29 August 2014

ELECTRIC WORD PLC
Interim Results to 31 May 2014

Electric Word, the specialist information business with divisions operating in the Sport and Gaming, Education and Health sectors, announced today interim results for the six months ended 31 May 2014.

HIGHLIGHTS

- Revenues from continuing operations increase by 6% to £6.8m
- Adjusted EBITA* improves to £29k compared to £320k loss for H1 2013
- Cash flow from operations increased to £411k in H1 2014 compared to £168k in H1 2013
- iGaming events grow revenue by 83% and profit contribution by 130%
- SportBusiness subscriptions revenue up 41%, driven by growth in TV Sports Markets and investment in Sports Sponsorship Insider
- Optimus Education business model continues to evolve to high-value online services and live conference revenues up 5% year-on year
- Average yield per Optimus subscriber in May 2014 26% higher than May 2013, driven by high-value new products
- Health division increases focus with closure of sub-scale journals, disposal of Sports Performance business and location in one site
- Health e-books and ecommerce sales up 29% compared to H1 2013

* Adjusted numbers (note 3) exclude amortisation and impairment of goodwill and intangible assets, acquisition-related and restructuring costs, and share based payment costs, as well as the tax impact of those adjusting items and any non-cash tax credits and charges.

Julian Turner, Chief Executive of Electric Word, commented:

"Our three strategic goals have been to accelerate the shift from print to digital and live formats; to focus the business on deeper customer relationships; and to simplify the business. We have made steady progress in the first half of 2014 on all these fronts while improving profitability and re-investing strengthened operational cashflow in digital products and managerial infrastructure.

As we enter the fourth quarter, which is an important contributor to the Group's overall performance, we are not currently expecting all parts of the Group to trade ahead of last year. However, our confidence in the potential of our digital subscription businesses has encouraged us to increase the investment in product development and to continue to add to the quality and levels of seniority and digital experience within the team in the second half of the year. Although these additional commitments will reduce profitability in the short term, we believe they will have a significant positive impact on the scale and value of the group in the medium term."

Electric Word plc

INTERIM RESULTS TO 31 MAY 2014

Chairman's and Chief Executive's Statement

Financial summary (£'000)	**2014 6 months £'000**	**2013 6 months £'000 Restated**	**% Change £'000**	**2013 12 months £'000 Restated**
Continuing operations				
Revenue	**6,841**	6,477	*+6%*	14,332
Gross Profit	**3,559**	3,087	*+15%*	7,436
Adjusted EBITA*	**29**	(320)		649
Adjusted profit before tax*	**13**	(348)		604
Amortisation	***(350)***	*(439)*		*(922)*
Impairment expense	***-***	*-*		*(674)*
Restructuring credits and (costs)	***6***	*(14)*		*(300)*
Acquisition-related credits	***-***	*44*		*144*
Share-based payment (charges) and credits	***(135)***	*12*		*27*
Loss before tax	**(466)**	(745)		(1,121)
Loss for the financial period from continuing operations	***(426)***	*(601)*		*(512)*
Diluted earnings per share from continuing operations	**(0.12)p**	(0.16)p		(0.16)p
Adjusted diluted earnings per share*	**(0.04)p**	(0.11)p		0.05p
Diluted earnings per share from continuing and discontinued operations	**(0.16)p**	(0.16)p		(0.18)p
Cash and cash equivalents	**580**	603		463
Net (debt) / funds†	**(89)**	3		(12)

Comparative figures for the year to 30 November 2013 and six months to 31 May 2013 have been restated to reclassify the results of the Sports Performance business as discontinued operations following its disposal on 30 May 2014. See note 8.

* Adjusted numbers (note 3) exclude amortisation, impairment of goodwill and intangible assets, acquisition-related and restructuring credits and costs, and share based payment costs, as well as the tax impact of those adjusting items and any non-cash tax credits and charges.

† Net funds / (debt) (note 6) comprise cash held net of bank overdrafts and loans.

Revenue by activity **Continuing operations**	**2014 6 months £'000**	**%**	**2013 6 months £'000 Restated**	**%**	**2013 12 months £'000 Restated**	**%**
Subscriptions	**1,592**	**23%**	1,472	23%	3,096	22%
Event delegates and training	**948**	**14%**	1,020	15%	2,236	15%
Sponsorship and exhibitions	**1,520**	**22%**	811	13%	2,479	17%
Books and reports	**1,561**	**23%**	1,672	26%	3,408	24%
Advertising	**877**	**13%**	830	13%	1,991	14%
Bespoke publishing and consultancy services	**149**	**2%**	268	4%	520	4%
Commerce	**194**	**3%**	404	6%	602	4%
Total	**6,841**	**100%**	**6,477**	**100%**	**14,332**	**100%**

ENDS

Julian Turner, Chief Executive, Electric Word 020 7954 3470

Andrew Potts, Panmure Gordon 020 7886 2500

GROUP OVERVIEW

Total Group **Continuing operations**	**2014** **6 months** **Total** **£'000**	**2013** **6 months** **Total** **£'000** **Restated**	**2013** **12 months** **Total** **£'000** **Restated**
Revenue	**6,841**	6,477	14,332
Adjusted EBITA*	**29**	(320)	649
Margin	***-%***	*-5%*	*5%*
Net interest payable	**(16)**	(28)	(45)
Adjusted PBT*	**13**	(348)	604

* Adjusted numbers (note 3) exclude amortisation and impairment of goodwill and intangible assets, acquisition-related and restructuring costs, and share based payment costs, as well as the tax impact of those adjusting items and any non-cash tax credits and charges.

At the end of 2013 the Group set out a plan to grow the value of its publishing assets by investing in the transition to digital and live formats which have a higher quality of earnings, increasing its market focus and simplifying its range of activities. This strategy has been underpinned by strengthening the management of the business at both divisional and Group level.

Through 2014 we have made progress on all these objectives. The business is going through a period of great change and it is exciting to see new digital products and live services emerging. We have seen particularly strong growth in our Affiliate events within the Sport and Gaming division and the Optimus conferences within our Education division have continued to grow. We have increased investment in digital products across the Group, in particular, in a number of Sports and Gaming products, in the Optimus subscription offering and in digital versions of various products in the Health division. Overall, in the period, we have grown the proportion of group revenues that derive from subscriptions and live products from 51% to 59% and all subscription products are now delivered digitally (in some cases as well as paper formats). Advertising revenue remains at just 13% of group revenue, with an increasing proportion of that deriving from online rather than paper products. Each division has an evolving programme of digital product development that is intended to drive up the value of our products and services for our customers and focus on fewer areas with the most scalable opportunities.

We aim to have a deep understanding of our sectors and of our customers' challenges and information requirements and over time to grow the value of our customer relationships. We have seen particular success in the Education division where we have continued to increase the value of our Optimus online subscription offering by launching a new high-value professional development service.

During the period, we also made good progress on simplification, reducing non-core activities in every division to focus our investments on the areas that will generate the greatest long-term value. In Education, we are implementing the plan to wind down the Incentive Plus catalogue business. In Health, we disposed of Sports Performance, closed some sub-scale publications and relocated the team to London.

SPORT & GAMING DIVISION

	2014 6 months £'000	**2013 6 months £'000**	***Change* %**	**2013 12 months £'000**
Revenue	3,155	2,430	*+30%*	6,152
Adjusted EBITA*	719	265	*+171%*	1,439
Margin	*22%*	*11%*		*23%*

The Sport and Gaming division provides market information and knowledge to professionals in the global businesses of sport and online gaming. The strategy for this business has been to increase focus and switch the balance of revenue away from advertising and towards events and subscriptions. This has meant stopping some activities such as contract publishing and some smaller events and a paper directory. The online gaming Affiliate events have been scaled up, with excellent results in growing both revenue and profits. Some of that profit is being reinvested in building additional content and functionality for the division's high-value digital subscriptions products including *TV Sports Markets*, *Sports Sponsorship Insider*, *SportBusiness Knowledge Centre* and the *iGaming Business Intelligence Centre*. These services will continue to evolve through 2014 and 2015 in response to market needs and customer feedback.

EDUCATION DIVISION

	2014 6 months £'000	**2013 6 months £'000**	***Change* %**	**2013 12 months £'000**
Revenue	2,029	2,209	*-8%*	4,568
Adjusted EBITA*	(243)	(282)	*-14%*	(155)
Margin	*-12%*	*-13%*		*-3%*

The table above includes the results of Incentive Plus which has not been classified as discontinued as it continues to trade for the majority of 2014. The Group has announced its intention to wind down this business during 2014 which will happen in the latter part of the year. In the period to 31 May 2014, Incentive Plus contributed revenue of £194,000 and adjusted EBITA of £47,000 profit (Period to 31 May 2013: Revenue of £404,000 and adjusted EBITA* of £10,000 profit; Year to 30 November 2013: Revenue of £602,000, and adjusted EBITA* of £19,000 loss).*

The Optimus Education division supports teachers' professional development requirements through an online subscription-based information and training service and through live conferences.

The division has seen a substantial change over the last few years, in particular, through a transfer last year of all customers of the printed product to the online subscription service which offers better, more up-to-date, more tailored content. The division is now focused on delivering an attractive, high-value professional development service in a market in which schools are encouraged to source their support from a wide range of private and public providers instead of being confined to the local education authority. To take advantage of this bigger opportunity the division has reduced its range of activity by starting the wind down of the Incentive Plus business (which supplies third-party products to schools), consolidating its subscription products and disinvesting in books and other one-off products.

The new service that has continued to improve during 2014 delivers more value to our customers through a cost-effective online training and support service for school leaders that supports compliance, school improvement and the consistent development of skills and knowledge throughout the school. As a result, the average value per subscription has increased by 26% in May 2014 compared to May 2013. The subscription service is complemented by the highly successful range of Optimus conferences, which enable senior and middle leaders to keep updated and share best practice. These live events continued to trade well, with H1 revenues up 5% on a good 2013 result.

The strong growth prospects for this business, with only a small minority of schools currently taking the highest-value subscription service, has been backed up by a significant investment in strengthening the leadership of the division. The second half will see the addition of a new Managing Director as well as a substantial further investment in product development and sales, including additional sales management. We expect to continue to develop the product through 2015 which will drive further increases in value and open up new revenue opportunities as the landscape of education services continues to change.

HEALTH DIVISION

Continuing operations	**2014 6 months £'000**	**2013 6 months £'000 Restated**	***Change* %**	**2013 12 months £'000 Restated**
Revenue	1,657	1,838	*-10%*	3,612
Adjusted EBITA*	(135)	37	*-465%*	105
Margin	*-8%*	*2%*		*3%*

The table above excludes the results of the Sports Performance business which was sold on 30 May 2014 – see note 8. In the period to 31 May 2014, this business contributed revenue of £76,000 and adjusted EBITA of £56,000 loss (Period to 31 May 2013: Revenue of £176,000 and adjusted EBITA* of £6,000 loss; Year to 30 November 2013: Revenue of £303,000, and adjusted EBITA* of £59,000 loss).*

The Health division is made up of the Radcliffe and Speechmark publishing businesses and the Radcliffe Solutions software business.

The strategy for the Health division has been to increase the focus of its publishing activity, by developing books and other products with higher lifetime sales, grow e-book and other digital product sales as well as sales through ecommerce channels and concentrate on fewer products in fewer areas. We have therefore disposed of the consumer-facing Sports Performance business, closed some sub-scale publications and relocated the team to one office in London.

At the same time, we have invested in building the infrastructure needed for book and ebook publishing in an increasingly digital trade environment. As a result, sales of ebooks and sales through ecommerce channels grew by 29% in the period compared to 2013, although sales of Speechmark products (which are as yet less digitally evolved) declined by 7%. During the first half we developed the digital database version of a key medical reference work and in the second half of the year we are investing in the first set of a series of digital Speechmark products for speech therapists and teachers to use with children. These will be market tested at the end of this year.

CENTRAL COSTS

	2014 6 months £'000	**2013 6 months £'000**	***Change* %**	**2013 12 months £'000**
Adjusted EBITA*	(312)	(340)	*-8%*	(740)
As % of Group revenue	*5%*	*5%*		*5%*
Net interest payable	(16)	(28)		(45)

Central costs have been reduced slightly as a result of closing the Milton Keynes office in February 2014. Lower interest costs result from lower average levels of bank debt for the majority of the current reporting period.

FINANCIAL REVIEW

As noted above, Adjusted EBITA has been positively impacted by the growth in both revenues and profitability. Cash from operating activities was £411k for the period to 31 May 2014, compared to £168k in 2013 and is a result of the stronger trading performance and continued focus on working capital management. Deferred revenue increased significantly compared to 2013 as a result of growth in pre-billed subscriptions, conferences and events. The extent to which pre-billed revenues have been paid and positively affected cash flows is demonstrated by a decrease in trade receivables.

In addition, Group cash flow has also been impacted by a new £200k bank loan and the payment of £303k dividends to the minority shareholder of iGaming Business Ltd.

CURRENT TRADING AND PROSPECTS

As we enter the fourth quarter, which is an important contributor to the Group's overall performance, we are not currently expecting all parts of the Group to trade ahead of last year. However, our confidence in the potential of our digital subscription businesses has encouraged us to increase the investment in product development and to continue to add to the quality and levels of seniority and digital experience within the team in the second half of the year. Although these additional commitments will reduce profitability in the short term, we believe they will have a significant positive impact on the scale and value of the group in the medium term."

Andrew Brode *Chairman*
Julian Turner *Chief Executive*

Electric Word plc

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 May 2014 – unaudited

	Note	**Six months ended 31 May 2014 £'000**	Six months ended 31 May 2013 £'000 Restated	Year ended 30 November 2013 £'000 Restated
CONTINUING OPERATIONS				
REVENUE	2	**6,841**	6,477	14,332
Cost of sales – direct costs		**(2,666)**	(2,521)	(5,263)
Cost of sales – marketing expense		**(616)**	(869)	(1,633)
GROSS PROFIT		**3,559**	3,087	7,436
Other operating expenses		**(3,620)**	(3,332)	(6,652)
Restructuring credit / (expense)		**6**	(14)	(300)
Acquisition-related credits		**-**	44	144
Depreciation expense		**(45)**	(63)	(108)
Amortisation expense		**(350)**	(439)	(922)
Impairment charges	3	**-**	-	(674)
Total administrative expenses		**(4,009)**	(3,804)	(8,512)
OPERATING LOSS	2, 3	**(450)**	(717)	(1,076)
Finance costs		**(16)**	(28)	(51)
Finance income		**-**	-	6
LOSS BEFORE TAX	3	**(466)**	(745)	(1,121)
Taxation	4	**40**	144	609
LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		**(426)**	(601)	(512)
DISCONTINUED OPERATIONS				
(Loss) / profit for the period from discontinued operations, net of tax	8	**(131)**	1	(102)
LOSS FOR THE PERIOD		**(557)**	(600)	(614)
Attributable to:				
- Equity holders of the parent	3	**(653)**	(646)	(733)
- Non-controlling interest		**96**	46	119
TOTAL COMPREHENSIVE LOSS		**(557)**	(600)	(614)
LOSS PER SHARE	5			
From continuing and discontinued operations				
Basic		**(0.16)p**	(0.16)p	(0.18)p
Diluted		**(0.16)p**	(0.16)p	(0.18)p
From continuing operations				
Basic		**(0.13)p**	(0.16)p	(0.16)p
Diluted		**(0.12)p**	(0.16)p	(0.16)p

Prior period results have been restated to show the effect of operations which have been discontinued in the current period.

Electric Word plc

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 May 2014 - unaudited

	Share capital £'000	Share premium account £'000	Other reserves £'000	Reserve for own shares £'000	Retained earnings £'000	Total £'000	Non-controlling interest £'000	Total equity £'000
At 30 November 2012	3,996	7,452	105	(123)	(3,200)	8,230	249	8,479
Total comprehensive income	-	-	-	-	(646)	(646)	46	(600)
	3,996	7,452	105	(123)	(3,846)	7,584	295	7,879
Dividend paid by subsidiary	-	-	-	-	-	-	(100)	(100)
Share issues	72	79	-	-	-	151	-	151
Share based payment credits	-	-	-	-	(12)	(12)	-	(12)
At 31 May 2013	4,068	7,531	105	(123)	(3,858)	7,723	195	7,918
Total comprehensive income	-	-	-	-	(87)	(87)	73	(14)
	4,068	7,531	105	(123)	(3,945)	7,636	268	7,904
Share based payment credits	-	-	-	-	(15)	(15)	-	(15)
At 30 November 2013	4,068	7,531	105	(123)	(3,960)	7,621	268	7,889
Total comprehensive income	-	-	-	-	(653)	(653)	96	(557)
	4,068	7,531	105	(123)	(4,613)	6,968	364	7,332
Dividend paid by subsidiary	-	-	-	-	-	-	(303)	(303)
Share based payment costs	-	-	-	-	135	135	-	135
At 31 May 2014	**4,068**	**7,531**	**105**	**(123)**	**(4,478)**	**7,103**	**61**	**7,164**

Electric Word plc

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 May 2014 – unaudited

	Note	**31 May 2014 £'000**	31 May 2013 £'000	30 November 2013 £'000
ASSETS				
Non-current assets				
Goodwill		**5,283**	5,820	5,283
Other intangible assets		**2,197**	2,775	2,399
Property, plant and equipment		**67**	65	100
Deferred tax assets		**1,650**	1,169	1,547
		9,197	9,829	9,329
Current Assets				
Inventories		**1,481**	1,687	1,660
Trade and other receivables		**3,150**	2,964	3,449
Cash and cash equivalents	6	**580**	603	463
		5,211	5,254	5,572
TOTAL ASSETS		**14,408**	15,083	14,901
EQUITY AND LIABILITIES				
Capital and reserves				
Called up ordinary share capital		**4,068**	4,068	4,068
Share premium account		**7,531**	7,531	7,531
Merger reserve		**105**	105	105
Reserve for own shares		**(123)**	(123)	(123)
Retained earnings		**(4,478)**	(3,858)	(3,960)
Equity attributable to equity holders of the parent		**7,103**	7,723	7,621
Non-controlling interest		**61**	195	268
TOTAL EQUITY		**7,164**	7,918	7,889
Non-current liabilities				
Borrowings	6	**353**	475	350
Deferred tax liabilities		**261**	385	290
		614	860	640
Current liabilities				
Borrowings	6	**316**	125	125
Current tax liabilities		**56**	48	21
Trade payables and other liabilities		**2,600**	2,747	2,985
Provisions	7	**49**	103	127
Deferred income		**3,609**	3,282	3,114
		6,630	6,305	6,372
TOTAL LIABILITIES		**7,244**	7,165	7,012
TOTAL EQUITY AND LIABILITIES		**14,408**	15,083	14,901

These financial statements were approved by the Board of Directors and are authorised for issue on 29 August 2014.

Electric Word plc

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the period ended 31 May 2014 – unaudited

	Note	**6 months ended 31 May 2014 £'000**	6 months ended 31 May 2013 £'000	Year ended 30 November 2013 £'000
OPERATING ACTIVITIES				
Loss for the period		**(557)**	(600)	(614)
Taxation		**(40)**	(151)	(590)
Amortisation & impairment expense		**350**	439	1,596
Depreciation		**46**	66	112
Loss from disposal of property, plant and equipment		**-**	-	3
Loss on disposal of intangible assets		**-**	-	50
Loss on disposal of discontinued operation		**51**		
Finance costs		**16**	28	51
Finance income		**-**	-	(6)
Share based payment charges / (credits)		**135**	(12)	(27)
Operating cash flows before movements in working capital		**1**	(230)	575
Decrease in inventories		**131**	(39)	(12)
Decrease in receivables		**299**	(246)	(731)
Increase in payables		**53**	772	869
Cash inflow from operating activities before interest and tax		**484**	257	701
Interest paid		**(16)**	(26)	(46)
Taxation paid		**(57)**	(63)	(124)
Cash inflow from operating activities		**411**	168	531
INVESTING ACTIVITIES				
Deferred consideration paid		**-**	(75)	(81)
Purchase of property, plant and equipment		**(12)**	(7)	(112)
Purchase of intangible assets		**(243)**	(242)	(520)
Proceeds from disposal of discontinued operation		**70**	-	-
Proceeds from disposal of property, plant and equipment		**-**	-	5
Interest received		**-**	-	6
Net cash used in investing activities		**(185)**	(324)	(702)
FINANCING ACTIVITIES				
Proceeds from issuance of ordinary shares		**-**	151	151
Proceeds of new borrowings	6	**200**	-	-
Repayment of borrowings	6	**(6)**	(275)	(400)
Payment of dividend to non-controlling interest		**(303)**	(100)	(100)
Net cash from financing activities		**(109)**	(224)	(349)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**117**	(380)	(520)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**463**	983	983
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**6**	**580**	603	463

1 PRESENTATION OF INTERIM RESULTS

GENERAL INFORMATION

Electric Word plc (the "Company") is a company incorporated in the United Kingdom. The unaudited condensed set of consolidated financial statements as at May 2014 and for the six months then ended comprise those of the Company and its subsidiaries (together referred to as the "Group").

The information for the six months ended 31 May 2014 and the comparative information for the six months ended 31 May 2013 are not audited by the Group's auditors. The comparative figures for the financial year ended 30 November 2013 are not the company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditors and delivered to the registrar of companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The consolidated financial statements of the Group as at and for the year ended 30 November 2013 are available upon request from the Company's registered office at 1st Floor St Mark's House, Shepherdess Walk, London N1 7LH or at www.electricwordplc.com.

The comparative information for the year to 30 November 2013 and the six months ended 31 May 2013 included in the condensed consolidated statements has been restated to reclassify the results from the Sports Performance businesses as discontinued operations following their disposal on 30 May 2013. Further details are given in note 8.

ACCOUNTING POLICIES AND ESTIMATES

The financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union. The condensed set of consolidated financial statements included in this interim report has been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting", as adopted by the European Union.

The accounting policies, presentation and methods of computations applied by the Group in its consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements for the year ended 30 November 2013.

The preparation of the condensed set of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expense. Actual results may differ from these estimates.

In preparing these condensed set of consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 30 November 2013.

GOING CONCERN

The Group has a net current liability position as at 31 May 2014 at £1,419,000 (31 May 2013: £1,051,000 and 30 November 2013 £800,000). Excluding deferred revenues, the Group had net current assets of £2,190,000 (31 May 2013: £2,231,000 and 30 November 2013 £2,314,000). The level of net debt at 31 May 2014 is £89,000 (31 May 2013: Net funds of £3,000; 30 November 2013: Net debt of £12,000). The Directors have prepared group cash flow forecasts for the period ending 30 November 2015. These forecasts indicate that the Group will continue to meet its liabilities and bank debt requirements as they fall due for the foreseeable future. The Directors also prepare a rolling 12-month cash flow forecast each month to monitor the Group's expected cash balances. In the event of forecast trading levels not being met, the Directors have the scope to take further actions to enable the group to meet its liabilities as they fall due for the foreseeable future and for it to remain within its financial covenants. There is long-term financing in place and the Group currently has an overdraft facility of up to £750,000 which is currently not utilised. On this basis the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

2 SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's business divisions. This format is based on the Group's management and internal reporting structure, as reviewed by the Board in its financial information used in allocating resources and making strategic decisions.

The format consists of three market sectors and a central function:

- Education (E): provides management and professional development information to school leaders;
- Health (H): provides professional education and training products for doctors and healthcare managers, speech therapists elderly care and other health professionals;
- Sport & Gaming (S&G): provides insight, data, analysis and live events to the business communities behind the sport and online gaming industries, including their marketing affiliates; and
- Central costs (PLC): the group function represents central PLC costs which are not directly related to the sector trading and are not recharged. Finance costs and investment income are also included here as these are driven by central policy which manages the cash positions across the Group.

The sector analysis includes the adjusted definition of operating profit (note 3) to allow shareholders to gain a further understanding of the trading performance of the Group and is considered by the Board alongside operating profit and profit before tax to assess performance and review strategy.

Analysis by market sector - continuing operations	**Six months ended 31 May 2014**					Six months ended 31 May 2013 - Restated				
	E £'000	**H £'000**	**S&G £'000**	**PLC £'000**	**Total £'000**	E £'000	H £'000	S&G £'000	PLC £'000	Total £'000
Revenue	**2,029**	**1,657**	**3,155**	**-**	**6,841**	2,209	1,838	2,430	-	6,477
Adjusted operating profit (note 3)	**(243)**	**(135)**	**719**	**(312)**	**29**	(282)	37	265	(340)	(320)
Share based payment credits / (charges)	**-**	**-**	**-**	**(135)**	**(135)**	-	-	-	12	12
Restructuring costs	**-**	**-**	**6**	**-**	**6**	-	-	-	(14)	(14)
Acquisition-related credits	**-**	**-**	**-**	**-**	**-**	-	44	-	-	44
Amortisation of intangible assets	**(135)**	**(94)**	**(96)**	**(25)**	**(350)**	(137)	(87)	(188)	(27)	(439)
Operating (loss) / profit	**(378)**	**(229)**	**629**	**(472)**	**(450)**	(419)	(6)	77	(369)	(717)
Finance costs	**-**	**-**	**-**	**(16)**	**(16)**	-	-	-	(28)	(28)
(Loss) / profit before tax	**(378)**	**(229)**	**629**	**(488)**	**(466)**	(419)	(6)	77	(397)	(745)

2 SEGMENTAL INFORMATION (continued)

Analysis by market sector –continuing operations	Year ended 30 November 2013 Restated				
	E £'000	H £'000	S&G £'000	PLC £'000	Total £'000
Revenue	4,568	3,612	6,152	-	14,332
Adjusted operating (loss) / profit (note 3)	(155)	105	1,439	(740)	649
Share based payment credits	-	-	-	27	27
Restructuring costs	(65)	(167)	(18)	(50)	(300)
Acquisition-related credits	-	144	-	-	144
Amortisation of intangible assets	(116)	(347)	(405)	(54)	(922)
Impairment expense	(37)	(637)	-	-	(674)
Operating (loss) / profit	(373)	(902)	1,016	(817)	(1,076)
Finance costs	-	-	-	(51)	(51)
Investment income	-	-	-	6	6
(Loss) / profit before tax	(373)	(902)	1,016	(862)	(1,121)

3 ADJUSTED PROFITS

The adjusted profits have been prepared to allow shareholders to gain a further understanding of the trading performance of the Group. Profits are adjusted for items not perceived by management to be part of the underlying trends in the business and the related tax effect of those items. The adjustments add back items which have no cash impact or that are both not trade related and of a non-recurring type.

3 ADJUSTED PROFITS (continued)

	6 months ended 31 May 2014 £'000	6 months ended 31 May 2013 £'000 Restated	Year ended 30 November 2013 £'000 Restated
Operating loss for the period from continuing operations	**(450)**	(717)	(1,076)
Amortisation of intangible assets	**350**	439	922
Impairment expense	**-**	-	674
Acquisition-related credits	**-**	(44)	(144)
Restructuring (credits) and costs	**(6)**	14	300
Share based payment charges / (credits)	**135**	(12)	(27)
Adjusting items to operating profit	**479**	397	1,725
Adjusted operating profit / (loss) for the period (Adjusted EBITA)	**29**	(320)	649
Depreciation	**45**	63	108
Adjusted earnings before interest, tax, depreciation and amortisation for the period	**74**	(257)	757
Loss before tax for the period from continuing operations	**(466)**	(745)	(1,121)
Adjusting items to operating profit	**479**	397	1,725
Adjusting items to profit before tax	**479**	397	1,725
Adjusted profit / (loss) before tax for the period	**13**	(348)	604
Loss for the period attributable to equity holders of the parent	**(653)**	(646)	(733)
Add back discontinued activities	**131**	(1)	102
Loss for the period attributable to equity holders of the parent from continuing operations	**(522)**	(647)	(631)
Adjusting items to profit before tax	**479**	397	1,725
Attributable tax expense on adjusting items	**1**	(4)	(216)
Exclude movements on deferred tax assets and liabilities taken to income statement	**(132)**	(181)	(674)
Adjusting items to profit for the year	**348**	212	835
Adjusted (loss) / profit for the period	**(174)**	(435)	204

4 TAXATION

Income tax expense has been calculated based on management's best estimate of the weighted average annual income tax rate expected for the year ending 30 November 2014.

5 EARNINGS PER SHARE

The calculation of earnings per ordinary share is based on the following:

	6 months ended 31 May 2014 Number	6 months ended 31 May 2013 Number	Year ended 30 November 2013 Number
Weighted average number of shares	**406,781,838**	399,977,442	403,388,961
Adjustment in respect of SIP shares	**(816,038)**	(987,765)	(967,283)
Weighted average number of shares used in basic earnings per share calculations	**405,965,800**	398,989,677	402,421,678
Dilutive effect of share options	**14,529,813**	1,678,487	1,860,095
Weighted average number of shares used in diluted earnings per share calculations	**420,495,613**	400,668,164	404,281,773

	Note	**6 months ended 31 May 2014 £'000**	6 months ended 31 May 2013 £'000 Restated	Year ended 30 November 2013 £'000 Restated
Loss for the period from continuing and discontinued operations attributable to equity shareholders		**(653)**	(646)	(733)
Loss from discontinued operations		**131**	(1)	102
Loss for the period from continuing operations attributable to equity shareholders		**(522)**	(647)	(631)
Adjustment to earnings	3	**348**	212	835
Adjusted (loss) / profit from continuing operations attributable to equity shareholders		**(174)**	(435)	204
Loss per share from continuing and discontinued operations				
- Basic loss per share		**(0.16)p**	(0.16)p	(0.18)p
- Diluted loss per share		**(0.16)p**	(0.16)p	(0.18)p
Loss per share from continuing operations				
- Basic loss per share		**(0.13)p**	(0.16)p	(0.16)p
- Diluted loss per share		**(0.12)p**	(0.16)p	(0.16)p
Adjusted loss per share				
- Adjusted basic (loss) / earnings per share		**(0.04)p**	(0.11)p	0.05p
- Adjusted diluted (loss) / earnings per share		**(0.04)p**	(0.11)p	0.05p

6 ANALYSIS OF NET DEBT

Bank net debt

	At 1 December 2013 £'000	Cash flow £'000	Non-cash changes £'000	**At 31 May 2014 £'000**
Cash at bank and in hand	463	117	-	**580**
Overdraft	-	-	-	**-**
Net cash	463	117	-	**580**
Bank loans due within one year	(125)	(66)	(125)	**(316)**
Debt due within one year	(125)	(66)	(125)	**(316)**
Bank loans due after one year	(350)	(128)	125	**(353)**
Debt due after one year	(350)	(128)	125	**(353)**
Gross debt	(475)	(194)	-	**(669)**
Net debt	(12)	**(77)**	-	**(89)**

In April 2014, the Group drew down a new loan of £200,000 which is repayable over 36 monthly instalments ending in May 2017. Interest is payable at 4.73% over the lending bank's base rate. One repayment has been made in the reporting period.

Non-cash changes reflect the timing of repayments due under a £475,000 term loan facility which is repayable over 2 years ending in May 2016. Interest on this loan is payable at 4.25% over LIBOR.

The Group also has an overdraft facility of £750,000 which, when utilised, is repayable on demand and charges an effective interest rate of 2.25% over the lending Bank's base rate.

7 PROVISIONS

	Provisions £'000
At 1 December 2012	220
Utilised in period	(75)
Release in period	(44)
Unwinding of discount	2
At 31 May 2013	103
Increase in year	127
Utilised in period	(6)
Release in period	(100)
Unwinding of discount	3
At 30 November 2013	127
Utilisation in period	(78)
At 31 May 2014	**49**

7 PROVISIONS (continued)

At 30 November 2012, a provision of £50,000 was held to reflect an expected payment due in 2013 related to the 2010 acquisition of Radcliffe Publishing Limited. During 2013, the final amount payable was confirmed at £6,000 and this was paid to the vendors. The remaining £44,000 provision release was reflected in acquisition-related credits in the income statement.

At 30 November 2012, provisions of £175,000 less £5,000 notional interest were held to reflect expected payments in 2013 and 2014 related to the 2011 acquisition of Radcliffe Solutions Limited. The January 2013 provision of £75,000 was paid out in full in 2013, and the remaining provision of £100,000 was released on the basis of Radcliffe Solutions' 2013 results. This was reflected in acquisition-related credits in the income statement.

New provisions of £127,000 were made in 2013 to reflect anticipated costs arising from the closure of the Milton Keynes office and wind-down of the Incentive Plus business. Of these, £78,000 have been utilised in the period to 31 May 2014.

8 DISCONTINUED OPERATIONS AND DISPOSALS

On 30 May 2014, the Group disposed of the Sports Performance businesses operated through its subsidiary P2P Publishing Ltd for cash consideration of £70,000. The disposal was effected as the businesses were considered non-core to the Group's strategy. These businesses were included within the Health reportable segment. The table below sets out the aggregate effect of the disposals on the Group's assets and liabilities.

	6 months ended 31 May 2014 £'000
Non-current assets	
Intangible assets	94
Current assets	
Stock	48
Current liabilities	
Deferred income	(21)
Net assets disposed of	121
Loss on disposal included in discontinued operations	(51)
Total cash consideration	70

8 DISCONTINUED OPERATIONS AND DISPOSALS (continued)

The results of the discontinued operations, which have been included in the Condensed Consolidated Statement of Comprehensive Income and Condensed Consolidated Cash Flow Statement, are set out below.

	6 months ended 31 May 2014 £'000	6 months ended 31 May 2013 £'000	Year ended 30 November 2013 £'000
Revenue	**76**	176	303
Expenses	**(157)**	(182)	(386)
Loss before tax	**(80)**	(6)	(83)
Attributable tax credit / (charge)	**-**	7	(19)
	(80)	1	(102)
Loss on disposal of operation	**(51)**	-	-
Loss for the period from discontinued operations	**(131)**	1	(102)

Cash flows from discontinued operations	**6 months ended 31 May 2014 £'000**	6 months ended 31 May 2013 £'000	Year ended 30 November 2013 £'000
Net cash (outflows) / inflows from operating activities	(101)	(24)	61
Net cash inflows / (outflows) from investing activities	70	(3)	3
Net cash (outflows) / inflows	(31)	(27)	64

Notes to Editors

ELECTRIC WORD PLC is a specialist media group supporting professional development, compliance and management effectiveness through a wide range of digital, paper and live formats. Our approach is to identify niche communities within our market sectors and fulfil our customers' key information needs to enable them to do their jobs better and develop their careers.

We provide information, services and decision-critical data that help our customers to achieve their key personal and organisational objectives. We achieve this by developing a deep understanding of our sectors and our customers' challenges and information requirements.

The Group provides content in many different formats, including subscription websites, journals, magazines, events, face-to-face training, online training, books, special reports, bespoke research and consultancy. Competencies developed in one sector can be transferred to another as opportunities arise.

The Group is composed of three market-facing divisions:

Sport & Gaming
This division provides business insight, data, analysis and live events to professionals in the global businesses of sport and online gaming. SportBusiness Group publishes for sports industry professionals who work in governing bodies, the media, sports marketing, sponsorship and club and event management. iGaming Business publishes to both the online gaming industry itself and its marketing affiliates, providing this global and fast-growing industry with business-critical information and marketing support.

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The Education division provides management and professional development information to leaders in schools and other education professionals. Optimus Education comprises an online subscription service and a wide range of conferences, supplemented by books and training resources.

Health
The Health division provides professional education and training products for doctors, healthcare managers, speech therapists, elderly care and other health professionals through the Radcliffe and Speechmark brands.

Radcliffe Publishing publishes books and other associated products to support the education and professional development of doctors, managers and professions allied to health. Speechmark Publishing specialises in resources for speech therapists, special needs co-ordinators and teachers, care workers and mental health professionals. The Radcliffe Solutions workforce management software enables online management and compliance reporting of appraisals, training and professional development.