26 February 2018

GlobalData Plc

Final Results For The Year Ended 31 December 2017
“Revenues doubled over two years”

Key Achievements

- Strong revenue growth across all regions
- Increased revenue visibility
- Acquisition of Ascential Jersey Holdings Limited (herein referred to as MEED)
- Strengthened business infrastructure and commercial scale
- New committed banking facilities of £75m

Financial Highlights

- Group revenue increased by 22% to £121.7m (2016: £100.0m)
- Organic revenue growth of 15%
- Deferred revenue increased by 31% to £60.6m (2016: £46.1m)
- Adjusted EBITDA(1) increased by 14% to £23.4m (2016: £20.6m)
- Adjusted EBITDA margin(1) of 19.2% (2016: 20.6%) reflecting content and infrastructure investment
- Cash from operations of £14.5m (2016: £15.0m)
- Final Dividend of 5.0 pence per share (2016: 4.0 pence); total dividend of 8.0 pence per share (2016: 6.5 pence)
- Statutory loss before tax of £0.8m (2016: loss of £2.5m), which is inclusive of non-cash charges of £14.1m of amortisation of intangibles, £5.3m share based payments and £0.4m of unrealised operating foreign exchange losses.
- Net debt(2) of £43.0m (2016: £25.5m)

Potential Post Year End Acquisition

The Group has announced that the Company is in advanced discussions concerning the possible acquisition of the Energy, Construction and Financial Services data and analytics provider, Research Views Limited. The acquisition remains subject to legally binding agreements and there can be no certainty that these discussions will lead to a transaction.

Bernard Cragg, Executive Chairman of GlobalData Plc, commented:

“GlobalData is transforming rapidly and significantly increasing its industry coverage and commercial scale. We have made further progress, with product and infrastructure development, as well as having made two strategic acquisitions. Our results are encouraging, with strong revenue growth and we exit the year with record deferred revenue, which gives us confidence for the forthcoming year.”

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, unrealised operating exchange rate movements, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions and restructuring of the Group. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

Note 2: Net Debt: Short and long-term borrowings less cash and cash equivalents.

ENQUIRIES

GlobalData Plc **0207 936 6400**
Bernard Cragg, Executive Chairman
Graham Lilley, Chief Financial Officer
Mike Danson, Chief Executive

N+1 Singer **0207 496 3000**
James Maxwell
James White

Hudson Sandler **0207 796 4133**
Nick Lyon

EXECUTIVE CHAIRMAN'S STATEMENT

GlobalData is transforming rapidly and significantly increasing its industry coverage and commercial scale. We have made further progress, with product and infrastructure development, as well as having made two strategic acquisitions. Our results are encouraging. We have achieved strong revenue growth and we exit the year with record deferred revenue, which gives us confidence for the forthcoming year.

The Group has announced that the Company is in advanced discussions concerning the possible acquisition of Energy, Construction and Financial Services data and analytics provider, Research Views Limited, a private company owned by Mike Danson and Wayne Lloyd and a number of other minority shareholders.

The Acquisition would constitute a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies, and the Company's independent directors would, amongst other things, be required to confirm that the terms of the proposals are fair and reasonable insofar as GlobalData's shareholders are concerned.

The contemplated Acquisition remains subject to binding legal agreements and there can be no certainty that these discussions will lead to a transaction. If terms are agreed between the respective parties, the Acquisition would require the approval of GlobalData's shareholders in a general meeting.

Our Mission

We are helping our clients to decode the future, to be more successful and innovative. We provide our clients with innovative solutions to complex issues, delivered via a single online platform, which leverages our unique data and expert analysis across multiple markets and geographies. We help our clients with their strategic planning, competitive intelligence, new product development, identifying new consumer trends, marketing opportunities and new sales channel prospects.

At a time of increased uncertainty and ever-constant change we aim to provide our clients with a realisable competitive advantage.

Brand Development

The consolidation of GlobalData into one brand is continuing to help simplify the business and has allowed us to invest sensibly in content, platform and sales infrastructure and process. The high level of investment in the business is the reason behind our margins not improving in the short term, however such investment will enhance the prospects and credibility of our offering and long term growth prospects.

Our Acquisitions

Acquisitions form an important part of our overall strategy for growth. We are focused on acquisitions which extend our industry coverage, client reach and commercial scale.

The Group completed two acquisitions during the year. In April 2017, we acquired a bolt-on to broaden our Healthcare proposition, Infinata. The integration of this acquisition has gone well and is complete.

We also completed the $17.5m acquisition of MEED in December 2017. MEED provides premium data and analytics content with an industry focus on construction. It supports the Group's strategy of expanding its premium subscription based services into global markets and adds a further industry. The Group has only just started the integration process and this will continue through 2018.

Looking Forward

We are an ambitious business which challenges itself on a daily basis to continually be better at what we do. We provide our customers with world-class products and customer service with an ambition to exceed their expectations at every interaction. For our employees, we aim to be an employer of choice providing an enriching and rewarding environment to work in and for our shareholders we aim to provide returns which reflect our reported earnings and long-term prospects.

To deliver increased shareholder returns over the medium to long term the Group aims to:

- **Achieve strong organic growth:** Leveraging our unique content and delivery across multiple formats and geographies whilst better exploiting our common platforms, processes and operations**.**

- **Make acquisitions that are strategic and earnings accretive:** We look for acquisitions that are strategic in nature and which over a reasonable time frame increase total returns. We also, from time to time, make small bolt-on acquisitions that either broaden our offering or extend our client reach in an existing market. Our acquisition process is robust and diligent and is supervised by the Board.

- **Maintain a progressive dividend policy:** Our business is focused on revenue growth, the efficient management of working capital and increased cash generation. We believe we can invest in the business, achieve growth in profits and service a progressive dividend policy that reflects our growth and long-term prospects**.**

Our Employees

The transition of the Group to one now focused on the provision of data and analytics services to customers based around the globe continues to be demanding, more so given the additional challenges brought about by our recent acquisitions. That we have delivered a good set of results during a period of such change is entirely down to the quality, commitment and talent of our employees.

Board Changes

On 31 December 2017, Simon Pyper stepped down from the Board. The Board wishes Simon well for the future and also thanks him for his major contribution to the business over the last ten years as both Chief Executive Officer and latterly Chief Financial Officer.

Graham Lilley joined Board as Chief Financial Officer with effect from 1 January 2018. Graham was previously the Company's Finance Director.

Dividend

Having regard to the improved prospects for the Group and the cash requirements of the business for the year ahead, the Board is pleased to announce a final dividend of **5.0** pence per share (2016: 4.0 pence). The proposed final dividend will be paid on **27 April 2018** to shareholders on the register at the close of business on **16 March 2018.** The ex-dividend date will be on 15 March 2018. The proposed final dividend increases the total dividend for the year to 8.0 pence per share (2016: 6.5 pence).

Current Trading and Outlook

We have started the year well and remain confident that we will make further progress.

Bernard Cragg
Executive Chairman
26 February 2018

CHIEF EXECUTIVE'S REVIEW

Over the last two years the Group has transformed significantly. To note that 2017 was the second full year trading as GlobalData shows the rapid growth path that we have been on as a Group. We now have pro-forma Group revenues of over £130m, compared to 2015 revenues of £60m.

For the year ahead our focus will be on doing things simply and doing them well. We are building a business which is clearly differentiated from the competition, which is hard to replicate and whose products and services are embedded in the day-to-day processes and operations of both new and existing clients.

Key Achievements

- **Revenues of £121.7 million:** Group revenue has grown by 22% including the benefit of our acquisitions in the year. Our organic revenue growth was 15%.

- **Deferred Revenue of £60.6m:** Deferred revenue has grown by 31% and organically by 14%. This gives the Group strong visibility over its revenues for the forthcoming year.

- **Data and content:** During the year we have focused on improving our offering, especially in Healthcare. The effect of investment and acquisitions have considerably broadened our coverage and expertise.

- **Acquisition of MEED:** The acquisition of MEED enhances the Group's industry coverage, to now include Construction. This gives us a strong presence in the Middle East, somewhere where we have, to date, been sub scale. We also acquired the trade and assets of Infinata to broaden our Healthcare proposition.

- **Strengthened business infrastructure and commercial scale:** In addition to the acquisition of MEED, which adds further scale to our business, we have also improved our Group infrastructure and sales capability. We now have significant sales operations across Asia Pacific and in the US.

- **Pricing**: There were many price points of our products in previous years. We now have introduced a simpler pricing structure which we will be rolling out during 2018.

- **Talent:** Growing the business quickly requires us to constantly review our structures and the talent within it. During 2017, we have recruited significantly to improve the management in the company, especially in sales and talent management.

Our Strategic Priorities

Our principal objective is to become one of the world's leading providers of premium, subscription based, data and analytics products and services to the markets we serve. We have four core strategic priorities:

- To develop world class products and services
- To develop our sales capabilities
- To improve operational effectiveness
- To provide best in class customer service

Developing world class products and services

Our content is data driven and analyst led and provides our clients with strategic and tactical insights for the markets that they operate in. Our content is robust, relevant and unique and give our clients real time access to critical data and analytics and work flow tools.

Develop our sales capabilities

We have made good progress against our target to increase our mix of revenues to 40% in the US, 40% in the UK & Europe and 20% in Asia Pacific. We have increased our sales operations in the US and Asia Pacific. Whilst the majority of our revenues are still in UK and Europe (47%), we have seen a proportional increase in the Americas to 37%.

Improve operational effectiveness

Our business model is a relatively simple one: create the content once and leverage sales from that content across multiple formats (subscriptions, reports and research engagements) and geographies. In doing so costs remain relatively fixed thereby allowing for a higher percentage of the sales value achieved to translate to profit. Acquisitions tend to suppress this structural benefit as they often bring a duplication of both processes and infrastructure which have to be rationalised. They typically require investment in working capital within the period after being acquired. Over the past year we took a measured approach to reducing this duplication, choosing to focus on increasing our sales headcount, integrating and improving the enlarged product set and reducing employee churn. Given that much of this has now been completed, our focus in the coming year will be to further standardise our processes and reduce duplication and ultimately improve our operating margins.

Our medium term Adjusted EBITDA margin target is circa 25%.

Providing best in class customer service

Outstanding customer service is a critical component in delivering customer satisfaction and improved customer retention. Our aim is to deliver best in class customer service at every point of interaction with our clients.

The achievements of the last two years have been made possible because of the hard work and commitment of our employees and I would like to express my own and my fellow Board members' appreciation to all our colleagues across the globe. There is still much work to be done as we strive to work towards our strategic priorities and continue to integrate our acquisitions.

We are a transformed business focused on the provision of data and analytics to global markets, all of which present opportunities for long-term profitable growth.

Mike Danson
Chief Executive
26 February 2018

FINANCIAL REVIEW

The Group's performance this year

1. **Revenue**
   Revenues increased by 22% to £121.6m (2016: £100.0m), which reflects both good organic growth (15%) and the part year benefit of the bolt-on Healthcare acquisition, Infinata. The acquired businesses are performing well and in line with our expectations.

2. **Deferred Revenue**
   Deferred revenue at 31 December 2017 increased by 31% to £60.6m (2016: £46.1m). Along with our expected renewal rates for 2018 and forward bookings, we have around 75% visibility on total 2018 revenues and a significantly higher proportion of our subscription revenues.

3. **Adjusted EBITDA**
   Adjusted EBITDA increased by 14% to £23.4m (2016: £20.6m). As a result of targeted activities of improving the Group's selling and infrastructure capabilities and integrating acquisitions, our margin has dropped from 20.6% to 19.2%.

4. **Cash Generation**
   Cash generation was similar to 2016, with cash generated from continuing operations of £14.5m (2016: £15.0m). Excluding cash costs associated with impaired contracts acquired as part of the Consumer acquisition (completed 1 September 2015) of £1.2m, other exceptional cash costs of £3.3m and the impact of the acquisitions on working capital of £1.2m, underlying cash flow was around 86% (2016: 90%).

5. **Foreign exchange impact on revenues**
   The Group derives around 60% of revenues in currencies other than Sterling. The benefit of exchange rate movements to reported revenues for 2017 was £3.8m, which accounts for 3.9% of our year on year growth.

6. **Foreign exchange impact on costs and Adjusted EBITDA**
   In Sterling terms, circa 40% of our costs are denominated in currencies other than Sterling. Costs are translated as they are incurred at the prevailing exchange rate. Thus, adverse movements in exchange rates have an immediate impact on our earnings. The effect of exchange rate movements on our cost base was to increase our operating costs for 2017 by 3.6% or £2.9m.

   The net effect (revenue benefit less cost impact) on 2017 Adjusted EBITDA was an increase of £0.9m. We are a subscription business and therefore the timing of the impact of foreign exchange on our revenues has a lag compared to the immediate impact on our cost base.

7. **Net Debt:**
   Net Debt increased to £43.0m as at 31 December 2017 (2016: £25.5m). This increase principally reflects £20.3m spent on acquisitions in the year.

Continuing operations	2017 £000s	2016 £000s	Movement
Revenue	121,678	100,013	21.7%
Loss before tax	(785)	(2,519)	
Depreciation	829	725	
Amortisation	14,088	14,553	
Finance costs	1,444	955	
EBITDA[2]	**15,576**	**13,714**	13.6%
Restructuring costs	2,436	1,289	
Revaluation of short and long-term derivatives	(1,266)	770	
Share based payments charge	5,323	2,764	
Unrealised operating foreign exchange loss	417	1,571	
M&A costs	911	472	
Adjusted EBITDA[1]	**23,397**	**20,580**	13.7%
Adjusted EBITDA margin[1]	19.2%	20.6%	

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, unrealised operating exchange rate movements, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions and restructuring of the Group. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

Note 2: EBITDA: Earnings before interest, tax, depreciation, amortisation and impairment. Includes a non-cash charge of £5.3 million for share based payments (2016: £2.8 million).

Earnings per share
Basic loss per share from continuing operations was 2.11 pence per share (2016: earnings of 1.80 pence per share). Fully diluted loss per share from continuing operations was 2.11 pence per share (2016: earnings of 1.65 pence per share).

Share based payments
The share based payments charge for 2017 has increased from £2.8m to £5.3m. The key driver for this significant increase is the share price performance during 2017 which has meant that new issues have been valued at a higher price than in previous years and also the issue of new options as a result of the acquisitions in the year.

Cash flow
The Group generated £14.5m of operating cashflow, which equated to 62% of Adjusted EBITDA (2016: 73.1%). Included within the operating cashflow were payments in relation to an onerous contract acquired as part of the Consumer acquisition (completed 1 September 2015) of £1.2m (the contract ended in August 2017), exceptional cash costs of £3.3m and £1.2m negative impact on working capital from our acquisitions in the year. Adjusted for these items, our underlying operating cash flow would have been £20.2m, which equates to 86% of Adjusted EBITDA (2016: 90%).

The Group repaid debt of £29.5m (of which most related to refinancing) and paid dividends of £7.1m. The Group also paid for acquisitions of £20.3m, which were funded by new facilities agreed in the year.

Capital expenditure was £1.8m in 2017 (£1.3m in 2016). This includes £1.0m on software (£0.7m in 2016).

Currency rate and market risk

The Group's primary objective in managing foreign currency risk is to protect against the risk that the eventual Sterling net cash flows will be affected by changes in foreign currency exchange rates. To do this, the Group enters into foreign exchange contracts that limit the risk from movements in US Dollar, Euro and Indian Rupee exchange rates with Sterling. Whilst commercially this hedges the Group's currency exposures, it does not meet the requirements for hedge accounting and accordingly any movements in the fair value of the foreign exchange contracts are recognised in the income statement.

Whilst the longer-term implications of the United Kingdom's vote to leave the European Union are unknown, we do know, in the absence of other relevant factors, that a sustained weakening of Sterling should be of benefit as we derive the majority of our revenues in currencies other than Sterling (principally US Dollar and Euro) and have a more limited exposure to non-Sterling costs. Whilst exchange rate movements have had a modest benefit on our 2017 results, the rate movements at the end of 2017 and beginning of 2018 suggest that these factors will be broadly neutral for both revenues and EBITDA in the new financial year.

As a data and analytics company, we are not currently impacted by cross border tariffs and we do not expect the re-negotiation of tariffs to materially impact our business.

Interest rate risk

Interest rate risk is the impact that fluctuations in market interest rates can have on the value of the Group's interest-bearing assets and liabilities and on the interest charge recognised in the income statement. The Group does not manage this risk with the use of derivatives.

Liquidity risk and going concern

The Group's approach to managing liquidity risk is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities as they fall due with surplus facilities to cope with any unexpected variances in timing of cash flows. The Group meets its day-to-day working capital requirements through free cash flow.

Based on cash flow projections, the Group considers the existing financing facilities to be adequate to meet short-term commitments. The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the Group has prepared the Annual Report and Accounts on a going concern basis.

Graham Lilley
Chief Financial Officer
26 February 2018

Consolidated Income Statement

	Notes	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Continuing operations			
Revenue	3	121,678	100,013
Cost of sales		(77,658)	(65,781)
Gross profit		**44,020**	**34,232**
Distribution costs		(82)	(63)
Administrative costs		(23,496)	(15,466)
Other expenses	4	(19,783)	(20,267)
Operating profit/ (loss)		**659**	**(1,564)**
Analysed as:			
Adjusted EBITDA[1]		**23,397**	**20,580**
Items associated with acquisitions and restructure of the Group	4	(3,347)	(1,761)
Other adjusting items	4	(4,474)	(5,105)
EBITDA[2]		**15,576**	**13,714**
Amortisation		(14,088)	(14,553)
Depreciation		(829)	(725)
Operating profit/ (loss)		**659**	**(1,564)**
Finance costs		(1,444)	(955)
Loss before tax from continuing operations		**(785)**	**(2,519)**
Income tax (expense)/ credit		(1,371)	4,332
(Loss)/ profit for the year from continuing operations		**(2,156)**	**1,813**
Loss for the year from discontinued operations	12	-	(717)
(Loss)/ profit for the year		**(2,156)**	**1,096**
(Loss)/ earnings per share attributable to equity holders from continuing operations:	5		
Basic (loss)/ earnings per share (pence)		(2.11)	1.80
Diluted (loss)/ earnings per share (pence)		(2.11)	1.65
Loss per share attributable to equity holders from discontinued operations:			
Basic loss per share (pence)		-	(0.71)
Diluted loss per share (pence)		-	(0.71)
Total basic (loss)/ earnings per share (pence)		(2.11)	1.09
Total diluted (loss)/ earnings per share (pence)		(2.11)	1.00

[1] We define Adjusted EBITDA as EBITDA adjusted for costs associated with acquisition, restructuring of the Group, share based payments, impairment, unrealised operating exchange rate movements and impact of foreign exchange contracts. See note 4 of the preliminary financial statements for further details. We present Adjusted EBITDA as additional information because we understand that it is a measure used by certain investors and because it is used as the measure of Group profit or loss. However, other companies may present Adjusted EBITDA differently. EBITDA and Adjusted EBITDA are not measures of financial performance under IFRS and should not be considered as an alternative to operating profit or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any other measure of performance derived in accordance with IFRS.

[2] EBITDA is defined as earnings before interest, tax, depreciation, amortisation and impairment.

Consolidated Statement of Comprehensive Income

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
(Loss)/ profit for the year	(2,156)	1,096
Other comprehensive income		
Items that will be classified subsequently to profit or loss:		
Net exchange (losses)/ gains on translation of foreign entities	(117)	108
Other comprehensive (loss)/ income, net of tax	(117)	108
Total comprehensive (loss)/ income for the year	**(2,273)**	**1,204**

Consolidated Statement of Financial Position

	Notes	31 December 2017 £000s	31 December 2016 £000s
Non-current assets			
Property, plant and equipment		1,243	1,353
Intangible assets	6	150,548	133,506
Trade and other receivables	8	3,700	4,625
Deferred tax assets		4,947	4,137
		160,438	**143,621**
Current assets			
Inventories		6	-
Current tax receivable		-	639
Trade and other receivables		50,726	42,608
Short-term derivative assets	7	369	94
Cash and cash equivalents		2,952	6,447
		54,053	**49,788**
Total assets		**214,491**	**193,409**
Current liabilities			
Trade and other payables		(77,842)	(64,775)
Short-term borrowings	13	(6,000)	(5,737)
Current tax payable		(2,990)	-
Short-term derivative liabilities	7	(98)	(1,089)
Short-term provisions		(160)	(1,364)
		(87,090)	**(72,965)**
Non-current liabilities			
Long-term provisions		(441)	(223)
Deferred tax liabilities		(3,014)	(4,655)
Long-term borrowings	13	(39,955)	(26,162)
		(43,410)	**(31,040)**
Total liabilities		**(130,500)**	**(104,005)**
Net assets		**83,991**	**89,404**
Equity			
Share capital	9	173	173
Share premium account		200	200
Treasury reserve		(2,289)	(960)
Other reserve		(37,128)	(37,128)
Merger reserve		66,481	66,481
Foreign currency translation reserve		(190)	(73)
Retained profit		56,744	60,711
Total equity		**83,991**	**89,404**

Consolidated Statement of Changes in Equity

	Share capital	Share premium account	Treasury reserve	Other reserve	Merger reserve	Special reserve	Foreign currency translation reserve	Retained profit	Total equity
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 January 2016	**154**	**200**	**-**	**(37,128)**	**-**	**48,422**	**(181)**	**13,744**	**25,211**
Profit for the year	-	-	-	-	-	-	-	1,096	**1,096**
Other comprehensive income:									
Net exchange gains on translation of foreign entities	-	-	-	-	-	-	108	-	**108**
Total comprehensive income for the year	-	-	-	-	-	-	108	1,096	**1,204**
Transactions with owners:									
Shares issued for GlobalData Holding acquisition	19	-	-	-	66,481	-	-	-	**66,500**
Dividends	-	-	-	-	-	-	-	(5,113)	**(5,113)**
Share buy back	-	-	(960)	-	-	-	-	-	**(960)**
Special reserve transfer	-	-	-	-	-	(48,422)	-	48,422	**-**
Share based payments charge	-	-	-	-	-	-	-	2,764	**2,764**
Excess deferred tax on share based payments	-	-	-	-	-	-	-	(202)	**(202)**
Balance at 31 December 2016	**173**	**200**	**(960)**	**(37,128)**	**66,481**	**-**	**(73)**	**60,711**	**89,404**
Loss for the year	-	-	-	-	-	-	-	(2,156)	**(2,156)**
Other comprehensive income:									
Net exchange loss on translation of foreign entities	-	-	-	-	-	-	(117)	**-**	**(117)**
Total comprehensive loss for the year	-	-	-	-	-	-	(117)	(2,156)	**(2,273)**
Transactions with owners:									
Dividends	-	-	-	-	-	-	-	(7,134)	**(7,134)**
Share buy back	-	-	(1,329)	-	-	-	-	-	**(1,329)**
Share based payments charge	-	-	-	-	-	-	-	5,323	**5,323**
Balance at 31 December 2017	**173**	**200**	**(2,289)**	**(37,128)**	**66,481**	**-**	**(190)**	**56,744**	**83,991**

Consolidated Statement of Cash Flows

Continuing operations	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Cash flows from operating activities		
(Loss)/ profit for the year from continuing operations	(2,156)	1,813
Adjustments for:		
Depreciation	829	725
Amortisation	14,088	14,553
Finance costs	1,444	955
Taxation recognised in profit or loss	1,371	(4,332)
Loss on disposal of fixed assets	-	48
Non-trading foreign exchange (gain)/ loss	(274)	1,571
Share based payments charge	5,323	2,764
Increase in trade and other receivables	(2,789)	(7,936)
(Increase)/ decrease in inventories	(6)	1
(Decrease)/ increase in trade payables	(1,117)	5,121
Revaluation of short and long-term derivatives	(1,266)	770
Movement in provisions	(986)	(1,016)
Cash generated from continuing operations	**14,461**	**15,037**
Interest paid (continuing operations)	(1,423)	(999)
Income taxes paid (continuing operations)	(57)	(1,562)
Net cash from operating activities (continuing operations)	**12,981**	**12,476**
Net decrease in cash and cash equivalents from discontinued operations	-	(604)
Total cash flows from operating activities	**12,981**	**11,872**
Cash flows from investing activities (continuing operations)		
Acquisitions	(20,338)	(2,878)
Purchase of property, plant and equipment	(612)	(578)
Purchase of intangible assets	(1,184)	(682)
Net cash used in investing activities (continuing operations)	**(22,134)**	**(4,138)**
Net decrease in cash and cash equivalents from discontinued operations	-	-
Total cash flows used in investing activities	**(22,134)**	**(4,138)**
Cash flows from financing activities (continuing operations)		
Repayment of short-term borrowings	(7,356)	(5,379)
Proceeds from long-term borrowings	51,100	-
Settlement of long-term borrowings	(29,520)	-
Dividends paid	(7,134)	(5,113)
Share buy back	(1,329)	(960)
Net cash from/ (used in) financing activities (continuing operations)	**5,761**	**(11,452)**
Net decrease in cash and cash equivalents from discontinued operations	-	-
Total cash flows from/ (used in) financing activities	**5,761**	**(11,452)**
Net decrease increase in cash and cash equivalents	**(3,392)**	**(3,718)**
Cash and cash equivalents at beginning of year	6,447	10,117
Effects of currency translation on cash and cash equivalents	(103)	48
Cash and cash equivalents at end of year	**2,952**	**6,447**

The accompanying notes form an integral part of this financial report.

Notes to the Condensed Consolidated Financial Statements

1. General information

Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union (EU).

The financial statements have been prepared under the historical cost convention as modified by the revaluation of derivative financial instruments. These condensed financial statements are for the year ended 31 December 2017 and should be read in conjunction with the Annual Report and Accounts for the year ended 31 December 2016 that was sent to all shareholders and is available on the Company's website. These financial statements are presented in Pounds Sterling (£).

This preliminary announcement does not constitute the Group's full financial statements for the year ended 31 December 2017. The auditors have reported on the Group's statutory accounts for the year ended 31 December 2017 under s495 of the Companies Act 2006, which do not contain statements under s498(2) or s498(3) of the Companies Act 2006 and are unqualified. The statutory accounts for the year ended 31 December 2017 will be filed with the Registrar of companies in due course.

Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to valuation of acquired intangible assets, recoverability of deferred tax assets, provisions for share based payments, provision for doubtful debts, carrying value of goodwill and other intangibles and segmental reporting.

<u>Key sources of estimation of uncertainty</u>

Valuation of acquired intangibles

Management identified and valued acquired intangible assets on acquisitions that were made during the periods disclosed in the financial statements. Management has applied judgements in identifying and valuing intangible assets separate from goodwill that consist of assessing the value of software, brands, intellectual property rights and customer relationships. The Board have a policy of engaging professional advisors on acquisitions with a purchase price greater than £10 million to advise and assist in calculating intangible asset values. The Group consistently applies the following methodologies for each class of identified intangible:

- Customer relationships – Net present value of future cash flows
- Intellectual Property – Cost to recreate the asset
- Brands – Royalty relief method

Assumptions are made on the useful life of an intangible and if shortened, would increase the amortisation charge recognised in the income statement.

There are a number of assumptions in estimating the present value of future cash flows including management's expectation of future revenue, renewal rates for subscription customers, costs, timing and quantum of future capital expenditure, long-term growth rates and discount rates.

Recoverability of deferred tax assets
The Group has recognised a significant deferred income tax asset in its financial statements which requires judgement for determining the extent of its recoverability at each balance sheet date. The Group assesses recoverability with reference to Board approved forecasts of future taxable profits. These forecasts require the use of assumptions and estimates. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. A deferred tax asset additionally exists in relation to the temporary tax and accounting difference in relation to the share based payment scheme. Additional disclosures on the calculation of share based payments are provided in note 10.

Provision for doubtful debts
The Group is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the customer entity and the status of any disputed amounts. The Group will also review the previous payment profile of the customer and liaise with the customers' management team before concluding on whether a provision is required.

Share based payments
The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options and awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options and awards that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified existing conditions are to be satisfied. At each reporting date, the entity revises its estimates of the number of options and awards that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The significant judgements involved in calculating the share based payments charge are the fair value at the date of grant which is determined by using the Black-Scholes model, the senior management retention rate which is determined with reference to historical churn and the estimated vesting periods which are determined with reference to the Group's forecasts. Additional disclosures on the calculation of share based payments are provided in note 10.

Carrying value of goodwill and other intangibles
The carrying value of goodwill and other intangibles is assessed at each reporting date to ensure that there is no need for impairment. Performing this assessment requires management to estimate future cash flows to be generated by the related cash generating unit, which entails making judgements including the expected rate of growth of sales, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows.

Critical accounting judgements
Segmental reporting
IFRS 8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Executive Directors as its chief operating decision maker. Business information is provided to customers through one single brand via multiple channels by a dedicated content team that is centrally managed by Research Directors who report directly to the Executive Directors. Business information is therefore considered to be the operating segment of the Group.

Going concern

The Group meets its day-to-day working capital requirements through free cash flow. Based on cash flow projections the Group considers the existing financing facilities to be adequate to meet short-term commitments.

The existing finance facilities were issued with debt covenants which are measured on a quarterly basis. Management have reviewed forecasted cash flows and there is no indication that there will be any breach in the next 12 months.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Group's ability to continue as a going concern. Accordingly, the Group has prepared the annual report and financial statements on a going concern basis.

2. Accounting policies

This report has been prepared based on the accounting policies detailed in the Group's financial statements for the year ended 31 December 2017.

3. Segmental analysis

The principal activity of GlobalData Plc and its subsidiaries is to enable organisations in the Consumer, ICT and Healthcare markets to gain competitive advantage by providing unique, high quality data and analytics and services across multiple platforms.

IFRS 8 "Operating Segments" requires the segment information presented in the financial statements to be that which is used internally by the chief operating decision maker to evaluate the performance of the business and to decide how to allocate resources. The Group has identified the Executive Directors as its chief operating decision maker.

Business information is provided to customers through one single brand via multiple channels by a dedicated content team that is centrally managed by Research Directors who report directly to the Executive Directors. Business information is therefore considered to be the operating segment of the Group.

The Group profit or loss is reported to the Executive Directors on a monthly basis and consists of earnings before interest, tax, depreciation, amortisation, central overheads and other adjusting items.

A reconciliation of Adjusted EBITDA to loss before tax from continuing operations is set out below:

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Business Information	121,678	100,013
Total Revenue	**121,678**	**100,013**
Adjusted EBITDA	**23,397**	**20,580**
Other expenses (see note 4)	(19,783)	(20,267)
Depreciation	(829)	(725)
Amortisation (excluding amortisation of acquired intangible assets)	(2,126)	(1,152)
Finance costs	(1,444)	(955)
Loss before tax from continuing operations	**(785)**	**(2,519)**

Geographical analysis

From continuing operations

Year ended 31 December 2017	UK £000s	Europe £000s	Americas £000s	Asia Pacific £000s	Rest of World £000s	Total £000s
Revenue from external customers	23,876	33,381	45,067	12,428	6,926	**121,678**

Year ended 31 December 2016	UK £000s	Europe £000s	Americas £000s	Asia Pacific £000s	Rest of World £000s	Total £000s
Revenue from external customers	22,840	27,598	35,580	9,060	4,935	**100,013**

Intangible assets held in the US were £13.1 million, of which £11.6 million related to Goodwill. The Group also holds £2.0 million of deferred tax asset in the US. Intangible assets held in the UAE were £18.1m of which £10.3m related to Goodwill. All other non-current assets are held in the UK. The largest customer represented less than 3% of the Group's consolidated revenue.

4. Other expenses

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Restructuring costs	2,436	1,289
M&A costs	911	472
Items associated with acquisitions and restructure of the Group	**3,347**	**1,761**
Share based payments charge	5,323	2,764
Revaluation of short and long-term derivatives	(1,266)	770
Unrealised operating foreign exchange loss	417	1,571
Amortisation of acquired intangibles	11,962	13,401
Total other expenses	**19,783**	**20,267**

- Restructuring costs relates to redundancies and other restructuring.
- The M&A costs relate to due diligence and corporate finance activity.
- The share based payments charge relates to the share option scheme (see note 10).
- The revaluation of short and long-term derivatives relates to movement in the fair value of the short and long-term derivatives (see note 7).
- Unrealised foreign exchange losses relate to non-cash exchange losses made on operating items.

5. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders of the parent company divided by the weighted average number of shares in issue during the year. The Group has a share options scheme in place and therefore the Group has calculated the dilutive effect of these options. The below table shows earnings per share for both continuing and discontinued operations:

	Year ended 31 December 2017	Year ended 31 December 2016
Continuing operations		
Basic		
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(2,156)	1,813
Weighted average number of shares (000s)	102,346	100,632
Basic (loss)/ earnings per share (pence)	(2.11)	1.80
Diluted		
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(2,156)	1,813
Weighted average number of shares* (000s)	102,346	110,082
Diluted (loss)/ earnings per share (pence)	(2.11)	1.65
Discontinued operations		
Basic		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	-	(717)
Weighted average number of shares (000s)	102,346	100,632
Basic loss per share (pence)	-	(0.71)
Diluted		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	-	(717)
Weighted average number of shares* (000s)	102,346	100,632
Diluted loss per share (pence)	-	(0.71)
Total		
Basic		
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(2,156)	1,096
Weighted average number of shares (000s)	102,346	100,632
Basic (loss)/ earnings per share (pence)	(2.11)	1.09
Diluted		
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(2,156)	1,096
Weighted average number of shares* (000s)	102,346	110,082
Diluted (loss)/ earnings per share (pence)	(2.11)	1.00

** Where the share options in issue are anti-dilutive in respect of the diluted loss per share calculation in 2017 and 2016, the options have not been included in the calculation.*

Reconciliation of basic weighted average number of shares to the diluted weighted average number of shares:

	31 December 2017 No'000s	31 December 2016 No'000s
Basic weighted average number of shares	102,346	100,632
Share options in issue at end of year	10,622	9,450
Diluted weighted average number of shares	**112,968**	**110,082**

6. Intangible assets

	Software	Customer relationships	Brands	IP rights and Database	Goodwill	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Cost						
As at 31 December 2016	7,577	25,575	10,695	22,529	111,455	**177,831**
Additions: Business Combinations	117	7,180	1,596	4,356	16,779	**30,028**
Additions: Separately Acquired	1,036	-	148	-	-	**1,184**
Foreign currency retranslation	(47)	-	-	-	-	**(47)**
Disposals	(1)	-	-	-	-	**(1)**
As at 31 December 2017	**8,682**	**32,755**	**12,439**	**26,885**	**128,234**	**208,995**
Amortisation						
As at 31 December 2016	(5,716)	(13,559)	(2,597)	(13,093)	(9,360)	**(44,325)**
Additions: Business Combinations	(73)	-	-	-	-	**(73)**
Charge for the year	(1,118)	(3,097)	(1,290)	(8,583)	-	**(14,088)**
Foreign currency retranslation	38	-	-	-	-	**38**
Disposals	1	-	-	-	-	**1**
As at 31 December 2017	**(6,868)**	**(16,656)**	**(3,887)**	**(21,676)**	**(9,360)**	**(58,447)**
Net book value						
As at 31 December 2017	**1,814**	**16,099**	**8,552**	**5,209**	**118,874**	**150,548**
As at 31 December 2016	1,861	12,016	8,098	9,436	102,095	133,506

Intangible asset additions as a result of business combinations are discussed in detail in note 11.

7. Derivative assets and liabilities

	31 December 2017 £000s	31 December 2016 £000s
Short-term derivative assets	369	94
Short-term derivative liabilities	(98)	(1,089)
Net derivative asset/ (liability)	**271**	**(995)**

Classification is based on when the derivatives mature. The fair values of derivatives are expected to impact the income statement over the next year, dependant on movements in the fair value of the foreign exchange contracts. The movement in the year was a £1,266,000 credit to the income statement (2016: charge of £770,000).

The Group uses derivative financial instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

The notional values of contract amounts outstanding are:

	Euro	US Dollar	Indian Rupee
Expiring in the period ending:	**€'000**	**$'000**	**INR'000**
31 December 2018	3,400	17,450	353,152

Fair value of financial instruments

Financial instruments are either carried at amortised cost, less any provision for impairment, or fair value.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

• Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
• Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
• Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2017, the only financial instruments measured at fair value were derivative financial liabilities and these are classified as Level 2.

Type of Financial Instrument at Level 2	Measurement technique	Main assumptions	Main inputs used
Derivative assets and liabilities	Present-value method	Determining the present value of financial instruments as the current value of future cash flows, taking into account current market exchange rates	Observable market exchange rates

8. Related party transactions

Mike Danson, GlobalData's Chief Executive, owned 68.0% of the Company's ordinary shares as at 26 February 2017. Mike Danson owns a number of businesses that interact with GlobalData Plc. The principal transactions are as follows:

Accommodation
GlobalData Plc occupies buildings which are owned by Estel Property Investments Limited, a company wholly owned by Mike Danson. The total rental expense, including service and management fees, in relation to the buildings owned by Estel Property Investments for the year ended 31 December 2017 was £2,061,600 (2016: £2,061,500).

Corporate support services
Corporate support services are provided to and from other companies owned by Mike Danson, principally finance, human resources, IT and facilities management. These are recharged to companies that consume these services based on specific drivers of costs, such as proportional occupancy of buildings for facilities management, headcount for human resources services, revenue or gross profit for finance services and headcount for IT services. The net recharge made from GlobalData Plc to these companies for the year ended 31 December 2017 was £874,600 (2016: £922,900).

Loan to Progressive Trade Media Limited
As part of the 2016 disposal of non-core B2B print businesses to a related party, the Group agreed to issue a loan to Progressive Trade Media Limited to fund the purchase consideration. This loan is for £4.5m and repayable in 5 instalments, with the first instalment due in January 2018. Interest of 2.25% above LIBOR is charged on the loan, with £112,000 charged in the year ended 31 December 2017 (2016: £125,000).

Acquisitions

In addition to the Cards and Wealth business acquired from World Market Intelligence Limited noted in the acquisitions section, during the year, GlobalData UK Limited also acquired three businesses which were related by virtue of common ownership. The details of these acquisitions are provided below:

	Progressive Media Korea Limited	GlobalData Japan KK (formerly named Global Intelligence & Media Japan KK)	Progressive Media International FZ LLC
	£000s	£000s	£000s
Consideration	-	-	10
Fair Value of Net Liabilities Acquired	(201)	(5)	(384)
Goodwill	201	5	394

In the case of all three acquisitions, the value of intangible assets identified as part of the acquisitions was nil.

Amounts outstanding

The Group has taken advantage of the exemptions contained within IAS 24 - Related Party Disclosures from the requirement to disclose transactions between Group companies as these have been eliminated on consolidation. The amounts outstanding for other related parties were:

Non-Trading Balances

Amounts due in greater than one year:

	31 December 2017	31 December 2016
	£000s	£000s
Progressive Trade Media Limited	3,700	4,625
	3,700	**4,625**

Amounts due within one year:

	31 December 2017	31 December 2016
	£000s	£000s
Progressive Trade Media Limited	925	-
	925	**-**

Trading Balances

Amounts due within one year:

	31 December 2017	31 December 2016
	£000s	£000s
Estel Property Group Limited	(523)	(617)
Progressive Media Ventures (and subsidiaries)	94	557
Compelo Group (and subsidiaries)	71	(61)
Research Views Group (and subsidiaries)	360	137
	2	**16**

The Group has right of set off over these amounts.

9. Equity

Share capital

Allotted, called up and fully paid:

	31 December 2017		31 December 2016	
	No'000	**£000s**	**No'000**	**£000s**
Ordinary shares at 1 January (1/14th pence)	102,346	**73**	76,268	**54**
Issue of shares: consideration GlobalData	-	**-**	26,078	**19**
Share buyback	-	**-**	-	**-**
Ordinary shares c/f 31 December (1/14th pence)	102,346	**73**	102,346	**73**
Deferred shares of £1.00 each	100	**100**	100	**100**
	102,446	**173**	**102,446**	**173**

Share Buyback

As detailed in note 10, during the period the Group purchased an aggregate amount of 254,200 shares at a total market value of £1,329,000.

Capital management

The Group's capital management objectives are:

- To ensure the Group's ability to continue as a going concern
- To fund future growth and provide an adequate return to shareholders and, when appropriate, distribute dividends

The capital structure of the Group consists of net debt, which includes borrowings and cash and cash equivalents, and equity.

The Company has two classes of shares. The ordinary shares carry no right to fixed income and each share carries the right to one vote at general meetings of the Company.

The deferred shares do not confer upon the holders the right to receive any dividend, distribution or other participation in the profits of the Company. The deferred shares do not entitle the holders to receive notice of or to attend and speak or vote at any general meeting of the Company. On distribution of assets on liquidation or otherwise, the surplus assets of the Company remaining after payments of its liabilities shall be applied first in repaying to holders of the deferred shares the nominal amounts and any premiums paid up or credited as paid up on such shares, and second the balance of such assets shall belong to and be distributed among the holders of the ordinary shares in proportion to the nominal amounts paid up on the ordinary shares held by them respectively.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all its issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Board Terms of Reference, copies of which are available on request.

Other reserve

The other reserve consists of a reserve created upon the reverse acquisition of the TMN Group Plc.

Foreign currency translation reserve

The foreign currency translation reserve contains the translation differences that arise upon translating the results of subsidiaries with a functional currency other than Sterling. Such exchange differences are recognised in the income statement in the period in which a foreign operation is disposed of.

Special reserve

The special reserve was created upon the capital reduction which occurred during 2013.

In order to facilitate the payment of dividends, the special reserve, constituted by an undertaking to the Court given in connection with the reduction of the Company's share premium account undertaken in May 2013, has been released in accordance with its terms pursuant to a resolution of the Board dated 23 February 2016 (all relevant creditors having been discharged or otherwise consented to the reduction).

Merger reserve

The merger reserve was created to account for the premium on the shares issued in consideration for the purchase of GlobalData Holding Limited in 2016.

Treasury reserve

The treasury reserve contains shares held in treasury by the Group and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Dividends

The final dividend for 2016 was 4.0p per share and was paid in May 2017. The total dividend for the current year was 8.0 pence per share, with an interim dividend of 3.0 pence per share paid on 3 October 2017 to shareholders on the register at the close of business on 1 September 2017 and a final dividend of 5.0 pence per share to be paid on 27 April 2018 to shareholders on the register at the close of business on 16 March 2018. The ex-dividend date will be on 15 March 2018.

10. Share Based Payments

The Group created a share option scheme during the year ended 31 December 2010 and granted the first options under the scheme on 1 January 2011 to certain senior employees. Each option granted converts to one ordinary share on exercise. A participant may exercise their options (subject to employment conditions) at any time during a prescribed period from the vesting date to the date the option lapses. For these options to be exercised the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed certain targets. The fair values of options granted were determined using the Black-Scholes model. The inputs used in the model were:

- share price at date of grant
- exercise price
- time to maturity
- annual risk-free interest rate and;
- annualised volatility

The following assumptions were used in the valuation:

Award Tranche	Grant Date	Fair Value of Share Price at Grant Date	Exercise Price (Pence)	Estimated Forfeiture rate p.a.	Weighted Average of Remaining Contractual Life
Award 1	1 January 2011	£1.09	0.0714p	15%	2.0
Award 3	1 May 2012	£1.87	0.0714p	15%	2.0
Award 4	7 March 2014	£2.55	0.0714p	15%	2.0
Award 6	22 September 2014	£2.525	0.0714p	0%	2.0
Award 7	9 December 2014	£2.075	0.0714p	15%	2.2
Award 8	31 December 2014	£2.025	0.0714p	15%	2.2
Award 9	21 April 2015	£2.040	0.0714p	15%	2.2
Award 10	28 September 2015	£2.490	0.0714p	15%	3.0
Award 11	17 March 2016	£2.064	0.0714p	0%	2.5
Award 12	17 March 2016	£2.064	0.0714p	15%	2.3
Award 13	21 October 2016	£4.425	0.0714p	15%	2.3
Award 14	21 March 2017	£5.465	0.0714p	15%	2.3
Award 15	21 March 2017	£5.465	0.0714p	15%	2.5
Award 16	21 March 2017	£5.465	0.0714p	15%	2.0
Award 17	21 September 2017	£5.740	0.0714p	15%	2.6

Awards 2 and 5 have been fully forfeited.

The estimated forfeiture rate assumption is based upon management's expectation of the number of options that will lapse over the vesting period. The assumptions were determined when the scheme was set up in 2011 and are reviewed annually. Management believe the current assumptions to be reasonable based upon the rate of lapsed options.

The risk free interest rate and annualised volatility for awards granted in 2017 were 1.2% and 37% respectively.

Each of the awards are subject to the vesting criteria set by the Remuneration Committee. In order for the remaining options to be exercised, the Group's earnings before interest, taxation, depreciation and amortisation, as adjusted by the Remuneration Committee for significant or one-off occurrences, must exceed targets of £28 million and £39 million respectively (2016: £26.7 million and £35 million respectively). The targets were revised during 2017 following the acquisition of the Pharmsource and Infinata businesses.

		Vesting Criteria	
	Group Achieves £10m EBITDA	Group Achieves £28m EBITDA	Group Achieves £39m EBITDA
Award 1-4	20% Vest	40% Vest	40% Vest
Award 6	N/a	50% Vest	50% Vest
Award 7	N/a	40% Vest	60% Vest
Award 8	N/a	50% Vest	50% Vest
Award 9	N/a	40% Vest	60% Vest
Award 10	N/a	N/a	100% Vest
Award 12	N/a	35% Vest	65% Vest
Award 13	N/a	35% Vest	65% Vest
Award 14	N/a	35% Vest	65% Vest
Award 15	N/a	25% Vest	75% Vest
Award 16	N/a	50% Vest	50% Vest
Award 17	N/a	20% Vest	80% Vest

Award 11 relates to options awarded to Executive Chairman, Bernard Cragg during 2016. The options will vest on 31 January 2019 and 31 January 2021 in equal tranches.

The total charge recognised for the scheme during the twelve months to 31 December 2017 was £5,323,000 (2016: £2,764,000). The awards of the scheme are settled with ordinary shares of the Company.

During the period the Group purchased an aggregate amount of 254,200 shares at a total market value of £1,329,000. The purchased shares will be held in treasury and in the Group's Employee Benefit Trust for the purpose of satisfying the exercise of share options under the Company's Employee Share Option Plan.

Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2016	1/14th	9,450,183
Granted	1/14th	2,239,160
Forfeited	1/14th	(1,067,486)
31 December 2017	1/14th	**10,621,857**

The following table summarises the Group's share options outstanding at each year end:

Reporting date	Options outstanding	Option price (pence)	Remaining life (years)
31 December 2011	5,004,300	1/14th	3.7
31 December 2012	4,931,150	1/14th	4.3
31 December 2013	4,775,050	1/14th	3.3
31 December 2014	8,358,880	1/14th	2.5
31 December 2015	7,557,840	1/14th	2.5
31 December 2016	9,450,183	1/14th	3.2
31 December 2017	**10,621,857**	**1/14th**	**2.2**

11. Acquisitions

Infinata

On 7 April 2017, the Group acquired the trade and assets of the Infinata brand from The MergerMarket Group for a purchase price of US$9.6 million.

The amounts recognised for each class of assets and liabilities at the acquisition date were as follows:

	Carrying Value £000s	Fair Value Adjustments £000s	Fair Value £000s
Intangible assets consisting of:			
Brand	-	429	**429**
Customer relationships	-	2,029	**2,029**
Intellectual Property and Content	-	2,803	**2,803**
Net liabilities acquired consisting of:			
Deferred revenue	(2,747)	-	**(2,747)**
Fair value of net assets acquired	**(2,747)**	**5,261**	**2,514**

The goodwill recognised in relation to the acquisition is as follows:

	Fair Value £000s
Consideration	7,704
Less net assets acquired	(2,514)
Goodwill	**5,190**

In line with the provisions of IFRS 3, further fair value adjustments may be required within the 12 month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above.

In the year ended 31 December 2016 the Infinata trade generated revenues of $8.0 million and profits before tax of $1.0 million. The business has generated revenues of £4.1 million and Adjusted EBITDA of £1.0 million in the period from acquisition to 31 December 2017. If the acquisition had occurred on 1 January 2017, the Group year to date revenue for 2017 would have been £123.0 million and the Group loss before tax from continuing operations would have been £1.0 million.

The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and expertise.

The Group incurred legal and professional costs of £0.2m in relation to the acquisition, which were recognised in other expenses.

Ascential Jersey Holdings

On 30 November 2017, the Group acquired Ascential Jersey Holdings Limited and its subsidiary MEED Media FZ LLC for cash consideration of US $17.5 million. MEED provides premium data and analytics content with an industry focus on construction and projects in the Middle East. The business services its growing client base principally through annual subscription contracts.

The goodwill recognised in relation to the acquisition is as follows:

	Carrying Value £000s	Fair Value Adjustments £000s	Fair Value £000s
Intangible assets consisting of:			
Brand	-	1,167	**1,167**
Customer relationships	-	5,151	**5,151**
Intellectual Property and Content	-	1,553	**1,553**
Net liabilities acquired consisting of:			
Tangible and intangible fixed assets	148	-	148
Cash	524	-	524
Trade receivables	1,556	-	1,556
Other receivables and prepayments	500	-	500
Trade and other payables	(985)	-	(985)
Accruals and deferred revenue	(6,708)	-	(6,708)
Fair value of net assets acquired	**(4,965)**	**7,871**	**2,906**

The goodwill recognised in relation to the acquisition is as follows:

	Fair Value £000s
Consideration	13,158
Less net assets acquired	(2,906)
Goodwill	**10,252**

In line with the provisions of IFRS 3, further fair value adjustments may be required within the 12 month period from the date of acquisition. Any fair value adjustments will result in an adjustment to the goodwill balance reported above.

In the year ended 31 December 2016 the MEED trade generated revenues of $18.7 million and EBITDA of $1.7 million. The business has generated revenues of £1.3 million and Adjusted EBITDA of £0.4 million in the period from acquisition to 31 December 2017. If the acquisition had occurred on 1 January 2017, the Group year to date revenue for 2017 would have been £133.6 million and the Group loss before tax from continuing operations would have been £0.3 million.

The goodwill that arose on the combination can be attributed to the assembled workforce, know-how and expertise.

The Group incurred legal and professional costs of £0.2m in relation to the acquisition, which were recognised in other expenses.

Cash Cost of Acquisitions

The cash cost of acquisitions comprises:

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Acquisition of Infinata	(7,704)	-
Acquisition of Ascential Jersey Holdings:		
Cash consideration	(13,158)	-
Cash acquired as part of opening balance sheet	524	-
Acquisition of GlobalData Holding:		
Stamp duty paid on shares	-	(312)
Cash acquired as part of opening balance sheet	-	(614)
Acquisition of Pharmsource	-	(1,952)
	(20,338)	**(2,878)**

Cards and Wealth

On 1 January 2017, the company purchased the trade of the cards and wealth intelligence business from World Market Intelligence Limited, a related party, for £1. The business had a liability of £0.7m deferred revenue on acquisition. The business generated revenues of £0.7m in 2017.

12. Discontinued operations

As the business becomes more focused on its data and analytics offering, a number of legacy non-core business units have been discontinued in recent years.

a) The results of the discontinued operations are as follows;

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Discontinued operations		
Revenue	-	8
Cost of sales	-	(73)
Gross loss	**-**	**(65)**
Administrative costs	-	(652)
Loss before tax from discontinued operations	**-**	**(717)**
Income tax	-	-
Loss for the year from discontinued operations	**-**	**(717)**

b) Loss before tax

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
This is arrived at after charging:		
Amortisation	-	-
Impairment	-	-

c) Cash flows from discontinued operations

	Year ended 31 December 2017 £000s	Year ended 31 December 2016 £000s
Cash outflows from operating activities	-	(604)
Total cash outflows from discontinued operations	**-**	**(604)**

13. Borrowings

	31 December 2017 £000s	31 December 2016 £000s
Current		
Loans due within one year	**6,000**	**5,737**
Non-current		
Long-term loans	**39,955**	**26,162**

Term loan and RCF

In April 2017, the Group refinanced its debt position. The new facility consists of a £30.0 million term loan to replace the previous facilities held with The Royal Bank of Scotland. This is repayable in quarterly instalments over 5 years, with total repayments due in the next 12 months of £6.0 million. The outstanding balance as at 31 December 2017 was £25.5 million.

In addition to the term loan, the Group also has a revolving capital facility (RCF) of £45.0 million, with an additional accordion facility available of £25.0 million, providing significant additional funding capability for future investment. As at 31 December 2017, the Group had a total draw down against the RCF facilities of £21.1 million.

The new syndicated facilities have been provided by The Royal Bank of Scotland, HSBC and Bank of Ireland.

Interest is charged on the term loan and drawn down RCF at a rate of 2.25% over the London Interbank Offered Rate.

Borrowings can be reconciled as follows:

	31 December 2017 £000s	**31 December 2016 £000s**
Term loan	25,500	15,776
RCF	21,100	16,375
Capitalised fees, net of amortised amount	(645)	(252)
	45,955	**31,899**