—**	**—**	**2,790**	**—**	**2,790**
Total	**5,469**	**903**	**20**	**6,392**	**1,124**	**7,516**

Year ended 30 April 2014

	Media Value Measurement £'000	Market Intelligence £'000	Marketing Performance Optimization £'000	Reportable Segments £'000	Unallocated £'000	Total £'000
Revenue	36,477	27,162	4,813	68,452	—	68,452
Operating profit before highlighted items	10,289	4,801	1,523	16,613	(5,274)	11,339
Total assets	51,685	40,878	7,955	100,518	7,041	107,559
Other segment information						
Capital expenditure – property, plant and equipment	170	332	1	503	1,242	1,745
Capital expenditure – intangible assets	1,863	559	1,192	3,614	267	3,881
Capital expenditure – goodwill	4,291	—	4,131	8,422	—	8,422
Total	6,324	891	5,324	12,539	1,509	14,048

2. SEGMENTAL REPORTING CONTINUED

A reconciliation of segment operating profit before highlighted items to total profit before tax is provided below:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Reportable segment operating profit before highlighted items	**17,576**	16,613
Unallocated costs:		
Staff costs	**(4,773)**	(4,685)
Property costs	**(404)**	(329)
Exchange rate movements	**(179)**	(51)
Other administrative expenses	**(491)**	(209)
Operating profit before highlighted items	**11,729**	11,339
Highlighted items (note 3)	**(5,913)**	(6,727)
Operating profit	**5,816**	4,612
Net finance costs	**(1,171)**	(1,191)
Share of profit of associates	**12**	19
Profit before tax	**4,657**	3,440

Unallocated costs comprise central costs that are not considered attributable to the segments.

A reconciliation of segment total assets to total consolidated assets is provided below:

	2015 £'000	2014 £'000
Total assets for reportable segments	**109,116**	100,518
Unallocated amounts:		
Property, plant and equipment	**1,450**	2,990
Other intangible assets	**954**	—
Other receivables	**985**	1,427
Cash and cash equivalents	**3,309**	1,453
Deferred tax asset	**1,236**	1,084
Investments in associates	**32**	87
Total assets	**117,082**	107,559

The table below presents revenue and non-current assets by geographical location:

	Year ended 30 April 2015		Year ended 30 April 2014	
	Revenue by location of customers £'000	Non-current assets £'000	Revenue by location of customers £'000	Non-current assets £'000
United Kingdom	**23,864**	**51,152**	21,587	52,043
Rest of Europe	**23,726**	**8,356**	24,880	4,800
North America	**17,227**	**6,185**	14,630	5,746
Rest of world	**9,057**	**10,807**	7,355	10,207
	73,874	**76,500**	68,452	72,796
Deferred tax assets	**—**	**1,408**	—	1,377
Total	**73,874**	**77,908**	68,452	74,173

No single customer (or group of related customers) contributes 10% or more of revenue.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

3. HIGHLIGHTED ITEMS

Highlighted items comprise non-cash charges and non-recurring items which are highlighted in the Income Statement because separate disclosure is considered relevant in understanding the underlying performance of the business.

	Year ended 30 April 2015			Year ended 30 April 2014		
	Cash £'000	**Non-cash £'000**	**Total £'000**	Cash £'000	Non-cash £'000	Total £'000
Administrative Expenses						
Recurring:						
Share option charge	**140**	**1,215**	**1,355**	—	337	337
Amortisation of purchased intangibles	**—**	**2,030**	**2,030**	—	1,873	1,873
	140	**3,245**	**3,385**	—	2,210	2,210
Non-recurring:						
Acquisition and integration costs	**1,730**	**—**	**1,730**	3,355	—	3,355
Refinancing costs	**404**	**—**	**404**	—	—	—
Facility amendment costs	**—**	**—**	**—**	103	—	103
Property costs	**394**	**—**	**394**	1,059	—	1,059
	2,528	**—**	**2,528**	4,517	—	4,517
Total highlighted items before tax	**2,668**	**3,245**	**5,913**	4,517	2,210	6,727
Deferred tax on tax losses	**—**	**—**	**—**	(80)	—	(80)
Taxation credit	**(309)**	**(846)**	**(1,155)**	(947)	(1,019)	(1,966)
Total highlighted items after tax	**2,359**	**2,399**	**4,758**	3,490	1,191	4,681

Amortisation of purchased intangibles relates to acquisitions made in the current financial year of £28,000 and to acquisitions made in prior years of £2,002,000.

Acquisition costs represent professional fees incurred in relation to acquisitions (£393,000) and adjustments to the fair value of deferred consideration (£548,000) resulting primarily from the strong performance of our recent acquisition in China (£608,000) offset by the net impact of a downward revision of deferred consideration combined with the foreign exchange impact (£60,000). Integration costs include certain one-off costs incurred whilst integrating the acquisitions made in the current and prior financial years into the Group's existing operations (£305,000). Also included are severance costs relating to rationalisation and restructure of senior management following these acquisitions (£225,000) as well as costs incurred in relation to the Market Intelligence strategic review which was undertaken by the Company (£160,000).

Refinancing costs represent professional fees incurred in relation to the refinancing initiative undertaken in July 2014.

Property costs represent the write-off of tangible fixed assets (£70,000) on a vacated property and costs associated with property moves in the UK and Australia (£324,000).

Current tax arising on the highlighted items is included as a cash item, while deferred tax on highlighted items is included as a non-cash item. Refer to note 7 for more detail.

Deferred consideration adjustments, within acquisition and integration costs, are included as a cash item.

As at 30 April 2015, £1,732,000 of the £2,668,000 cash highlighted items had been settled.

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Operating lease rentals		
— other	**54**	42
— land and buildings	**1,667**	2,170
Depreciation and amortisation (notes 10 and 11)	**3,764**	3,302
Research costs – expensed	**454**	775
Foreign exchange loss/(gain)	**694**	583

Auditors' remuneration

During the year the Group (including its overseas subsidiaries) obtained the following services from the Group's auditors as detailed below:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Fees payable to the Company's auditors for the audit of the parent company and consolidated financial statements	**73**	71
Fees payable to the Company's auditors and their associates for other services:		
— The audit of the Company's subsidiaries, pursuant to Legislation	**108**	109
— Other services	**22**	55
	203	235

5. EMPLOYEE INFORMATION

The monthly average number of employees employed by the Group during the year, including Executive Directors, was as follows:

	2015 No.	2014 No.
Media Value Measurement	**252**	216
Market Intelligence	**396**	391
Marketing Performance Optimization	**46**	34
IT development and support	**50**	55
Administration	**100**	88
Directors	**6**	9
	850	793

At 30 April 2015, the total number of employees of the Group was 885 (2014: 840).

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

5. EMPLOYEE INFORMATION CONTINUED

Staff costs for all employees, including Executive Directors, consist of:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Wages and salaries	**32,970**	30,706
Social security costs	**3,868**	3,463
Other pension costs	**924**	754
Share options charge	**1,392**	337
	39,154	35,260

Directors' Remuneration

Total directors' remuneration was £971,000 (£326,000 to the highest paid director) (2014: £1,201,000, £326,000 to the highest paid director) inclusive of performance bonuses, totalling £nil (2014: £50,000). Directors are eligible for cash bonuses as a percentage of base salary, dependent on individual and company performance against established financial targets.

No Directors were a member of a company pension scheme as at 30 April 2015 (2014: none). Contributions totalling £8,000 (2014: £21,000) were made to Directors' private pension schemes (£nil to the highest paid Director, 2014: £nil) during the year.

One Director exercised 60,280 share options during the year (2014: 1,430,049) (the highest paid Director exercised no share options, 2014: nil).

During the year 1,060,000 (2014: 650,000) share options were granted to Directors (800,000 to the highest paid Director, 2014: 350,000) under the Group's ESOP scheme, with vesting subject to the achievement of specific performance conditions established and monitored by the Remuneration Committee. See note 24 for more details.

During the year two Non-Executive Directors were appointed to the Board. No Directors resigned from the Board during the year (2014: five, all of whom received only contractual entitlements in termination payments).

See the Remuneration Report on pages 58 to 60 for more details.

6. FINANCE INCOME AND EXPENSES

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Finance income		
Bank interest	**8**	15
Finance income	**8**	15
Finance expenses		
Bank loans and overdraft interest	**(1,088)**	(1,131)
Loan fee amortisation	**(88)**	(75)
Finance lease interest	**(3)**	—
Finance expenses	**(1,179)**	(1,206)

7. TAXATION

	Year ended 30 April 2015			Year ended 30 April 2014		
	Before highlighted items £'000	Highlighted items £'000	Total £'000	Before highlighted items £'000	Highlighted items £'000	Total £'000
UK tax						
Current year	**570**	**(298)**	**272**	1,007	(860)	147
Adjustment in respect of prior year	**(798)**	**—**	**(798)**	(2)	—	(2)
	(228)	**(298)**	**(526)**	1,005	(860)	145
Foreign tax						
Current year	**2,079**	**(11)**	**2,068**	1,299	(87)	1,212
Adjustment in respect of prior year	**(399)**	**—**	**(399)**	(451)	—	(451)
	1,680	**(11)**	**1,669**	848	(87)	761
Total current tax	**1,452**	**(309)**	**1,143**	1,853	(947)	906
Deferred tax						
Origination and reversal of temporary differences (note 20)	**241**	**(846)**	**(605)**	188	(1,099)	(911)
Total tax charge/(credit)	**1,693**	**(1,155)**	**538**	2,041	(2,046)	(5)

The difference between tax as charged/(credited) in the financial statements and tax at the nominal rate is explained below:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Profit before tax	**4,657**	3,440
Corporation tax at 20.9% (2014: 22.8%)	**974**	785
Non-deductible taxable expenses/income	**460**	562
Overseas tax rate differential	**617**	409
Losses not relieved against other Group entities	**38**	43
Utilisation of previously unrecognised tax losses	**(115)**	(357)
Adjustment in respect of prior years	**(1,197)**	(453)
Other	**(239)**	(994)
Total tax charge	**538**	(5)

The applicable tax rate has decreased from 22.8% to 20.9% due to the reduction of the UK Corporation Tax rate to 20% in April 2015.

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8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Earnings for the purpose of basic earnings per share being net profit attributable to equity holders of the parent	**3,623**	3,024
Adjustments:		
Impact of highlighted items (net of tax)[1]	**4,723**	4,637
Earnings for the purpose of underlying earnings per share	**8,346**	7,661
Number of shares:		
Weighted average number of shares during the period		
— Basic	**75,820,669**	74,419,656
— Dilutive effect of share options	**2,084,430**	1,325,108
— Diluted	**77,905,099**	75,744,764
Basic earnings per share	**4.78p**	4.06p
Diluted earnings per share	**4.65p**	3.99p
Underlying basic earnings per share	**11.01p**	10.29p
Underlying diluted earnings per share	**10.71p**	10.11p

1 Highlighted items (see note 3), stated net of their total tax impact.

2 It is assumed that all contingent deferred consideration will be settled in cash; therefore, there is no dilutive effect.

9. GOODWILL

	Note	**£'000**
Cost and net book value		
At 1 May 2013		47,864
Adjustments in respect of a pre-acquisition period		34
Acquisitions		8,388
Foreign exchange differences		(1,165)
At 30 April 2014		55,121
Adjustments in respect of a pre-acquisition period		**3**
Acquisitions	28	**2,787**
Foreign exchange differences		**185**
At 30 April 2015		**58,096**

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill may be potentially impaired. Goodwill is allocated to the Group's cash-generating units (CGUs) in order to carry out impairment tests.

Goodwill has been allocated to the following segments:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Media Value Measurement	**27,337**	24,249
Market Intelligence	**24,886**	25,358
Marketing Performance Optimization	**5,873**	5,514
	58,096	55,121

9. GOODWILL CONTINUED

The impairment test involves comparing the carrying value of the CGU to which the goodwill has been allocated to the recoverable amount. The recoverable amount of all CGU's has been determined based on value in use calculations.

No impairment of goodwill was recognised in 2015 (2014: £nil).

Value in use calculations

The value in use calculations are based on assumptions regarding the discount rates, and revenue and cost growth rates. The Directors prepare a three-year pre-tax cash flow forecast based on the following financial year's budget as approved by the Board, with revenue and cost forecasts for the following two years adjusted by segment and geography. The forecast takes account of actual results from previous years combined with management expectations of market developments.

The Directors estimate discount rates using rates that reflect current market assessments of the time value of money and risk specific to the cash-generating units. The three year pre-tax cash flow forecasts have been discounted at 9.5% (2014: 9.15%).

Cash flows beyond the three year period are extrapolated at a rate of 2.0% (2014: 2.0%), which does not exceed the long-term average growth rate in any of the markets in which the Group operates.

The excess of the value in use to the goodwill carrying values for each CGU gives the level of headroom in each CGU.

Sensitivity analysis

Sensitivity analysis has been performed on the value in use calculation by changing the key assumptions applicable to each CGU.

The following sensitivities have been applied to the value in use assumptions:

- Increase in pre-tax discount rate to 10.5%
- Decrease in future cash flows by 10%

As a result of applying these sensitivities the following CGUs, which reside in the MI segment and have a combined carrying value of £24.2 million, have a value in use below recoverable value as set out below:

	Increase in discount rate £'000	Decrease in future cash flows £'000
Advertising UK, US and International	393	95
Reputation	124	61
Advertising Germany	327	300

A specific sensitivity analysis was applied to each of these CGUs to identify the size of any change in assumption required to indicate an impairment of goodwill:

	Adjustment to discount rate	Adjustment to future cash flows
Advertising UK, US and International	+0.7pp	−9.5pp
Reputation	+0.6pp	−8.5pp
Advertising Germany	+0.1pp	−1.8pp

The Directors consider that the results of the above sensitivity analysis combined with the actions management is taking to invest and improve the delivery platform within the MI segment (as detailed in the Strategic Report) means that there is no impairment of goodwill.

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10. OTHER INTANGIBLE ASSETS

	Capitalised development costs £'000	Computer software £'000	Purchased intangible assets £'000	Total intangible assets £'000
Cost				
At 1 May 2013	1,345	1,421	19,423	22,189
Additions	603	304	—	907
Acquisitions	—	1	2,973	2,974
Foreign exchange	—	(30)	(540)	(570)
At 30 April 2014	1,948	1,696	21,856	25,500
Additions	**1,057**	**615**	**—**	**1,672**
Acquisitions (note 28)	**—**	**1**	**1,559**	**1,560**
Disposals	**—**	**(21)**	**—**	**(21)**
Foreign exchange	**(8)**	**(97)**	**(156)**	**(261)**
At 30 April 2015	**2,997**	**2,194**	**23,259**	**28,450**
Amortisation				
At 1 May 2013	(673)	(904)	(7,453)	(9,030)
Charge for the year	(182)	(145)	(1,873)	(2,200)
Foreign exchange	—	27	129	156
At 30 April 2014	(855)	(1,022)	(9,197)	(11,074)
Charge for the year	**(281)**	**(204)**	**(2,030)**	**(2,515)**
Disposals	**—**	**21**	**—**	**21**
Foreign exchange	**—**	**85**	**211**	**296**
At 30 April 2015	**(1,136)**	**(1,120)**	**(11,016)**	**(13,272)**
Net Book Value				
At 30 April 2015	**1,861**	**1,074**	**12,243**	**15,178**
At 30 April 2014	1,093	674	12,659	14,426
At 1 May 2013	672	517	11,970	13,159

Amortisation is charged within administrative expenses so as to write off the cost of the intangible assets over their estimated useful lives. The amortisation of purchased intangible assets is included as a highlighted administrative expense.

Purchased intangible assets consist principally of customer relationships with a typical useful life of 10 years.

The Group holds assets under finance leases within computer software, with cost of £nil (2014: £624,000) and accumulated depreciation of £nil (2014: £213,000).

11. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles £'000	Fixtures, fittings and equipment £'000	Computer equipment £'000	Short leasehold land and buildings improvements £'000	Total £'000
Cost					
At 1 May 2013	30	1,595	4,779	1,092	7,496
Additions	25	246	903	571	1,745
Acquisitions	—	14	20	3	37
Disposals	(15)	—	(7)	—	(22)
Foreign exchange	(1)	(40)	(306)	(53)	(400)
At 30 April 2014	39	1,815	5,389	1,613	8,856
Additions	**17**	**112**	**953**	**377**	**1,459**
Acquisitions (note 28)	**—**	**11**	**24**	**—**	**35**
Disposals	**(14)**	**(298)**	**(351)**	**(914)**	**(1,577)**
Foreign exchange	**(5)**	**(56)**	**(142)**	**(27)**	**(230)**
At 30 April 2015	**37**	**1,584**	**5,873**	**1,049**	**8,543**
Depreciation					
At 1 May 2013	(14)	(857)	(3,372)	(709)	(4,952)
Charge for the year	(8)	(164)	(631)	(299)	(1,102)
Disposals	12	—	5	—	17
Foreign exchange	1	27	281	34	343
At 30 April 2014	(9)	(994)	(3,717)	(974)	(5,694)
Charge for the year	**(5)**	**(135)**	**(830)**	**(279)**	**(1,249)**
Acquisitions (note 28)	**—**	**(3)**	**(13)**	**—**	**(16)**
Disposals	**10**	**269**	**322**	**836**	**1,437**
Foreign exchange	**1**	**42**	**118**	**12**	**173**
At 30 April 2015	**(3)**	**(821)**	**(4,120)**	**(405)**	**(5,349)**
Net Book Value					
At 30 April 2015	**34**	**763**	**1,753**	**644**	**3,194**
At 30 April 2014	30	821	1,672	639	3,162
At 1 May 2013	16	738	1,407	383	2,544

The Group holds assets under finance leases within fixtures and fittings, with cost of £21,000 (2014: £21,000) and accumulated depreciation of £5,000 (2014: £nil).

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12. SUBSIDIARIES

Details of the Company's subsidiaries are set out below.

* Principal trading entity

† Shares held by an intermediate holding company

Subsidiary undertaking	Proportion of nominal value of issued ordinary shares held	Country of incorporation	Nature of business
Adtrack Limited	100%†	UK	Non-trading
AMMO Limited	100%†	UK	Non-trading
Axiology Limited	100%†	UK	Non-trading
Barsby Rowe Limited	100%†	UK	Non-trading
BCMG Acquisitions Limited	100%†	UK	Non-trading
BCMG Limited	100%	UK	Holding company
Billetts Consulting Limited	100%†	UK	Non-trading
Billetts International Limited	100%†	UK	Non-trading
Billetts Limited	100%†	UK	Non-trading
Billetts Marketing Investment Management Limited	100%†	UK	Non-trading
Billetts Marketing Sciences Limited	100%†	UK	Non-trading
Billetts Media Consulting Limited	100%†	UK	Non-trading
Brief Information Limited	100%†	UK	Non-trading
Checking Advertising Services Limited	100%	UK	Non-trading
China Media (Shanghai) Management Consulting Company Limited*	100%†	China	Media consultancy
China Media Consulting Group Limited	100%†	Hong Kong	Holding company
Data Management Services Group Limited	100%†	UK	Non-trading
Digireels Limited UK	100%†	UK	Non-trading
Ebiquity Asia Pacific Limited	100%†	UK	Holding company
Ebiquity Associates Limited*	100%	UK	Media monitoring and consultancy
Ebiquity Germany GmbH*	94.03%†	Germany	Media monitoring and consultancy
Ebiquity Holdings Inc.	100%	USA	Holding company
Ebiquity Inc.*	100%†	USA	Media monitoring and consultancy and reputation management
Ebiquity Italia S.r.l.*	51%†	Italy	Media consultancy
Ebiquity Pte. Limited*	100%†	Singapore	Media consultancy
Ebiquity Pty Limited*	100%†	Australia	Media monitoring and consultancy
Ebiquity Russia Limited*	50.1%†	UK	Media consultancy
Ebiquity Russia OOO*	50.1%†	Russia	Media consultancy
Ebiquity SAS*	80%†	France	Media consultancy
Ebiquity US Financing Limited	100%	UK	Non-trading
Ebiquity US Holdings Limited	100%†	UK	Holding company
Ebiquity US Holdings LLC	100%†	USA	Holding company
Echo Group Limited	100%	UK	Holding company
Echo Research Limited*	100%†	UK	Reputation management
Echo Research Pte Limited	100%	Singapore	Reputation management
Efficiency Elements SL*	100%†	Spain	Marketing effectiveness
Fairbrother Iberica and Partners SL*	65%†	Spain	Media consultancy
Fairbrother Lenz Eley Limited	100%†	UK	Non-trading

12. SUBSIDIARIES CONTINUED

Subsidiary undertaking	Proportion of nominal value of issued ordinary shares held	Country of incorporation	Nature of business
Faulkner Group Pty Limited	100%†	Australia	Non-trading
FirmDecisions ASJP Germany GmbH	100%†	Germany	Media consultancy
FirmDecisions Group Limited	100%	UK	Holding company
FirmDecisions ASJP LLC*	100%†	USA	Media consultancy
FirmDecisions ASJP Pty Limited*	100%†	Australia	Media consultancy
FirmDecisions Limited*	100%†	UK	Media consultancy
FLE Holdings Limited	100%	UK	Holding company
Fouberts Place Subsidiary No. 4 Limited	100%†	UK	Non-trading
Freshcorp Limited	100%†	UK	Non-trading
Media Value SL*	100%†	Spain	Media consultancy
Mediaadvantage Consulting L.d.a*	100%†	Portugal	Media consultancy
Nova Vision Europe S.A.	100%†	Belgium	Non-trading
Prominent Pages Limited	100%†	UK	Non-trading
Shots Limited	100%†	UK	Non-trading
Stratigent LLC*	100%†	USA	Multi-channel analytics consultancy
Telefoto Monitoring Services Limited	100%†	UK	Non-trading
The Billett Consultancy Limited	100%†	UK	Non-trading
The Communication Trading Company Limited	100%†	UK	Non-trading
The Press Advertising Register Limited	100%†	UK	Non-trading
The Register Group Limited	100%†	UK	Non-trading
Worldwide Media Management Limited	100%†	UK	Non-trading
Xtreme Information Limited	100%†	UK	Non-trading
Xtreme Information Services (Australia) Pty Limited	100%†	Australia	Non-trading
Xtreme Information Services Limited	100%	UK	Holding company
Xtreme Information Services SPRL	100%†	Belgium	Non-trading
Xtreme Information (USA) Limited	100%†	UK	Non-trading

13. INVESTMENT IN ASSOCIATES

	30 April 2015 £'000	30 April 2014 £'000
Aggregated amounts relating to associates		
Total assets	**200**	382
Total liabilities	**(142)**	(188)
Revenues	**526**	1,186
Profit	**24**	51
Opening balance	**87**	68
Disposals	**(67)**	—
Group's share of profit	**12**	19
Net investment in associates	**32**	87

The Group holds 50% in Fairbrother Marsh Company Limited (incorporated in Ireland) and held a 25% stake in SLiK Media Limited (incorporated in the United Kingdom) until 1 August 2014, when the Group sold its entire holding for cash of £68,000. A profit of £700 was made on the sale.

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14. TRADE AND OTHER RECEIVABLES

	30 April 2015 £'000	30 April 2014 £'000
Trade and other receivables due within one year		
Net trade receivables (note 25)	**17,390**	15,683
Other receivables	**921**	988
Prepayments	**1,716**	1,907
Accrued income	**9,852**	8,287
	29,879	26,865

The Directors consider that the carrying amount of trade and other receivables are reasonable approximations of their fair value.

15. CASH AND CASH EQUIVALENTS

	30 April 2015 £'000	30 April 2014 £'000
Cash and cash equivalents (excluding bank overdrafts)	**9,295**	6,521

The Group has certain legally enforceable rights of set off for cash and cash equivalents and bank overdrafts.

Cash and cash equivalents earn interest at between 0% and 1.5%.

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	30 April 2015 £'000	30 April 2014 £'000
Cash and cash equivalents	**9,295**	6,521
Bank overdrafts (note 18)	**(1,411)**	—
Cash and cash equivalents	**7,884**	6,521

16. TRADE AND OTHER PAYABLES

	30 April 2015 £'000	30 April 2014 £'000
Trade payables	**3,866**	4,989
Other taxation and social security	**2,660**	2,858
Other payables	**963**	523
	7,489	8,370

The Directors consider that the carrying amount of trade and other payables are reasonable approximations of their fair value.

17. ACCRUALS AND DEFERRED INCOME

	30 April 2015 £'000	30 April 2014 £'000
Accruals	**4,577**	3,437
Deferred income	**6,933**	7,401
	11,510	10,838

18. FINANCIAL LIABILITIES

	30 April 2015 £'000	30 April 2014 £'000
Current		
Bank overdraft	**1,411**	—
Bank borrowings	**2,411**	2,943
Finance lease liabilities	**4**	197
Derivative financial instrument – interest rate swaps	**—**	52
Contingent deferred consideration	**4,935**	4,555
	8,761	7,747
Non-current		
Bank borrowings	**31,880**	26,235
Finance lease liabilities	**13**	17
Derivative financial instrument – interest rate swaps	**—**	—
Contingent deferred consideration	**4,064**	4,108
	35,957	30,360
Total financial liabilities	**44,718**	38,107

Notes to the Consolidated Financial Statements

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18. FINANCIAL LIABILITIES CONTINUED

	Bank overdrafts £'000	Bank borrowings £'000	Finance lease liabilities £'000	Interest rate swaps £'000	Contingent deferred consideration £'000	Total £'000
At 1 May 2013	—	22,417	283	145	5,657	28,502
Recognised on acquisition	—	—	—	—	7,085	7,085
Additions	—	—	133	—	—	133
Utilised	—	—	(202)	—	(5,401)	(5,603)
Charged to the Income Statement	—	75	—	—	1,603	1,678
Charged to reserves	—	—	—	(93)	—	(93)
Borrowings	—	10,766	—	—	—	10,766
Repayments	—	(3,937)	—	—	—	(3,937)
Foreign exchange released to the Income Statement	—	(143)	—	—	(105)	(248)
Foreign exchange released to reserves	—	—	—	—	(176)	(176)
At 30 April 2014	—	29,178	214	52	8,663	38,107
Recognised on acquisition	**—**	**—**	**—**	**—**	**4,773**	**4,773**
Additions	**1,411**	**(360)**	**—**	**—**	**—**	**1,051**
Utilised	**—**	**—**	**(197)**	**—**	**(5,156)**	**(5,353)**
Charged to the Income Statement	**—**	**219**	**—**	**—**	**279**	**498**
Charged to reserves	**—**	**—**	**—**	**(52)**	**—**	**(52)**
Borrowings	**—**	**36,703**	**—**	**—**	**—**	**36,703**
Repayments	**—**	**(31,107)**	**—**	**—**	**—**	**(31,107)**
Foreign exchange released to the Income Statement	**—**	**(342)**	**—**	**—**	**269**	**(73)**
Foreign exchange released to reserves	**—**	**—**	**—**	**—**	**171**	**171**
At 30 April 2015	**1,411**	**34,291**	**17**	**—**	**8,999**	**44,718**

A currency analysis for the bank borrowings is shown below:

	30 April 2015 £'000	30 April 2014 £'000
Pound Sterling	**31,440**	26,052
US Dollar	**—**	1,068
Euro	**2,851**	2,058
Total bank borrowings	**34,291**	29,178

On 2 July 2014, the Group refinanced its banking facilities with Barclays and Royal Bank of Scotland ('RBS') and on 7 July 2014 drew down on these new facilities. The new committed facility, totalling £40,000,000, comprises a term loan of £10,000,000 (of which all was drawn on refinance and of which £8,125,000 remains outstanding at 30 April 2015 (2014: £9,798,000 of the old facility)) and a revolving credit facility ('RCF') of £30,000,000 (of which £20,757,000 was drawn on refinance and of which £26,451,000 remains outstanding at 30 April 2015 (2014: £13,959,000 of the old facility)). Both the term loan and the RCF have a maturity date of 2 July 2018. The £10,000,000 term loan is being repaid on a quarterly basis to maturity, and the drawn RCF and any further drawings under the RCF are repayable on maturity of the facility. The facility may be used for deferred consideration payments on past acquisitions, to fund future potential acquisitions, and for general working capital requirements.

18. FINANCIAL LIABILITIES CONTINUED

Loan arrangement fees of £285,000 (2014: £143,000 in relation to the old facility) are offset against the term loan, and are being amortised over the period of the loan. The remaining loan arrangement fees of £131,000 in relation to the old facility were written off on refinancing and are reflected in highlighted items.

The facility bears variable interest of LIBOR plus a margin of 2.50%. The margin rate is able to be lowered each quarter end from April 2015 depending on the Group's net debt to EBITDA ratio.

The undrawn amount of the revolving credit facility is liable to a fee of 40% of the prevailing margin. The Group may elect to prepay all or part of the outstanding loan subject to a break fee, by giving 5 business days' notice.

All amounts owing to the bank are guaranteed by way of fixed and floating charges over the current and future assets of the Group. As such, a composite guarantee has been given by all significant subsidiary companies in the UK, USA and Germany.

During the year, the Group held floating to fixed interest rate swaps against 50% of its original sterling denominated term loans under the old facility for the period from May 2012 to April 2015. These instruments matured on 30 April 2015.

Contingent deferred consideration represents additional amounts that are expected to be payable for acquisitions made by the Group and is held at fair value at the Statement of Financial Position date. All amounts are expected to be fully paid by August 2017.

All finance lease liabilities fall due within five years. The minimum lease payments and present value of the finance leases are as follows:

	Minimum lease payments	
	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Amounts due:		
Within one year	**6**	203
Between one and five years	**18**	27
	24	230
Less: finance charges allocated to future periods	**(7)**	(16)
Present value of lease obligations	**17**	214

The minimum lease payments approximate the present value of minimum lease payments.

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19. PROVISIONS

	Onerous property leases £'000	Dilapidations £'000	Total £'000
At 1 May 2013	69	656	725
Utilisation of provision	(731)	(67)	(798)
Released to income statement	—	(86)	(86)
Arising on acquisition	—	66	66
Increase in provision	853	321	1,174
Foreign exchange	—	(6)	(6)
At 30 April 2014	191	884	1,075
Utilisation of provision	**(141)**	**(308)**	**(449)**
Released to income statement	**—**	**(37)**	**(37)**
Increase in provision	**1**	**12**	**13**
Foreign exchange	**4**	**—**	**4**
At 30 April 2015	**55**	**551**	**606**
Current	**55**	**66**	**121**
Non-current	**—**	**485**	**485**

The onerous property lease obligations relate to properties that the Group has vacated where there is a shortfall between the head lease costs and sub-lease income, properties with excess vacant space and certain property leases held in acquired companies upon acquisition, where lease payments are payable above a fair market rate. The provision will be fully utilised by January 2016.

The dilapidations provision relates to the expected costs of vacating various properties. The provision is expected to be fully utilised by December 2020.

20. DEFERRED TAX

	Intangible assets £'000	Share-based payment £'000	Tax losses £'000	Other timing differences £'000	Total £'000
At 1 May 2013	(2,908)	1,015	89	113	(1,691)
Arising on acquisition	(934)	—	—	—	(934)
Credit/(charge) to income	954	(10)	(9)	(24)	911
Charge to equity	—	203	—	—	203
At 30 April 2014	(2,888)	1,208	80	89	(1,511)
Arising on acquisition	**(437)**	**—**	**—**	**—**	**(437)**
Credit/(charge) to income	**504**	**199**	**(80)**	**(18)**	**605**
Credit to equity	**—**	**(70)**	**—**	**—**	**(70)**
At 30 April 2015	**(2,821)**	**1,337**	**—**	**71**	**(1,413)**

20. DEFERRED TAX CONTINUED

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balance (after offset) for financial reporting purposes:

	30 April 2015 £'000	30 April 2014 £'000
Deferred tax assets – non-current	**1,408**	1,377
Deferred tax liabilities – non-current	**(2,821)**	(2,888)
	(1,413)	(1,511)

At the year end, the Group had tax losses of £nil (2014: £379,000) available for offset against future profits. A deferred tax asset of £nil (2014: £80,000) has been recognised in respect of such losses.

The Group has unrecognised tax losses of £nil (2014: £nil) and unrecognised deferred tax assets of £nil (2014: £nil) in relation to tax losses.

21. OPERATING LEASES

Operating leases – lessee

The Group had future aggregate minimum lease payments under non-cancellable operating leases at 30 April 2015 and 30 April 2014 which fall due as follows:

	30 April 2015		30 April 2014	
	Land and buildings £'000	**Other £'000**	Land and buildings £'000	Other £'000
Within one year	**1,784**	**61**	1,575	28
Between one and five years	**6,011**	**176**	6,477	27
After five years	**89**	**5**	1,405	—
	7,884	**242**	9,457	55

Operating leases – lessor

The Group sub-lets properties or parts of properties that have been vacated prior to the end of the lease term. Since the rents receivable over the lease terms are contracted to be less than the obligation to the head lessor, onerous lease provisions have been recognised (note 19). The sub-lease rental income for the year to 30 April 2015 was £2,000 (2014: £66,000).

The minimum aggregate future rent receivable under non-cancellable operating leases is as follows:

	30 April 2015 £'000	30 April 2014 £'000
Within one year	**—**	11
Between one and five years	**—**	—
	—	11

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

22. SHARE CAPITAL

	Number of shares	Nominal value £'000
Allotted, called up and fully paid		
At 1 May 2013 – ordinary shares of 25p	60,358,849	15,090
Issued to acquire share of minority in FLE France SAS	102,981	25
Share options exercised	1,226,420	307
Loan note conversion	13,802,861	3,451
At 30 April 2014 – ordinary shares of 25p	75,491,111	18,873
Issued to acquire share of minority in Ebiquity Germany GmbH	**966,413**	**241**
Share options exercised	**314,130**	**79**
At 30 April 2015 – ordinary shares of 25p	**76,771,654**	**19,193**

Ordinary shares carry voting rights and are entitled to share in the profits of the Company (dividends). At the year end 4,201,504 shares were held by the ESOP (2014: 4,215,052).

23. RESERVES

Share premium

The share premium reserve shows the amount subscribed for share capital in excess of the nominal value.

Convertible loan note reserve

The convertible loan notes were issued as part of the consideration for the acquisition of Xtreme Information Services Limited on 13 April 2010. The convertible loan notes were unsecured and had the right to convert into 13,802,861 ordinary shares. The convertible loan notes attracted interest equivalent to any dividends they would have received if they were converted into ordinary shares, and ranked *pari passu* with ordinary shares in the event of the winding up of the company.

In the prior year, the loan notes were converted into 13,802,861 ordinary shares, creating a transfer to share premium of £5,993,937.

Other reserves

Other reserves consists of the merger reserve, ESOP reserve, hedging reserve and translation reserve.

Merger reserve

The merger reserve arose on the issuance of shares at a premium on a group restructure, where the premium on issue qualified for merger relief. There has been no movement in the year.

ESOP reserve

The ESOP reserve represents the cost of own shares acquired in the Company by the Employee Benefit Trust ('EBT'). The purpose of the EBT is to facilitate and encourage the ownership of shares by employees, by acquiring shares in the Company and distributing them in accordance with employee share schemes. The EBT may operate in conjunction with the Company's existing share option schemes and other schemes that may apply from time to time.

Hedging reserve

The hedging reserve is used to record the effective portion of the movements in fair value of the Group's financial instruments that qualify for hedge accounting and are deemed to be effective hedges.

Translation reserve

The translation reserve arises on the translation into sterling of the net assets of the Group's foreign operations, offset by any changes in fair value of financial instruments used to hedge this exposure. At this time there are no hedges in place.

23. RESERVES CONTINUED

Retained earnings

The retained earnings reserve shows the cumulative net gains and losses recognised in the Consolidated Income Statement.

For detailed movements on each of the above reserves, refer to the Consolidated Statement of Changes in Equity.

24. SHARE-BASED PAYMENTS

Options outstanding at 30 April 2015:

Name of share option scheme	Life of option	Exercise period	Exercise price (pence)	Weighted average exercise price	Number
EMI and UCSOP scheme	10 years	May 2004 – August 2021	nil – 72p	39.3p	1,106,084
Executive Incentive Plan — 12 May 2010	10 years	May 2011 – May 2020	35p	35.0p	4,200,000
Executive Share Option Plan — 27 September 2012	10 years	Sept 2012 – Sept 2022	25 – 98p	75.3p	490,335
Executive Share Option Plan — 23 May 2013	10 years	May 2016 – May 2023	25p	25.0p	450,000
Executive Share Option Plan — 17 January 2014	10 years	May 2016 – January 2024	25p	25.0p	1,025,000
Executive Share Option Plan — 15 May 2014	10 years	May 2017 – April 2024	25p	25.0p	2,192,500
					9,463,919

Enterprise management incentive scheme (EMI Scheme)

The EMI scheme is a discretionary share option scheme, which provides that options with a value at the date of grant of up to £120,000 may be granted to employees. The EMI scheme provides a lock in incentive to key management and is also utilised to attract key staff. Rights to EMI share options lapse if the employee leaves the Company. There are no further performance conditions.

No options have been granted under this scheme since 13 April 2010 as the Group was, from that date, too large to qualify under the HMRC EMI scheme rules.

Unapproved company share option plan (UCSOP)

This is a discretionary scheme, which provides that options may be granted where employees are not eligible to the EMI scheme. The UCSOP provides a lock-in incentive to key management. Rights to UCSOP options lapse if the employee leaves the Company.

Executive Incentive Plan (EIP)

This is a discretionary scheme for the Directors of the Company. Vesting of the options was subject to the satisfaction of performance criteria designed to achieve growth of the business while at the same time maintaining and enhancing the underlying earnings per share over the period to 30 April 2013. The options would also vest immediately if the Group's share price averages £1.50 or greater for any 14 days during a six month period.

1,050,000 of the options granted on 12 May 2010 vested immediately and a further 875,000 had revenue based performance targets that have now been met in full. The remaining options granted under the EIP scheme had earnings per share targets that have also now been met in full. All exercised shares must be retained for a minimum of 12 months after vesting before they can be sold.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

24. SHARE-BASED PAYMENTS CONTINUED

Executive share option plan (ESOP)

This is a discretionary scheme, comprised of an HMRC approved schedule and an unapproved schedule. The ESOP provides a lock-in incentive to key management. Rights to ESOP options lapse if the employee leaves the Company.

On 27 September 2012, 878,443 options were awarded under the ESOP scheme. 150,000 of these options were issued to an Executive Director and have an exercise price of 25p. Vesting of these options will be subject to the satisfaction of performance criteria around the rate of growth of the diluted adjusted earnings per share over the three years ending 30 April 2015. On the basis of a reference EPS for the year ended 30 April 2012, options will vest based on a sliding scale of compound growth rates of between 5% and 15%.

The remaining 728,443 options issued on 27 September 2012 have a weighted exercise price of 95p and have no performance conditions attached.

On 23 May 2013, 780,000 options with an exercise price of 25p were awarded under the ESOP scheme. Vesting of these options will be subject to the satisfaction of performance criteria around the rate of growth of the diluted adjusted earnings per share over the three years ending 30 April 2016. On the basis of a reference EPS for the year ended 30 April 2013, options will vest based on a sliding scale of compound growth rates of between 5% and 15%.

On 17 January 2014, 1,025,000 options with an exercise price of 25p were awarded under the ESOP scheme. 650,000 of these options were issued to Executive Directors. Vesting of these options will be subject to the satisfaction of performance criteria around the rate of growth of the diluted adjusted earnings per share over the three years ending 30 April 2016. On the basis of a reference EPS for the year ended 30 April 2013, options will vest based on a sliding scale of compound growth rates of between 5% and 15%.

On 15 May 2014, 1,725,000 options with an exercise price of 25p were awarded under the ESOP scheme. 560,000 of these options were issued to Executive Directors. Vesting of these options will be subject to the satisfaction of performance criteria around the rate of growth of the diluted adjusted earnings per share over the three years ending 30 April 2017. On the basis of a reference EPS for the year ended 30 April 2014, options will vest based on a sliding scale of compound growth rates of between 4% and 10%.

Also on 15 May 2014, a one-off award of 500,000 options was made to an Executive Director in recognition of his continued service through to retirement. These options will vest according to the rate of annual growth, in the range between 4% and 12%, in the Total Shareholder Returns ('TSR') over the three years ending 30 April 2017.

The following share options were outstanding at 30 April 2015 and 30 April 2014:

	30 April 2015		30 April 2014	
	Number of share options	**Weighted average exercise price (pence)**	Number of share options	Weighted average exercise price (pence)
Outstanding at beginning of year	**7,905,210**	**37.5**	8,059,449	38.2
Granted during the year	**2,225,000**	**25.0**	1,805,000	25.0
Exercised during the year	**(327,678)**	**57.4**	(1,660,042)	23.5
Forfeited during the year	**(338,613)**	**42.5**	(299,197)	57.5
Outstanding at the end of the year	**9,463,919**	**33.7**	7,905,210	37.5
Exercisable at the end of the year	**5,658,089**	**37.8**	5,584,162	38.0

The weighted average share price on the dates of exercise for options exercised during the year was 110p (2014: 122p).

The options outstanding at the end of the year have a weighted average remaining contractual life of 6.6 years (2014: 6.9 years), with a range of exercise prices being between nil and 98p. Options exercised in the year resulted in 327,678 shares (2014: 1,660,042 shares) being issued at a weighted average price of 57p each (2014: 24p).

24. SHARE-BASED PAYMENTS CONTINUED

During the year, share options were granted with a weighted average fair value of 104p (2014: 83p). These fair values were calculated using the Black–Scholes model with the following inputs:

	30 April 2015	30 April 2014
Weighted average share price	**128.5p**	94p to 118.5p
Exercise price	**25p**	25p
Expected volatility[1]	**20%**	20%
Vesting period	**3 years**	2 to 3 years
Risk-free interest rates	**1.16%**	0.46% to 0.76%

1 Expected volatility is based on historical volatility of the Company over the period commensurate with the expected life of the options.

No dividend was paid during the current or previous financial years. A dividend in respect of the year ended 30 April 2015 is expected to be proposed at the Annual General Meeting (see note 26).

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Market risk
  - Interest rate risk
  - Currency risk
- Liquidity risk

CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The following table sets out the categories of financial instruments held by the Group. All of the Group's financial assets and liabilities are measured at amortised cost, except forward currency contracts and interest rate swaps, which are held as hedging derivatives.

FINANCIAL ASSETS

	30 April 2015 £'000	30 April 2014 £'000
Current financial assets		
Loans and receivables:		
Trade and other receivables[2]	**18,324**	16,671
Cash and cash equivalents	**9,295**	6,521
Total financial assets	**27,619**	23,192

2 Trade and other receivables includes net trade receivables and other receivables and excludes prepayments and accrued income.

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT CONTINUED

FINANCIAL LIABILITIES

	30 April 2015 £'000	30 April 2014 £'000
Current financial liabilities		
Other financial liabilities at amortised cost:		
Trade and other payables[1]	4,830	5,512
Accruals	4,577	3,437
Bank overdrafts	1,411	—
Finance lease liabilities	4	197
Loans and borrowings	2,410	2,943
Derivatives used for hedging:		
Interest rate swaps	—	52
Liabilities at fair value through profit and loss:		
Contingent deferred consideration	4,722	4,555
	17,954	16,696
Non-current financial liabilities		
Other financial liabilities at amortised cost:		
Loans and borrowings	31,881	26,235
Finance lease liabilities	13	17
Derivatives used for hedging:		
Interest rate swaps	—	—
Liabilities at fair value through profit and loss:		
Contingent deferred consideration	4,021	4,108
	35,915	30,360
Total financial liabilities	53,869	47,056

[1] Trade and other payables includes trade payables and other creditors and excludes other taxation and social security.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports from the Group's finance function through which it reviews the effectiveness of the processes put in place and the appropriateness of the policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations.

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT CONTINUED

Trade receivables

The Group operates in an industry where most of its customers are reputable and well-established multinational or large national businesses. When the credit worthiness of a new customer is in doubt, credit limits and payment terms are established and authorised by the Chief Financial Officer. The Group will suspend the services provided to customers who fail to meet the terms and conditions specified in their contract where it is deemed necessary.

The credit control function of the Group monitors outstanding debts of the Group. Debtor reports are reviewed and analysed on a regular basis. Trade receivables are analysed by the aging and value of the debts. Customers with any overdue debts are contacted for payment and progress is tracked on a credit control report.

There is no concentration of credit risk within the Group. The maximum credit risk exposure relating to financial assets is represented by the carrying values as at the year end.

The Directors consider that the carrying amount of trade and other receivables are reasonable approximations of their fair value.

Financial assets past due but not impaired

The following is an analysis of the Group's trade receivables identifying the totals of trade receivables which are past due but not impaired:

	Total £'000	Past due + 30 days £'000	Past due + 60 days £'000
At 30 April 2015	**6,144**	**2,804**	**3,340**
At 30 April 2014	6,066	3,142	2,924

The following is an analysis of the Group's provision against trade receivables:

	30 April 2015			30 April 2014		
	Gross value £'000	**Provision £'000**	**Carrying value £'000**	Gross value £'000	Provision £'000	Carrying value £'000
Trade receivables	**17,508**	**(118)**	**17,390**	15,860	(177)	15,683

The Group records impairment losses on its trade receivables separately from the gross amounts receivable. Impaired receivables are provided against based on expected recoverability. The movements on this allowance during the year are summarised below:

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Opening balance	**177**	227
Increase in provision	**159**	84
Recognised on acquisition	**—**	3
Written off against provision	**(207)**	(116)
Recovered amount reversed	**(7)**	(7)
Foreign exchange	**(4)**	(14)
Closing balance	**118**	177

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT CONTINUED

Market risk

Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments. There is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk

The Group is exposed to interest rate risk from bank loans and a revolving credit facility.

Interest rate risk is mitigated through the use of floating to fixed interest rate swaps. In the financial year ended 30 April 2012, the Group swapped 100% of its sterling and US dollar denominated term loan into fixed rate borrowings for the period from May 2012 to April 2015.

To illustrate the Group's exposure to interest rate risk, a 0.5% increase/decrease in the rate applied to the Group's borrowings would have resulted in a post-tax movement of £128,000 (2014: £61,000).

Currency risk

The Group is exposed to currency risk on foreign currency trading and intercompany balances, and also on the foreign currency bank accounts which it holds. These risks are offset by the holding of certain foreign currency bank borrowings. The translation of the assets and liabilities of the Group's overseas subsidiaries represents a risk to the Group's equity balances.

The Group's exposure to currency risk at the year end can be illustrated by the following:

	30 April 2015		30 April 2014	
	Increase in profit before tax £'000	**Increase in equity £'000**	Increase in profit before tax £'000	Increase in equity £'000
10% strengthening of USD	**197**	**4,328**	321	1,402
10% strengthening of EUR	**(7)**	**1,131**	353	837
10% strengthening of AUD	**(23)**	**502**	(31)	481

An equal weakening of any currency would broadly have the opposite effect.

The currency profile of the financial assets at 30 April 2015 is as follows:

	Cash and cash equivalents		**Gross trade receivables**	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Pound Sterling	**4,916**	1,734	**5,647**	4,470
US Dollar	**1,873**	1,871	**4,679**	4,903
Euro	**1,647**	2,131	**5,686**	4,978
Australian Dollar	**169**	336	**944**	1,001
Russian Rouble	**148**	220	**145**	240
Singapore Dollar	**—**	—	**50**	—
Hong Kong Dollar	**—**	2	**—**	—
Chinese Renminbi	**542**	227	**341**	268
New Zealand Dollar	**—**	—	**16**	—
	9,295	6,521	**17,508**	15,860

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT CONTINUED

Other price risks

The Group does not have any material exposure to other price risks.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments, the risk being that the Group may not meet its financial obligations as they fall due.

The liquidity risk of each group company is managed centrally by the Group. All surplus cash in the UK is held centrally to maximise the returns on deposits through economies of scale. The type of cash instrument used and its maturity date will depend on the Group's forecast cash requirements. Throughout the year the Group maintained a draw down facility with the Bank of Ireland and Barclays, and after the refinance with Barclays and Royal Bank of Scotland ('RBS') (see note 18) to manage any short-term cash requirements. At 30 April 2015 £2,549,000 (2014: £nil) was undrawn. The facility expires in July 2018 at which point drawn down amounts will be repayable.

It is a condition of the borrowings that the Group pass various covenant tests on a quarterly basis and the Group Finance team regularly monitors the Group forecasts to ensure they are not breached.

The following table illustrates the contractual maturity analysis of the Group's financial liabilities.

	Within one year £'000	One to five years £'000	Total £'000
At 30 April 2015			
Trade and other payables	**4,830**	**—**	**4,830**
Accruals	**4,577**	**—**	**4,577**
Finance lease liabilities	**6**	**18**	**24**
Bank loans and overdrafts	**5,101**	**33,742**	**38,843**
Contingent deferred consideration	**4,722**	**4,021**	**8,743**
Total financial liabilities	**19,236**	**37,781**	**57,017**
Less: finance charges allocated to future periods	**(1,282)**	**(1,866)**	**(3,148)**
Present value	**17,954**	**35,915**	**53,869**
At 30 April 2014			
Trade and other payables	5,512	—	5,512
Accruals	3,437	—	3,437
Finance lease liabilities	203	27	230
Interest rate swaps	52	—	52
Bank loans and overdrafts	4,152	27,341	31,493
Contingent deferred consideration	4,555	4,108	8,663
Total financial liabilities	17,911	31,476	49,387
Less: finance charges allocated to future periods	(1,215)	(1,116)	(2,331)
Present value	16,696	30,360	47,056

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

25. FINANCIAL INSTRUMENT RISK EXPOSURE AND MANAGEMENT CONTINUED

FAIR VALUE MEASUREMENT

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
At 30 April 2015				
Financial liabilities				
Contingent deferred consideration	**—**	**—**	**8,743**	**8,743**
	—	**—**	**8,743**	**8,743**
At 30 April 2014				
Financial liabilities				
Interest rate swaps	—	52	—	52
Contingent deferred consideration	—	—	8,663	8,663
	—	52	8,663	8,715

Refer to note 18 for a reconciliation of movements during the year.

Capital disclosures

The Group considers its capital to comprise of its ordinary share capital, share premium, convertible loan notes, non-controlling interests, reserves and accumulated retained earnings.

The Group's objective when maintaining capital is to safeguard the entity's ability to continue as a going concern so that it can continue to invest in the growth of the business and ultimately to provide an adequate return to its shareholders. The Directors believe the Group has sufficient capital to continue trading in the foreseeable future. Refer to note 22 and note 23 for a breakdown of the Group's capital.

26. DIVIDENDS

No dividend was paid to shareholders during the current or previous financial years. A dividend of 0.4p per share in respect of the year ended 30 April 2015 is to be proposed at the Annual General Meeting on 15 September 2015. These financial statements do not reflect this proposed dividend payable.

Dividends were paid to non-controlling interests as shown in the Consolidated Statement of Changes in Equity.

27. CASH GENERATED FROM OPERATIONS

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Profit before taxation	**4,657**	3,440
Adjustments for:		
Depreciation (note 11)	**1,249**	1,102
Amortisation (note 10)	**2,515**	2,200
Finance costs – loan fees written off (note 3)	**131**	—
Interest rate swap closure	**29**	—
Profit on disposal	**(1)**	—
Unrealised foreign exchange loss	**208**	814
Share option charges (note 3)	**1,215**	337
Finance income (note 6)	**(8)**	(15)
Finance expenses (note 6)	**1,179**	1,206
Share of profit of associates (note 13)	**(12)**	(19)
Contingent deferred consideration revaluations	**548**	1,603
	11,710	10,668
Increase in trade and other receivables	**(2,270)**	(3,467)
Decrease in trade and other payables	**(1,040)**	(692)
Movement in provisions	**(473)**	290
Cash generated from operations	**7,927**	6,799

28. ACQUISITIONS

Media Value SL Group ('Media Value')

On 26 February 2015, the Group acquired the entire issued share capital of Media Value SL, the Spain incorporated holding company of the Media Value SL Group ('Media Value'). The initial cash consideration was EUR 743,000 (£545,000). Additional consideration is payable dependent on future performance during the three financial years ending 30 April 2016 and will be paid in cash. The maximum total consideration payable is EUR 6,000,000 (£4,398,000).

Media Value contributed £453,000 to revenue and £218,000 to profit before tax for the period between the date of acquisition and the year end.

The carrying value and the fair value of the net assets at the date of acquisition were as follows:

	Carrying value £'000	**Recognised on acquisition £'000**
Customer relationships	—	1,559
Property, plant and equipment and computer software	20	20
Trade and other receivables	789	789
Cash and cash equivalents	122	122
Trade and other payables	(980)	(980)
Deferred tax liability	—	(437)
Net assets acquired	**(49)**	**1,073**
Goodwill arising on acquisition		2,787
		3,860

Notes to the Consolidated Financial Statements

for the year ended 30 April 2015

28. ACQUISITIONS CONTINUED

The fair value of trade and other receivables includes trade receivables with a fair value and gross contractual value of £576,000.

The goodwill is attributable to the assembled workforce, expected synergies and other intangible assets, which do not qualify for separate recognition.

Purchase consideration:

	£'000
Cash	545
Contingent deferred consideration	3,315
Total purchase consideration	**3,860**

The fair value of contingent deferred consideration payable is based on EBIT for the years ended 30 April 2014, 30 April 2015 and 30 April 2016. The potential range of future payments that Ebiquity plc could be required to make under the contingent consideration arrangement is between £nil and £3,854,000 and will be paid in cash. All contingent deferred consideration payments are expected to be paid by August 2016.

Transactions with non-controlling interests

On 7 May 2014, the 5% minority shareholder of the Group's subsidiary undertaking, Billetts America LLC, exercised their option to increase their shareholding to 15%. The Group then acquired the remaining 15% in Billetts America LLC from the minority shareholder. The consideration payable for these interests is dependent on the performance of the business of Billetts America LLC during the three financial years ending 30 April 2015.

On 13 February 2015, the Group increased its interest in Ebiquity Germany GmbH to 94.03% through the issue of 966,413 shares in Ebiquity plc.

Disposals

On 16 July 2014, the Group sold its 50% investment in FLE Latam SAS (registered in Colombia) for cash of $1,000 (approximately £600). A profit of £600 was made on the sale.

On 1 August 2014, the Group sold its 25% investment in its associate company SLiK Media (incorporated in the United Kingdom) for cash of £68,000. A profit of £700 was made on the sale.

If all of the above transactions had been completed on 1 May 2014, Group revenue would have been £75,668,000 and Group operating profit before highlighted items would have been £12,062,000, before any potential synergistic benefits are taken into account.

None of the goodwill arising from the acquisitions in the year is expected to be tax deductible.

29. CONTINGENT LIABILITIES

The Group is subject to claims and litigation arising in the ordinary course of business and provision is made where liabilities are considered likely to arise on the basis of current information and legal advice.

30. RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries (note 12), its associates (note 13), key management personnel, and with close family members of these individuals.

Transactions between the Company and its subsidiaries, or between subsidiaries, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

Compensation of key management personnel

The remuneration of the Directors, who are considered to be the key management personnel of the Group, is set out in note 5.

There were no post-employment or other long-term benefits other than contributions to private pension schemes.

Transactions with companies related to key management personnel

Costs of £1,000 (2014: £1,000) for a membership subscription were charged to the Company by The Quoted Companies Alliance, who has a common director with the Company.

Costs of £40,000 (2014: £42,000) for public relations consultancy were charged to the Company by Instinctif Partners Limited, who has a common director with the Company.

As at the year end, £10,000 (2014: £21,000) was owed to Instinctif Partners Limited and £nil (2014: £1,000) was owed to The Quoted Companies Alliance.

On 7 May 2014, the 5% minority shareholder of the Group's subsidiary undertaking, Billetts America LLC, exercised their option to increase their shareholding to 15%. The Group then acquired the remaining 15% in Billetts America LLC from the minority shareholder. The minority shareholder was PJ Leary, the Chairman of Ebiquity North America. The consideration payable for these interests is dependent on the performance of the business of Billetts America LLC during the three financial years ending 30 April 2015.

On 13 February 2015, the Group increased its interest in Ebiquity Germany GmbH to 94.03% through the issue of 966,413 shares in Ebiquity plc. This minority shareholding was acquired from Dietmar Kruse, the CEO of Continental Europe.

Transactions with associates

Costs of £nil (2014: £1,000) were charged to Fairbrother Lenz Eley Limited from SLiK Media during the year.

As at the year end £nil was owed to or by any associate companies.

31. EVENTS AFTER THE REPORTING PERIOD

There have been no events after the reporting period requiring disclosure.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EBIQUITY PLC

REPORT ON THE COMPANY FINANCIAL STATEMENTS

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 April 2015;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The company financial statements (the "financial statements"), which are prepared by Ebiquity plc, comprise:

- the company balance sheet as at 30 April 2015; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Accounts (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 61, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER MATTER

We have reported separately on the group financial statements of Ebiquity plc for the year ended 30 April 2015.

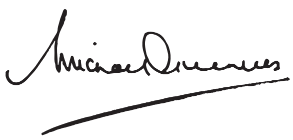
Simon O'Brien (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 July 2015

Company Balance Sheet

as at 30 April 2015
Company number: 03967525

	Note	30 April 2015 £'000	30 April 2014 £'000
Fixed assets			
Intangible assets	4	**269**	—
Tangible fixed assets	5	**40**	—
Investments	6	**78,298**	74,970
		78,607	74,970
Current assets			
Debtors	7	**11,131**	12,226
Cash at bank and in hand		**—**	164
		11,131	12,390
Creditors: amounts falling due within one year	8	**(5,110)**	(5,104)
Provisions for liabilities	10	**—**	(3,363)
Derivative financial liabilities	11	**—**	(52)
Net current assets		**6,021**	3,871
Total assets less current liabilities		**84,628**	78,841
Creditors: amounts falling due after more than one year	9	**(52,440)**	(44,580)
Provisions for liabilities	10	**—**	—
Derivative financial liabilities	11	**—**	—
Net assets		**32,188**	34,261
Capital and Reserves			
Called up share capital	12	**19,193**	18,873
Share premium	14	**11,657**	10,750
Convertible loan note reserve	14	**—**	—
Other reserves	14	**746**	746
ESOP reserve	14	**(1,479)**	(1,482)
Hedging reserve	14	**—**	(52)
Profit and loss account	14	**2,071**	5,426
Total Shareholders' funds	13	**32,188**	34,261

The financial statements on pages 110 to 118 were approved and authorised for issue by the Board of Directors on 27 July 2015 and were signed on its behalf by:



Michael Greenless
Director

Andrew Beach
Director

The notes on pages 111 to 118 form part of these financial statements.

Notes to the Company Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES

BASIS OF PREPARATION

The separate financial statements of the Company are presented as required by the Companies Act 2006. They have been prepared on a going concern basis under the historical cost convention except for revaluation of certain financial instruments as required by FRS 26, and in accordance with United Kingdom Generally Accepted Accounting Practice and applicable accounting standards and law.

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below.

Investments

Investments held as fixed assets are held at cost less any provision for impairment.

Where the purchase consideration for the acquisition of an interest in a subsidiary is contingent on one or more future events, the cost of investment includes a reasonable estimate of the fair value of the amounts of consideration that are expected to be payable in the future. The cost of investment and the contingent consideration liability is adjusted until the ultimate payable is known.

Share-based payments

The Company issues equity-settled share-based payments only. These are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, with a corresponding credit to equity, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

For share options without performance conditions, fair value is measured by use of the Black–Scholes Model. The expected life used in the model has been adjusted, based on management's best estimates, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Where share options granted to employees are subject to market and non-market based performance conditions, the fair value for these options is determined by an independent financial adviser using an approved pricing model.

In accordance with the first-time adoption exemptions available, FRS 20 has only been applied to all grants of options after 7 November 2002 that had not vested at 1 February 2005.

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity financial statements. This is referred to as the UITFF 44 Group and Treasury Share Transactions' adjustment.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Intangible assets

Computer software

Purchased computer software intangible assets are amortised on a straight-line basis over their useful lives which vary from 4 to 5 years.

Notes to the Company Financial Statements

for the year ended 30 April 2015

1. ACCOUNTING POLICIES CONTINUED

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives and is recognised in the Income Statement within administrative expenses. The rates generally applicable are:

Fixtures, fittings and equipment	20% per annum straight-line
Computer equipment	25% straight-line

Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

The Company classifies its financial assets as 'loans and receivables'. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Financial liabilities

Financial liabilities are initially recognised at fair value. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Balance Sheet. 'Finance expense' in this context includes initial transaction costs as well as any interest or coupon payable while the liability is outstanding.

Forward currency contracts and interest rate swaps are carried at fair value with changes in fair value being reflected in comprehensive income, and are classified within other financial assets and liabilities as appropriate.

The convertible loan notes in the prior year possess all the characteristics of an equity instrument and have therefore been classified as such.

Bank borrowings

Interest bearing borrowings are initially recognised at fair value net of transaction costs incurred and subsequently measured at amortised cost. Finance charges are recognised in the Profit and Loss account over the period of the borrowings using the effective interest rate method.

Loan fees relating to the bank borrowings are capitalised against the loan and amortised over the period of the borrowings to which they relate.

The revolving credit facility is considered to be a long-term loan.

Derivative financial instruments

The Company uses derivative financial instruments to reduce its exposure to foreign exchange and interest rate movements. The Company does not hold or issue derivative financial instruments for trading purposes but derivatives that do not qualify for hedge accounting are accounted for at fair value through the Profit and Loss account. Derivative financial instruments are initially recognised at fair value at the contract date and continue to be stated at fair value at the Balance Sheet date with gains and losses on revaluation being recognised immediately in the Profit and Loss account.

1. ACCOUNTING POLICIES CONTINUED

Cash flow hedges are used to hedge against fluctuations in future cash flows on the Company's debt funding due to movements in interest rates, and on certain foreign currency trade debtor balances in the Group. When a cash flow hedge is employed and hedge accounting applied, the effective portion of the change in the fair value of the hedging instrument is recognised directly in reserves (hedging reserve) until the gain or loss on the hedged item is realised. Any ineffective portion is always recognised in the Profit and Loss account.

The fair value of derivatives is determined by reference to market values for similar instruments.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle that obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the year end date. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate which reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligations.

Pension costs

For defined contribution pension schemes, the Company pays contributions to privately administered pension plans on a voluntary basis. The Company has no further payment obligations once the contributions have been paid. Contributions are charged to the Profit and Loss account in the year to which they relate.

Foreign currency transactions

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period.

All transactions involving foreign exchange gains and losses are dealt with through the Profit and Loss account as and when they arise.

Finance income and expenses

Finance income and expense represents interest receivable and payable. Finance income and expense is recognised on an accruals basis, based on the interest rate applicable to each bank or loan account.

Cash flow statement

The Company has not presented a cash flow statement. The cash flow statement has been presented in the Group financial statements.

Related party transactions

In accordance with FRS 8 Related Party Disclosures, the Company is exempt from disclosing transactions with wholly owned entities that are part of the Ebiquity plc Group, or investees of the Group, or investees of the Group qualifying as related parties, as it is a parent company publishing consolidated financial statements.

Employee Share Ownership Plan (ESOP)

As the Company is deemed to have control of its ESOP trust, it is treated as a subsidiary and consolidated for the purposes of the Group financial statements. The ESOP's assets (other than investments in the Company's shares), liabilities, income and expenses are included on a line-by-line basis in the Company financial statements. The ESOP's investment in the Company's shares is deducted from shareholders' funds in the Company Balance Sheet as if they were treasury shares, except that profits on the sale of ESOP shares are not credited to the share premium account.

Notes to the Company Financial Statements

for the year ended 30 April 2015

2. COMPANY RESULTS FOR THE YEAR

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 not to present its own Profit and Loss account in these financial statements. The Company acts as a holding company.

The movement in reserves of the Company includes a loss of £4,603,000 (2014: profit of £4,264,000).

3. OPERATING PROFIT

Auditors' remuneration

Fees for the audit of the Company are £3,000 (2014: £2,000). Fees paid to the Company's auditors for services other than the statutory audit of the Company are disclosed in the consolidated financial statements.

4. INTANGIBLE ASSETS

	Computer software £'000	Total £'000
Cost		
At 1 May 2014	—	—
Additions	**312**	**312**
At 30 April 2015	**312**	**312**
Depreciation		
At 1 May 2014	—	—
Charge for the year	**(43)**	**(43)**
At 30 April 2015	**(43)**	**(43)**
Net Book Value		
At 30 April 2015	**269**	**269**
At 30 April 2014	—	—

5. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £'000	Computer equipment £'000	Total £'000
Cost			
At 1 May 2014	—	—	—
Additions	**1**	**46**	**47**
At 30 April 2015	**1**	**46**	**47**
Depreciation			
At 1 May 2014	—	—	—
Charge for the year	**—**	**(7)**	**(7)**
At 30 April 2015	**—**	**(7)**	**(7)**
Net Book Value			
At 30 April 2015	**1**	**39**	**40**
At 30 April 2014	—	—	—

6. INVESTMENTS

	£'000
Cost and net book value	
At 1 May 2014	74,970
Additions	**3,328**
At 30 April 2015	**78,298**

The additions relate to additional investment in Ebiquity US Financing Limited (£1,992,000) in relation to the US restructuring, additional investment in Ebiquity Associates Limited (£1,038,000) in relation to the minority buyout of Ebiquity Germany GmbH and the UITF 44 'Group and Treasury Share Transactions' adjustment (£298,000).

The Company's principal trading subsidiaries and associated undertakings are listed in note 12 of the consolidated financial statements.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

7. DEBTORS

	2015 £'000	2014 £'000
Amounts owed by group undertakings	**10,905**	12,079
Other debtors	**9**	65
Prepayments	**217**	82
	11,131	12,226

Included within the amounts owed by group undertakings above is an amount which is unsecured, earns interest at 3% above EURIBOR, has no fixed date of repayment and is repayable on demand.

Also included within the amounts owed by group undertakings above is an amount which is unsecured, earns interest at 2.65% above LIBOR, has no fixed date of repayment and is repayable on demand.

The residual amounts due by group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Bank loans and overdrafts	**3,819**	2,943
Trade creditors	**662**	913
Other taxation and social security	**30**	373
Other creditors	**—**	1
Accruals	**599**	874
	5,110	5,104

Notes to the Company Financial Statements

for the year ended 30 April 2015

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £'000	2014 £'000
Bank loans and overdrafts – between 2 and 5 years	**31,881**	26,235
Amounts owed to group undertakings	**20,559**	18,345
	52,440	44,580

On 2 July 2014, the Group refinanced its banking facilities with Barclays and Royal Bank of Scotland ('RBS') and on 7 July 2014 drew down on these new facilities. The new committed facility, totalling £40,000,000, comprises a term loan of £10,000,000 (of which all was drawn on refinance and of which £8,125,000 remains outstanding at 30 April 2015 (2014: £9,798,000 of the old facility)) and a revolving credit facility ('RCF') of £30,000,000 (of which £20,744,000 was drawn on refinance and of which £26,451,000 remains outstanding at 30 April 2015 (2014: £13,959,000 of the old facility)). Both the term loan and the RCF have a maturity date of 2 July 2018. The £10,000,000 term loan is being repaid on a quarterly basis to maturity, and the drawn RCF and any further drawings under the RCF are repayable on maturity of the facility. The facility may be used for deferred consideration payments on past acquisitions, to fund future potential acquisitions, and for general working capital requirements.

Loan arrangement fees of £285,000 (2014: £143,000 in relation to the old facility) are offset against the term loan, and are being amortised over the period of the loan. The remaining loan arrangement fees of £131,000 in relation to the old facility were written off on refinancing and are reflected in highlighted items.

The facility bears variable interest of LIBOR plus a margin of 2.50%. The margin rate is able to be lowered each quarter end from April 2015 depending on the Group's net debt to EBITDA ratio.

The undrawn amount of the revolving credit facility is liable to a fee of 40% of the prevailing margin. The Group may elect to prepay all or part of the outstanding loan subject to a break fee, by giving 5 business days' notice.

All amounts owing to the bank are guaranteed by way of fixed and floating charges over the current and future assets of the Group. As such, a composite guarantee has been given by all significant subsidiary companies in the UK, USA and Germany.

Included within amounts due to subsidiaries above is an amount which is unsecured, incurs interest at 6%, has no fixed date of repayment and is repayable on demand.

The residual amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. No repayments are expected to be made in the next 12 months therefore the balance is considered to be due after 1 year.

10. PROVISIONS FOR LIABILITIES

	2015 £'000	2014 £'000
Provisions for liabilities	—	3,363
	—	3,363

	Contingent deferred consideration £'000	**Total £'000**
At 1 May 2013	4,721	4,721
Utilised	(2,733)	(2,733)
Released to the Profit and Loss account	1,375	1,375
At 1 May 2014	3,363	3,363
Utilised	**(3,363)**	**(3,363)**
At 30 April 2015	—	—

Provision for liabilities relates to contingent deferred consideration expected to be payable for the acquisitions made during the current and prior years. The provision was fully utilised during the year in August 2014.

11. DERIVATIVE FINANCIAL INSTRUMENTS

The main risks arising from the Company's financial instruments are interest rate risk and foreign exchange risk. The Company had an interest rate swap in place during the year that matured on 30 April 2015. Full disclosure of financial instruments is included in the consolidated financial statements (see note 25 to the consolidated financial statements).

12. CALLED UP SHARE CAPITAL

	Number of shares	Nominal Value £'000
Allotted, called up and fully paid		
At 1 May 2014 — ordinary shares of 25p	75,491,111	18,873
Issued to acquire share of minority in Ebiquity Germany GmbH	**966,413**	**241**
Share options exercised	**314,130**	**79**
At 30 April 2015 — ordinary shares of 25p	**76,771,654**	**19,193**

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Year ended 30 April 2015 £'000	Year ended 30 April 2014 £'000
Opening shareholders' funds	**34,261**	29,051
Issue of shares (net of issue costs)	**189**	516
(Loss)/profit for the financial year	**(4,603)**	4,264
Acquisition of non-controlling interest	**1,038**	—
Movement on hedging instruments	**52**	93
Share options charge	**953**	221
UITF 44 adjustment	**298**	116
Closing shareholders' funds	**32,188**	34,261

14. RESERVES

	Share premium £'000	Convertible loan note reserve £'000	Other reserves £'000	ESOP reserve £'000	Hedging reserve £'000	Profit and loss account £'000
At 1 May 2014	10,750	—	746	(1,482)	(52)	5,426
Issue of shares	**110**	—	—	**3**	—	**(3)**
Loss for the financial year	—	—	—	—	—	**(4,603)**
Acquisition of non-controlling interest	**797**	—	—	—	—	—
Movement in hedging instruments	—	—	—	—	**52**	—
Share options charge	—	—	—	—	—	**953**
UITF 44 adjustment	—	—	—	—	—	**298**
At 30 April 2015	**11,657**	—	**746**	**(1,479)**	—	**2,071**

The ESOP trusts were created to award shares to certain employees at less than market value. The trusts in aggregate hold unallocated shares costing £1,471,000 (2014: £1,474,000) funded by the Company. The sponsoring company is responsible for the administration and maintenance of the trust. The number of shares held by the trust is 4,201,504 (2014: 4,215,052), all of which are under option to the employees of the Group. As at the Balance Sheet date, all of the shares in the ESOP had vested (2014: all had vested).

Notes to the Company Financial Statements

for the year ended 30 April 2015

15. SHARE-BASED PAYMENTS

Full disclosure of share-based payments is included in the consolidated financial statements (see note 24 to the consolidated financial statements).

16. COMMITMENTS

Capital commitments contracted but not provided for by the Company amount to £nil (2014: £nil).

The Company has no operating lease commitments (2014: none).

17. CONTINGENT LIABILITIES

The Company is subject to claims and litigation arising in the ordinary course of business and provision is made where liabilities are considered likely to arise on the basis of current information and legal advice.

18. RELATED PARTY TRANSACTIONS

The ultimate controlling party of the Group are the shareholders of the Company (incorporated in the United Kingdom). The Company is exempt from disclosing related party transactions (see note 1).

Notice of Meeting

Ebiquity plc
(Registered in England No. 3967525)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Ebiquity plc (the "Company") will be held at CityPoint, One Ropemaker Street, London, EC2Y 9AW, at 10 am on 15 September 2015 to consider and, if thought fit, pass resolutions 1 to 11 as ordinary resolutions and resolutions 12 to 14 as special resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited Annual Report and Accounts for the year ended 30 April 2015 together with the directors' report and the auditors' reports on these.

2. To declare a final dividend of 0.4 pence per ordinary share, to be paid on 9 October 2015 to shareholders whose names appear on the register of members at the close of business on 18 September 2015.

3. To re-elect Michael Higgins, who retires at the meeting, as a director of the Company.

4. To re-elect Andrew Beach, who retires at the meeting, as a director of the Company.

5. To re-elect Nicholas Manning, who retires at the meeting, as a director of the Company.

6. To re-elect Julie Baddeley, who retires at the meeting, as a director of the Company.

7. To re-elect Tom Alexander, who retires at the meeting, as a director of the Company.

8. That PricewaterhouseCoopers LLP be reappointed as Auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next General Meeting at which accounts are laid before the Company.

9. To authorise the Directors to determine the remuneration of the Auditors.

10. That in accordance with section 366 of the Companies Act 2006, the Company and all companies which are subsidiaries of the Company at any time during the period for which this resolution has effect be and are hereby authorised: (a) to make political donations to political parties; (b) to make political donations to political organisations other than political parties; and/or (c) incur political expenditure in a total aggregate amount not exceeding £10,000, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company in 2016 or 15 months following the passing of this resolution, whichever is the earlier. For the purposes of this resolution, the terms 'political donation', 'political parties', 'political organisation' and 'political expenditure' have the meanings given by sections 363 to 365 of the Companies Act 2006.

11. That in accordance with section 551 of the Companies Act 2006, the Directors of the Company be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company, up to an aggregate nominal amount of £6,343,998.

    Provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the Annual General Meeting of the Company in 2016 or 15 months following the passing of this resolution, whichever is the earlier, save that the Company may, before such expiry, make offers or agreements which would or might require shares to be allotted, or any such rights to be granted, after such expiry, and the Directors of the Company may allot shares or grant any such rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

    The authority granted to the Company shall replace all unexercised authorities previously granted to the Directors of the Company to allot shares or grant rights to subscribe for or to convert any security into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTIONS

12. That subject to the passing of resolution 11 set out in the notice of the meeting at which this resolution is considered, and pursuant to sections 570 and 573 of the Companies Act 2006, the Directors of the Company be given the general power to allot equity securities (as defined by section 560 of the Companies Act 2006) for cash pursuant to the authority conferred by resolution 11 or by way of a sale of treasury shares, as if section 561(1) of that Act did not apply to any such allotment, provided that this power shall be limited to:

    i. the allotment of equity securities in connection with an offer by way of a rights issue or open offer:

        i) to the holders of ordinary shares in proportion (as nearly as may be practicable to their respective holdings); and

Notice of Meeting

ii) to holders of other equity securities as required by the rights of those securities or as the Directors of the Company otherwise consider necessary,

but subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and

ii. the allotment (otherwise than pursuant to paragraph (i) above) of equity securities of up to an aggregate nominal amount of £1,922,424.

The power granted by this resolution 12 shall, unless renewed, varied or revoked by the Company, expire at the conclusion of the Annual General Meeting of the Company in 2016 or 15 months following the passing of this resolution, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

In respect of this resolution 12, the authority granted to the Company shall replace all unexercised powers previously granted to the Directors of the Company to allot equity securities as if either section 89(1) of the Companies Act 1985 or section 561(1) of the Companies Act 2006 did not apply, but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

13. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.25 each provided that:

    i. The maximum aggregate number of shares that may be purchased is 3,844,847;

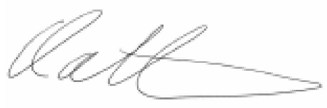
    ii. The minimum price (excluding expenses) which may be paid for each share is £0.25;

    iii. The maximum price (excluding expenses) which may be paid for each share is 105 per cent. of the average market value of a share in the Company for the five business days prior to the day the purchase is made;

    iv. The authority conferred by this resolution shall expire at the conclusion of the Company's Annual General Meeting in 2016 or 15 months following the passing of this resolution, whichever is the earlier, save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase shares which will or may be executed wholly or partly after the expiry of such authority.

14. That the terms of an agreement proposed to be made between (1) RBC cees Trustee Limited (as trustee of The Ebiquity plc 2010 Employee Benefit Trust) and (2) the Company for the purchase by the Company of an aggregate maximum number of 4,200,000 ordinary shares of £0.25 each at a purchase price of £0.35 per ordinary share, as set out in the draft agreement produced to the meeting and initialled by the Chairman for the purposes of identification, be and they are approved and any director of the Company be and is authorised to enter into the agreement on behalf of the Company. The authority conferred by this resolution shall expire at the conclusion of the Company's Annual General Meeting in 2016 or 15 months following the passing of this resolution, whichever is the earlier.

By order of the Board



Andrew Watkins
Company Secretary
7 August 2015

Registered Office:
CityPoint
One Ropemaker Street
London EC2Y 9AW

NOTES:

i. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A Shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company. A member may appoint two or more persons as proxies to exercise the rights attached to the same shares in the alternative, but if he/she shall do so, only one such proxy may attend and vote in respect of the shares. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.

ii. To be valid for the meeting or adjourned meeting (as the case may be), a proxy form, duly completed, and any power of attorney or other authority, if any, under which it is signed, or a notarially certified copy or office copy of such prior authority, or a copy of such power certified in accordance with the Powers of Attorney Act 1971, must be deposited with the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 10 am on 11 September 2015.

iii. The return of a completed proxy form, or other such instrument, will not prevent a Shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.

iv. In the case of joint members, the signature of the first named in the register of members in respect of the holding will be accepted to the exclusion of the votes of the other joint holders.

v. In accordance with Section 360B of the Companies Act 2006 and Regulation 41 of the Uncertificated Securities Regulations 2001, only those Shareholders entered on the Company's register of members as at 6 pm on 11 September 2015 (or 6 pm on the date two days before any adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the register after 6 pm on 11 September 2015 (or 6 pm on the date two days before any adjourned meeting) shall be disregarded in determining the rights of any persons to attend or vote at the meeting.

vi. As at the date of this notice of Annual General Meeting the Company's issued share capital consists of 76,896,940 ordinary shares, carrying one vote each. The Ebiquity plc 2010 Employee Benefit Trust holds 4,200,000 issued ordinary shares to satisfy awards for the Company's senior management team. To date these awards have not been exercised and the trustee has agreed not to vote the ordinary shares held by it. As such, 4,200,000 ordinary shares are treated as not carrying voting rights for the purposes of the City Code on Takeovers and Mergers. Therefore, the total voting rights in the Company as at this date are 72,696,940.

EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 11 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 12 to 14 are proposed as special resolutions. This means that for these resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Resolution 1: Annual Report and Accounts for the Year

The Directors will present to Shareholders at the Annual General Meeting the Annual Report and Accounts for the year ended 30 April 2015 together with the independent Auditors' report on those accounts.

Resolution 2: Declaration of final dividend

Shareholders are being asked to approve a final dividend of 0.4 pence per ordinary share for the year ended 30 April 2015. If the recommended final dividend is approved, it will be paid on 9 October 2015 to all Shareholders who are on the register of members at close of business on 18 September 2015.

Notice of Meeting

Resolutions 3 to 7: Re-election of Directors

The Company's articles of association require that one-third of Directors must retire by rotation at each Annual General Meeting. Michael Higgins, Andrew Beach and Nicholas Manning are required to retire this year. In addition, Julie Baddeley and Tom Alexander are required to retire this year, it being the first Annual General Meeting since their appointments by the Directors. Being eligible they offer themselves for re-election.

Biographical details of each of the Directors are contained on pages 49 to 51 of the Company's Annual Report and Accounts for the year ended 30 April 2015.

Resolution 8: Reappointment of the Auditors

The Company is required to reappoint the auditors at each Annual General Meeting at which accounts are presented. Resolution 8 proposes the reappointment of PricewaterhouseCoopers LLP as auditors to the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid.

Resolution 9: Auditors' Remuneration

It is normal practice for a Company's Directors to be authorised to fix the Auditors' remuneration and Shareholders' approval to do so is sought in this resolution.

Resolution 10: Political Donations

Neither the Company nor any of its subsidiaries have made any donations to political parties in the European Union ("EU") in 2014/15 and it is the Company's current policy not to do so. However, the Political Parties, Elections and Referendums Act 2000 (the "Act") defines EU political organisations very widely and, as a result, in certain circumstances donations intended for charitable or similar purposes may now be regarded as political in nature.

In order to comply with these obligations and to avoid any inadvertent infringement of the Act, the Directors of the Company consider it prudent to seek Shareholders' approval for a general level of donation. Resolution 10 seeks authority for the Company to make donations to EU political organisations or to incur EU political expenditure not exceeding £10,000 in total during the period from the date of the Annual General Meeting, until the conclusion of the Annual General Meeting held in 2016, or, if earlier, 15 months after the date of the passing of this resolution.

Resolution 11: Authority to Allot Shares

This resolution is to renew the general authority to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company, up to an aggregate nominal amount of £6,343,998, representing approximately one-third of the nominal value of the issued ordinary share capital of the Company as at the date of this notice. The Directors have no present intention to use this authority which will expire 15 months after the passing of this resolution or, if earlier, at the end of the Annual General Meeting to be held in 2016. It is the Directors' intention to seek renewal of this authority annually.

Resolution 12: Allotment of shares for cash

If equity securities (as defined by section 560 of the Companies Act 2006) are to be allotted and are to be paid for in cash, section 561(1) of that Act requires that those new equity securities are offered in the first instance to existing Shareholders in proportion to the number of ordinary shares they each hold at that time. The entitlement to be offered the new shares first is known as 'pre-emption rights'.

There may be circumstances, however, when it is in the interests of the Company for the Directors to be able to allot some new shares for cash other than by way of a pre-emptive offer to existing Shareholders. This cannot be done under the Companies Act 2006 unless the Shareholders have first waived their pre-emption rights. This also applies to the sale of any shares held by the Company in treasury for cash. Resolution 12 asks Shareholders to do this, but only for equity securities having a maximum aggregate nominal value of £1,922,424 (which includes the sale of any treasury shares) which is equivalent to approximately 10% of the Company's issued ordinary share capital as at the date of this notice. If the Directors wish, other than by a pre-emptive offer to existing Shareholders, to allot for cash new shares which would exceed this limit they would first have to request the Shareholders to waive their pre-emption rights in respect of the new shares which exceed it.

There are legal, regulatory and practical reasons why it may not always be possible to issue new shares under a pre-emptive issue to some Shareholders, particularly those resident overseas. To cater for this, resolution 12, authorising the Directors to allot the new shares by way of pre-emptive issue, also permits the Directors to make appropriate exclusions or arrangements to deal with such difficulties.

The authority conferred by this resolution will expire 15 months after the passing of this resolution or, if earlier, at the conclusion of the Company's Annual General Meeting to be held in 2016. It is the Directors' intention to seek the renewal of this authority annually.

Resolution 13: Market purchase of own shares

This resolution seeks authority for the Company to make market purchases of its own ordinary shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 3,844,847 of its ordinary shares, representing 5 per cent. of the Company's issued ordinary share capital.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire 15 months after the passing of this resolution or, if earlier, at the conclusion of the Company's Annual General Meeting to be held in 2016.

The Directors do not currently have any intention of exercising the authority granted by this resolution. The Directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of Shareholders generally and will result in an increase in earnings per ordinary share.

The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

At the date of the notice, the total number of options to subscribe for ordinary shares in the Company amounted to 5,138,633. This represented 6.68 per cent. of the Company's issued ordinary share capital on that date. If this authority to purchase shares was exercised in full the options would represent 7.03 per cent. of the issued ordinary share capital as at the date of this notice. These calculations exclude the 4,200,000 options in respect of which the Ebiquity plc 2010 Employee Benefit Trust holds on equal number of issued ordinary shares.

Resolution 14: Off-market purchase of own shares

In April 2010 two directors of the Company, Michael Greenlees and Nick Manning, were awarded interests and options over, in aggregate, up to 4,200,000 ordinary shares under the Ebiquity plc Joint Share Plan (the "JSP") and the Ebiquity plc Executive Incentive Plan (the "EIP"). Contemporaneous with the award of these interests and options, the Company issued 4,200,000 ordinary shares to RBC cees Trustee Limited (the "Trustee") as trustee of the Ebiquity plc 2010 Employee Benefit Trust (the "Trust"). The Trustee agreed with the Company to transfer shares to Nick Manning under either the JSP or the EIP, and to transfer shares to Michael Greenlees under the JSP, upon the vesting and unwind and exercise of these awards and options. Due to tax considerations, the Company will issue any shares to Michael Greenlees on exercise by him of his options under the EIP.

Following the vesting and unwind and exercise of all awards and options under the JSP and the EIP there may be a balance of issued ordinary shares remaining in the Trust. The purpose of the Trust in respect of these awards and options is solely to transfer shares upon the vesting and unwind and exercise of such awards and options. As such, in the event that any ordinary shares remain in the Trust in these circumstances, the Company wishes to retain the flexibility to purchase those shares from the Trust.

Under the Companies Act 2006 a company may only make a purchase of its own shares off-market where the form of contract pursuant to which those shares will be purchased has been approved in advance by Shareholders. This resolution seeks approval of the buy-back of shares and the form of contract for the Company to make an off-market purchase of its own ordinary shares from the Trustee. Any ordinary shares purchased pursuant to this contract will be acquired from the Trustee at a price of 35 pence per ordinary share. The resolution is proposed as a special resolution and it is the Directors' intention to seek the renewal of this authority annually.

Notice of Meeting

The resolution approves the purchase of up to a maximum of 4,200,000 ordinary shares (which is equivalent to approximately 5.46 per cent. of the Company's issued ordinary share capital as at the date of this notice) as it is not possible at this time to state the exact number of shares which may remain in the Trust following the vesting and unwind and exercise of all awards and options under the JSP and EIP. The buy-back contract therefore includes a formula to calculate the number of shares to be purchased, which will be the number of shares remaining in the Trust following the vesting and unwind and exercise of all awards and options made to Nick Manning and Michael Greenlees under the JSP and EIP. The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, which are available for inspection during normal business hours at the registered office of the Company on any business day until the date of the meeting, will also be available for inspection at the place of the Annual General Meeting during the meeting and for at least fifteen minutes prior to the meeting:

- Copies of the executive directors' service contracts
- Copies of letters of appointment of the non-executive directors
- A copy of the Company's Articles of Association
- A copy of the proposed agreement for the own-purchase of shares by the Company pursuant to Resolution 14

RECOMMENDATION

The Directors consider that all the resolutions set out in the notice of Annual General Meeting are in the best interests of the Company and its Shareholders as a whole and recommend that you vote in favour of each of these resolutions, as each of the Directors intends to do in respect of his own beneficial holding of shares in the Company.

ebiquity

Data-driven insights

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