GlobalData

1 March 2016

GlobalData Plc
(Formerly "Progressive Digital Media Group Plc")
Final Results For The Year Ended 31 December 2015

Key highlights and achievements

- Organic growth and acquisitions have transformed the business
- Organic revenue growth of 14.1%
- Deferred revenue increased by 36.3% to £29.3m
- Maiden dividend of 2.5p pence per share reflecting the improved prospects for the Group
- Completed two major acquisitions
- Changed name to GlobalData.

Financial Highlights continuing operations (1)

- Group revenue increased by 25.1% to £60.5m (2014: £48.3m)
- Adjusted EBITDA (2) increased by 47.5% to £12.0m (2014: £8.1m)
- Adjusted EBITDA margin (2) increased by 300 basis points to 19.8% (2014: 16.8%)
- Cash generated from continuing operations increased by 731.7% to £10.9m (2014: £1.3m)
- Reported loss before tax from continuing operations of £2.8m (2014: loss of £3.1m)

Mike Danson, Chief Executive of GlobalData Plc, commented:

"The business has changed significantly over the last year. We now have a business with largely annualised global revenues. The confidence in the business has resulted in a maiden dividend of 2.5 pence a share."

Note 1: Continuing operations: include the part year effect of the Consumer acquisition and exclude the disposal of the non-core B2B print business. The results do not included any contribution from the recently completed acquisition of the Healthcare Business information assets from GlobalData Ltd.

Note 2: **Adjusted EBITDA:** Earnings before interest, tax, depreciation and amortisation, non-trading exchange rate losses, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions, integration and restructure of the Group. Adjusted EBITDA margin is defined as: Adjusted EBITDA as a percentage of revenue.

About GlobalData Plc

GlobalData is a premium business intelligence company, providing subscription based data, insight and analytic services to businesses operating in dynamic global industries.

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CHAIRMAN'S STATEMENT

This has been a year of transition for the Group; we completed one significant acquisition, announced another and exited from the more traditional B2B print sector. The net effect of these transactions is a Group transformed and one which is clearly focused on the provision of premium business information services to global industries, all with significant opportunities for long-term growth.

In recognition of this transformation and to reflect our business more fully, the Group has renamed itself GlobalData Plc and has, as previously announced, made a number of changes to the Board and senior management team. It is exciting that Mike Danson has agreed to assume the role of Chief Executive of the enlarged group and I am proud to become its Non-Executive Chairman. The overall change in structure and the integration of the acquisitions will result in a more focused management team.

For the forthcoming year we expect to make further progress as we position the Group to take advantage of its strong market positions.

Our markets

Since the Group formed we have been consistent in our strategy of developing the Business Information side of the company. The recent acquisitions, coupled with the disposal of the non-core B2B print assets, are consistent with this strategy. Following these transactions, the Group will operate in three key global business information verticals (namely Consumer, Information Communications Technology (ICT) and Healthcare with a combined addressable market estimated at over US$10 billion.

Whilst distinct from one another, our verticals do share some common characteristics: large global industry, no dominant supply side provider and with a demand side which is large, fragmented and with a history of spend on business information products and services.

We now have geographical reach and operational scale with each vertical represented, globally, by one or more of the Group's brands; Consumer being served by Canadean, ICT by Current Analysis and Healthcare by GlobalData.

Our business model

The Group produces and owns premium business information for each of our markets. We provide data, insight and analysis across multiple platforms that enable our customers to gain a competitive advantage in their markets. We have a clear philosophy of owning our own data and intellectual property together with powerful analysis supporting our clients' businesses.

Our business model is designed to generate revenues off a relatively fixed operating cost base, allowing for operational gearing to drive increased cash generation and profit growth. The key features are:

- Strong asset base with scalable business model - premium intelligence and customer datasets
- Global coverage of Consumer, ICT and Healthcare information markets
- Focus on subscription revenues - high quality recurring income, with high barriers to entry and pricing power
- Investment in human capital.

Our employees

It has been a challenging year for the Group and its employees. That so much has been achieved and that we continued to grow during a period of such transformation is a testament to the quality, dedication and hard work of our staff. I would like to express my own and my fellow Board members' appreciation of the continued commitment of our colleagues and wish them all every success for the year ahead.

Board Changes

I am delighted that Murray Legg has agreed to join the Board of the Company as a Non-Executive Director succeeding me as Chairman of the Audit Committee.

Maiden dividend

Our business is one that is focused on the efficient management of working capital and increased cash generation. The Board therefore believes it can invest in the business, achieve growth in profits and service a progressive dividend policy. 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 proposed maiden final dividend of **2.5** pence per share. The proposed final dividend will be paid on **3rd June 2016** to shareholders on the register at the close of business on **13th May 2016.**

Current trading and outlook

We have had a good start to the year and we remain confident for the remainder of the year.

Bernard Cragg

Chairman

1 March 2016

CHIEF EXECUTIVE'S REVIEW

The Group delivered a good set of financial results for the year, increasing revenues, margins and cash generation. That we performed so well during a period of such transformation is, I believe, a testament to the robustness of our business model, confirmation that our strategy is sound and more importantly, a reflection of the quality and commitment of our staff.

The business has changed significantly over the last year. We now have a business with largely annualised global revenues. The confidence in the business has resulted in a maiden dividend of 2.5 pence a share.

The Group's performance this year – continuing operations

Continuing operations include the part year effect of the Consumer acquisition and exclude the disposal of the non-core B2B print business. Additionally, the results do not include any contribution from the recently completed acquisition of the Healthcare business information assets from GlobalData Ltd.

1. **Revenue**
   On a continuing basis, revenues increased by 25.1% to £60.5m (2014: £48.3m) which reflects both good organic growth (14.1%) and the part year benefit of the Consumer acquisition. The acquired Consumer business is, I am pleased to report, performing well and in line with management expectations.

   With the acquisition of the Healthcare business our business information revenues will, broadly speaking, be equally balanced across the three industry verticals.

2. **Deferred Revenue**
   Deferred revenue increased by 36.3% to £29.3m (2014: £21.5m). On a pro-forma basis, deferred revenue, including the acquired deferred revenue for the Healthcare business, was £36.0m at 31 December 2015, providing significant visibility on 2016 expected revenues.

3. **Adjusted EBITDA**
   Adjusted EBITDA increased by 47.5% to £12.0m (2014: £8.1m) with the Group's margin improving by 300 basis points to 19.8% (2014: 16.8%). The EBITDA margin growth reflects the benefit of operational gearing.

4. **Cash Generation**
   Cash generation improved significantly during the year, with cash generated from continuing operations increasing by £9.6m to £10.9m (2014: £1.3m). Cash conversion (cash generated from operations as a percentage of Adjusted EBITDA) increased to 91.2% from 16.2% in the prior year.

Development of the Business

Our principal objective is to become one of the world's leading providers of premium, subscription based business information products and services to the verticals we serve.

To that end, we have four core strategic priorities:

- To develop world class products and services
- To continue 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; the majority of which can be accessed via our online delivery platforms that give our clients real time access to critical business information and an increasing array of work flow tools.

Develop our sales capabilities

The business information market is dominated by North America, which accounts for 50% of global spend, followed by Europe and Asia Pacific. Our goal is to create more geographical balance in our business reflecting market size. Consequently, the Group will look to increase its management and sales operations in the important North American and Asia Pacific markets.

Improve operational effectiveness

The Group has a number of common systems and processes from sales management to content production and client delivery. The Group constantly seeks to improve these systems and processes in order to drive improved efficiencies and operating margins. Moreover, these common systems and processes ease expansion into new geographies and reduce integration risk.

Providing best in class customer service

We believe that 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. If successful we should expect to see upper quartile renewal rates by volume for our subscription products.

We are a transformed business focused solely on the provision of business information to three global verticals, all of which present opportunities for long-term profitable growth. We expect that 2016 will be a year of progress and opportunity for the Group.

Mike Danson
Chief Executive
1 March 2016

FINANCIAL REVIEW

The recent acquisitions and exit from the legacy B2B print business has improved the financial profile of the business. I am pleased that on a continuing basis, for the twelve months ended 31 December 2015, revenue increased by 25.1% to £60.5m, Adjusted EBITDA increased by 47.5% to £12.0m and cash generated from continuing operations increased to £10.9m being some 91.2% of Adjusted EBITDA.

Financial highlights

Positive movement across all key trading metrics.

1. Group revenue increased by 25.1% to £60.5m (2014: £48.3m)
2. Organic revenue increased by 14.1%
3. Deferred Revenue increased by 36.3% to £29.3m (2014: £21.5m)
4. Adjusted EBITDA(1) increased by 47.5% to £12.0m (2014: £8.1m)
5. Adjusted EBITDA margin(1) increased by 300 basis points to 19.8% (2014: 16.8%)
6. Reported EBITDA(2) increased to £3.2m (2014: £0.4m)
7. Reported loss before tax from continuing operations of £2.8m (2014: loss of £3.1m) inclusive of £4.3m restructuring costs and £2.1m share based payments charge
8. Cash generated from continuing operations increased by 731.7% to £10.9m (2014: £1.3m)
9. Net debt (3) of £25.5m (2014: £8.7m)

Continuing operations	**2015 £000s**	**2014 £000s**	**Movement**
Revenue	60,466	48,344	25.1%
Loss before tax	(2,803)	(3,100)	
Depreciation	676	547	
Amortisation	4,392	2,425	
Finance costs	886	484	
EBITDA[2]	**3,151**	**356**	785.1%
Restructuring costs	4,258	2,237	
Property related provisions	61	(221)	
Revaluation of short and long-term derivatives	217	15	
Share based payments charge	2,066	4,371	
Exceptional property costs	6	13	
Non-trading foreign exchange loss	773	787	
M&A costs	1,464	431	
Deal costs	6	146	
Adjusted EBITDA[1]	**12,002**	**8,135**	47.5%
Adjusted EBITDA margin[1]	19.8%	16.8%	

Note 1: Adjusted EBITDA: Earnings before interest, tax, depreciation and amortisation, non-trading exchange rate losses, impairment, share based payments, adjusted for costs associated with derivatives, acquisitions, integration and restructure 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 £2.1 million for share based payments (2014: £4.4 million).

Note 3: Net debt: Short and long-term borrowings less cash and cash equivalents.

Earnings per share

Basic loss per share from continuing operations was (4.08) pence per share (2014: loss of (4.29) pence per share). Fully diluted loss per share from continuing operations was also (4.08) pence per share (2014: loss of (4.29) pence per share) due to the share options in issue being anti-dilutive.

FINANCIAL REVIEW

Cash flow

The Group generated £12.0 million of Adjusted EBITDA in 2015, which excludes £0.2 million paid in relation to onerous leases. Working capital movements reduced the cash generated from continuing operations to an inflow of £10.9 million.

Trade and other receivables were lower than the previous year at £32.1 million (2014: £33.0 million), reflecting the transfer of assets held for sale in 2015, offset by strong billings in the last quarter of the year as well as the effect of the Consumer acquisition from Informa Plc.

A further draw down on the Banking facilities negotiated with The Royal Bank of Scotland in 2014 resulted in a cash inflow of £10.0 million. In addition to this, a new term loan of £10.0 million was taken from The Royal Bank of Scotland, meaning a total inflow from financing activities of £20.0 million. During the year, the Group repaid an aggregate of £1.9m of its term loans to The Royal Bank of Scotland in accordance with the repayment terms.

Capital expenditure (excluding balances in relation to acquisitions) was £1.5 million in 2015 (£2.3 million in 2014). This included £1.1 million on software (£1.1 million in 2014).

Currency rate 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.

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.

Simon Pyper
Group Financial Officer
1 March 2015

Consolidated Income Statement

	Notes	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Continuing operations			
Revenue	3	60,466	48,344
Cost of sales		(36,745)	(29,730)
Gross profit		**23,721**	**18,614**
Distribution costs		(804)	(792)
Administrative costs		(12,391)	(11,132)
Other expenses	4	(12,443)	(9,306)
Operating loss		**(1,917)**	**(2,616)**
Analysed as:			
Adjusted EBITDA[1]		**12,002**	**8,135**
Items associated with acquisitions and restructure of the Group	4	(5,795)	(2,606)
Other adjusting items	4	(3,056)	(5,173)
EBITDA[2]		**3,151**	**356**
Amortisation		(4,392)	(2,425)
Depreciation		(676)	(547)
Operating loss		**(1,917)**	**(2,616)**
Finance costs		(886)	(484)
Loss before tax from continuing operations		**(2,803)**	**(3,100)**
Income tax expense		(306)	(157)
Loss for the year from continuing operations		**(3,109)**	**(3,257)**
(Loss)/ profit for the year from discontinued operations	11	(7,992)	1,036
Loss for the year		**(11,101)**	**(2,221)**
Attributable to:			
Equity holders of the parent		(11,101)	(2,106)
Non-controlling interest		-	(115)
Loss per share attributable to equity holders from continuing operations:	5		
Basic loss per share (pence)		(4.08)	(4.29)
Diluted loss per share (pence)		(4.08)	(4.29)
(Loss)/ earnings per share attributable to equity holders from discontinued operations:			
Basic (loss)/ earnings per share (pence)		(10.48)	1.52
Diluted (loss)/ earnings per share (pence)		(10.48)	1.37
Total basic loss per share (pence)		(14.56)	(2.77)
Total diluted loss per share (pence)		(14.56)	(2.77)

[1] We define Adjusted EBITDA as EBITDA adjusted for costs associated with acquisition, integration, restructure of the Group, share based payments, impairment, non-trading exchange rate losses and impact of foreign exchange contracts. See note 4 of the preliminary financial statements for 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 2015 £000s	Year ended 31 December 2014 £000s
Loss for the year	(11,101)	(2,221)
Other comprehensive income		
Items that will be classified subsequently to profit or loss:		
Translation of foreign entities	(55)	(166)
Other comprehensive loss, net of tax	(55)	(166)
Total comprehensive loss for the year	**(11,156)**	**(2,387)**
Attributable to:		
Equity holders of the parent	(11,156)	(2,272)
Non-controlling interest	-	(115)

Consolidated Statement of Financial Position

	Notes	31 December 2015 £000s	31 December 2014 £000s
Non-current assets			
Property, plant and equipment		1,297	1,510
Intangible assets		62,540	42,403
Deferred tax assets		2,042	2,226
		65,879	**46,139**
Current assets			
Inventories		77	150
Current tax receivable		432	-
Trade and other receivables		32,089	33,049
Short-term derivative assets		-	106
Cash and cash equivalents		10,117	8,261
		42,715	**41,566**
Non-current assets and current assets classified as held for sale	11	**6,425**	**-**
Total assets		**115,019**	**87,705**
Current liabilities			
Trade and other payables		(46,061)	(32,567)
Short-term borrowings	7	(5,214)	(1,283)
Current tax payable		-	(1,240)
Short-term derivative liabilities		(201)	(89)
Short-term provisions		(1,649)	(368)
		(53,125)	**(35,547)**
Non-current liabilities			
Long-term provisions		(954)	(84)
Deferred tax liabilities		(3,218)	(1,769)
Long-term derivative liabilities		(24)	(26)
Long-term borrowings	7	(30,359)	(15,651)
		(34,555)	**(17,530)**
Liabilities directly associated with non-current assets and current assets classified as held for sale	11	**(2,128)**	**-**
Total liabilities		**(89,808)**	**(53,077)**
Net assets		**25,211**	**34,628**
Equity			
Share capital	8	154	154
Share premium account		200	200
Other reserve		(37,128)	(37,128)
Special reserve		48,422	48,422
Foreign currency translation reserve		(181)	(126)
Retained profit		13,744	23,106
Total equity		**25,211**	**34,628**

Consolidated Statement of Changes in Equity

	Share capital	Share premium account	Other reserve	Special reserve	Foreign currency translation reserve	Retained profit	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Balance at 1 January 2014	**153**	**-**	**(37,128)**	**48,422**	**40**	**20,508**	**31,995**	**116**	**32,111**
Loss for the year	-	-	-	-	-	(2,106)	**(2,106)**	(115)	**(2,221)**
Other comprehensive income:									
Translation of foreign entities	-	-	-	-	(166)	-	**(166)**	-	**(166)**
Total comprehensive loss for the year	-	-	-	-	(166)	(2,106)	**(2,272)**	(115)	**(2,387)**
Transactions with owners:									
Issue of share capital: ERC acquisition	-	200	-	-	-	-	**200**	-	**200**
Issue of share capital: Share based payments scheme	1	-	-	-	-	(1)	**-**	-	**-**
Dividends	-	-	-	-	-	-	**-**	(1)	**(1)**
Share based payments charge	-	-	-	-	-	4,371	**4,371**	-	**4,371**
Excess deferred tax on share based payments	-	-	-	-	-	334	**334**	-	**334**
Balance at 31 December 2014	**154**	**200**	**(37,128)**	**48,422**	**(126)**	**23,106**	**34,628**	**-**	**34,628**
Loss for the year	-	-	-	-	-	(11,101)	**(11,101)**	-	**(11,101)**
Other comprehensive income:									
Translation of foreign entities	-	-	-	-	(55)	-	**(55)**	-	**(55)**
Total comprehensive loss for the year	-	-	-	-	(55)	(11,101)	**(11,156)**	-	**(11,156)**
Transactions with owners:									
Share based payments charge	-	-	-	-	-	2,066	**2,066**	-	**2,066**
Excess deferred tax on share based payments	-	-	-	-	-	(327)	**(327)**	-	**(327)**
Balance at 31 December 2015	**154**	**200**	**(37,128)**	**48,422**	**(181)**	**13,744**	**25,211**	**-**	**25,211**

Consolidated Statement of Cash Flows

Continuing operations	Year ended 31 December 2015	Year ended 31 December 2014
Cash flows from operating activities	**£000s**	**£000s**
Loss for the year from continuing operations	(3,109)	(3,257)
Adjustments for:		
Depreciation	676	547
Amortisation	4,392	2,425
Finance costs	886	484
Taxation recognised in profit or loss	306	157
Profit on disposal of subsidiary	-	(106)
Loss on disposal of property, plant and equipment	-	8
Non-trading foreign exchange loss	774	902
Share based payments charge	2,066	4,371
Increase in trade and other receivables	(6,504)	(4,465)
Decrease in inventories	73	5
Increase in trade payables	9,018	529
Revaluation of short and long-term derivatives	216	15
Movement in provisions	2,151	(299)
Cash generated from continuing operations	**10,945**	**1,316**
Interest paid (continuing operations)	(775)	(220)
Income taxes paid (continuing operations)	(2,182)	(1,364)
Net cash from/ (used in) operating activities (continuing operations)	**7,988**	**(268)**
Net (decrease)/ increase in cash and cash equivalents from discontinued operations	(1,624)	518
Total cash flows from operating activities	**6,364**	**250**
Cash flows from investing activities (continuing operations)		
Acquisition of Pyramid Research	-	(2,006)
Acquisition of ERC Group	-	(543)
Acquisition of Current Analysis Inc	-	(11,168)
Acquisition of Verdict Research Limited	(20,679)	-
Proceeds from disposal of subsidiary	-	58
Purchase of property, plant and equipment	(468)	(1,212)
Purchase of intangible assets	(1,066)	(1,128)
Net cash used in investing activities (continuing operations)	**(22,213)**	**(15,999)**
Net increase in cash and cash equivalents from discontinued operations	-	4
Total cash flows from investing activities	**(22,213)**	**(15,995)**
Cash flows from financing activities (continuing operations)		
Repayment of short-term borrowings	(1,920)	-
Proceeds from long-term borrowings	20,000	10,000
Net cash from financing activities (continuing operations)	**18,080**	**10,000**
Net decrease in cash and cash equivalents from discontinued operations	-	(6)
Total cash flows from financing activities	**18,080**	**9,994**
Net increase/ (decrease) in cash and cash equivalents	**2,231**	**(5,751)**
Cash and cash equivalents at beginning of year	8,261	14,178
Effects of currency translation on cash and cash equivalents	(375)	(166)
Cash and cash equivalents at end of year	**10,117**	**8,261**

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 2015 and should be read in conjunction with the Annual Report and Accounts for the year ended 31 December 2014 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 2015. The auditors have reported on the Group's statutory accounts for the year ended 31 December 2015 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 2015 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, provisions for bad debt, share based payments and carrying value of goodwill and other intangibles.

Valuation of acquired intangibles

Management identified and valued acquired intangibles 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 intangibles were valued based on either the net present value of the future cash flows associated with the intangible, or on the cost to recreate an intangible. 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.

Provision for bad debt
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.

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 the share based payments reserve within equity. Additional disclosures on the calculation of share based payments are provided in note 6.

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.

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.

In July 2014, the Group refinanced its debt position. A US$17 million term loan was issued by The Royal Bank of Scotland to partially fund the acquisition of Current Analysis Inc. This is repayable in quarterly instalments over 4 years. The first instalment was made in July 2015, with total repayments due in 2016 being US$4 million.

The Group took out an additional term loan of £10 million in August 2015, which is repayable in quarterly instalments over 4 years. The first instalment was made in October 2015, with total repayments due in 2016 being £2.5 million.

Additionally, the Group drew a further £10 million in August 2015 from its revolving capital facility (RCF) with The Royal Bank of Scotland. As at 31 December 2015, the Group had a total draw down of £16.4 million against a total facility of £17 million.

Interest is charged on the term loan and drawn down RCF at a rate of 2.25% over the London Interbank Offered Rate. Interest is charged on the undrawn RCF at 0.9%.

The finance facilities were issued with debt covenants which are measured on a quarterly basis. There were no breaches of these covenants during the year and as at 31 December 2015. 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 2015.

3. Segmental analysis

The principal activity of GlobalData Plc (formerly Progressive Digital Media Group Plc) and its subsidiaries ('the Group') is to enable organisations in the Consumer, ICT and Healthcare markets to gain competitive advantage by providing unique, high quality business information 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 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. The Executive Directors also monitor revenue within the operating segment.

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

	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Business Information	60,466	48,344
Total Revenue	**60,466**	**48,344**
Adjusted EBITDA	**12,002**	**8,135**
Other expenses (see note 4)	(12,443)	(9,306)
Depreciation	(676)	(547)
Amortisation (excluding amortisation of acquired intangible assets)	(800)	(898)
Finance costs	(886)	(484)
Loss before tax from continuing operations	**(2,803)**	**(3,100)**

Geographical analysis

From continuing operations

Year ended 31 December 2015	**UK**	**Europe**	**North America**	**Rest of World**	**Total**
	£000s	**£000s**	**£000s**	**£000s**	**£000s**
Revenue from external customers	17,001	17,054	17,457	8,954	**60,466**

Year ended 31 December 2014	**UK**	**Europe**	**North America**	**Rest of World**	**Total**
	£000s	**£000s**	**£000s**	**£000s**	**£000s**
Revenue from external customers	11,633	16,902	11,684	8,125	**48,344**

4. Other expenses

	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Restructuring costs	4,258	2,237
Property related provisions	61	(221)
Exceptional property costs	6	13
Deal costs	6	146
M&A costs	1,464	431
Items associated with acquisitions and restructure of the Group	**5,795**	**2,606**
Share based payments charge	2,066	4,371
Revaluation of short and long-term derivatives	216	15
Unrealised foreign exchange loss	774	787
Amortisation of acquired intangibles	3,592	1,527
Total other expenses	**12,443**	**9,306**

- Restructuring costs relates to redundancies and other restructuring, largely in relation to the integration of acquisitions made during the year. Included in this number is a loss of £2,316,000 relating to an onerous contract acquired as part of the acquisition of Verdict Research Limited. Redundancies were announced prior to 31 December 2015.
- Property related provisions relate to the consolidated income statement impact of the provision made for onerous property leases and dilapidations.
- Exceptional property costs relate to additional costs incurred on properties that are not occupied and are provided for within the onerous property lease provision.
- Deal costs represent costs incurred in respect of the refinancing of loans issued by the Royal Bank of Scotland in 2014.
- The M&A costs relate to due diligence and corporate finance activity during the year.
- The share based payments charge relates to the share option scheme (see note 6).
- The revaluation of short and long-term derivatives relates to movement in the fair value of the short and long-term derivatives.
- Non-trading foreign exchange losses relate to non-cash exchange losses made on non-trading items such as loans denominated in foreign currencies.

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 2015	Year ended 31 December 2014
Continuing operations		
Basic		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(3,109)	(3,257)
Weighted average number of shares (000s)	76,268	75,941
Basic loss per share (pence)	(4.08)	(4.29)
Diluted		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(3,109)	(3,257)
Weighted average number of shares* (000s)	76,268	75,941
Diluted loss per share (pence)	(4.08)	(4.29)
Discontinued operations		
Basic		
(Loss)/ profit for the year attributable to ordinary shareholders from discontinued operations (£000s)	(7,992)	1,036
Less minority interest (£000s)	-	(115)
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(7,992)	1,151
Weighted average number of shares (000s)	76,268	75,941
Basic (loss)/ earnings per share (pence)	(10.48)	1.52
Diluted		
(Loss)/ profit for the year attributable to ordinary shareholders of the parent company (£000s)	(7,992)	1,151
Weighted average number of shares* (000s)	76,268	84,300
Diluted (loss)/ earnings per share (pence)	(10.48)	1.37
Total		
Basic		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(11,101)	(2,106)
Weighted average number of shares (000s)	76,268	75,941
Basic loss per share (pence)	(14.56)	(2.77)
Diluted		
Loss for the year attributable to ordinary shareholders of the parent company (£000s)	(11,101)	(2,106)
Weighted average number of shares* (000s)	76,268	75,941
Diluted loss per share (pence)	(14.56)	(2.77)

** The share options in issue are anti-dilutive in respect of the diluted loss per share calculation in 2015 and 2014; therefore 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 2015 No'000s	31 December 2014 No'000s
Basic weighted average number of shares	76,268	75,941
Share options in issue at end of year	7,558	8,359
Diluted weighted average number of shares	**83,826**	**84,300**

6. 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 market value at the date of grant. The market values were compared to the Black-Scholes model and there were no significant differences.

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%	2.5
Award 3	1 May 2012	£1.87	0.0714p	15%	2.5
Award 4	7 March 2014	£2.55	0.0714p	15%	2.5
Award 5	8 September 2014	£2.575	0.0714p	15%	2.7
Award 6	22 September 2014	£2.525	0.0714p	15%	2.5
Award 7	9 December 2014	£2.075	0.0714p	15%	2.6
Award 8	31 December 2014	£2.025	0.0714p	15%	2.6
Award 9	21 April 2015	£2.05	0.0714p	15%	3.0

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.

Each of the above awards are subject to the following vesting criteria:

		Vesting Criteria	
	Group Achieves £10m EBITDA	Group Achieves £18.5m EBITDA	Group Achieves £23.5m EBITDA
Award 1-4	20% Vest	40% Vest	40% Vest
Award 5	N/a	30% Vest	70% 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

The total charge recognised for the scheme during the twelve months to 31 December 2015 was £2,066,000 (2014: £4,371,000). The awards of the scheme are settled with ordinary shares of the Company. Reconciliation of movement in the number of options is provided below.

	Option price (pence)	Number of options
31 December 2014	1/14th	8,358,880
Granted	1/14th	1,079,960
Forfeited	1/14th	(1,881,000)
31 December 2015	1/14th	**7,557,840**

The following table summarises the Group's share options outstanding at 31 December 2015:

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

7. Borrowings

	31 December 2015 £000s	31 December 2014 £000s
Current		
Loans due within one year	**5,214**	**1,283**
Non-current		
Long-term loans	**30,359**	**15,651**

Term loan and RCF

In July 2014, the Group refinanced its debt position. A US$17 million term loan was issued by The Royal Bank of Scotland to partially fund the acquisition of Current Analysis Inc. This is repayable in quarterly instalments over 4 years. The first instalment was made in July 2015, with total repayments due in 2016 being US$4 million.

The Group took out an additional term loan of £10 million in August 2015, which is repayable in quarterly instalments over 4 years. The first instalment was made in October 2015, with total repayments due in 2016 being £2.5 million.

Additionally, The Group drew a further £10 million in August 2015 from its revolving capital facility (RCF) with The Royal Bank of Scotland. As at 31 December 2015, the Group had total draw down of £16.4 million against a total facility of £17 million.

Interest is charged on the term loan and drawn down RCF at a rate of 2.25% over the London Interbank Offered Rate. Interest is charged on the undrawn RCF at 0.9%.

Borrowings can be reconciled as follows:

	31 December 2015 £000s	31 December 2014 £000s
Term loans issued by The Royal Bank of Scotland	19,552	10,902
RCF issued by The Royal Bank of Scotland	16,408	6,375
Capitalised fees, net of amortised amount	(387)	(343)
	35,573	**16,934**

8. Equity

Share capital

Allotted, called up and fully paid:

	31 December 2015		31 December 2014	
	No'000	**£000s**	**No'000**	**£000s**
Ordinary shares at 1 January (1/14th pence)	76,268	**54**	74,487	**53**
Issue of shares: partial consideration ERC	-	**-**	76	**-**
Issue of shares: other	-	**-**	4	**-**
Issue of shares: share based payments scheme	-	**-**	1,701	**1**
Ordinary shares c/f 31 December (1/14th pence)	76,268	**54**	76,268	**54**
Deferred shares of £1.00 each	100	**100**	100	**100**
	76,368	**154**	**76,368**	**154**

Share Option Scheme
The Group issued 1,400,000 ordinary shares on 7 March 2014 and 305,080 ordinary shares on 14 March 2014 following the exercise of options by employees pursuant to the vesting of the Company's Capital Appreciation Plan. These shares rank pari passu with the existing GD ordinary shares in issue.

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 (note 7) 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.

Dividends
The Group is one that is focused on the efficient management of working capital and increased cash generation. The Board therefore believes it can invest in the business, achieve growth in profits and service a progressive dividend policy. Having regard to the improved prospects for the Group and the cash requirements of the business for the year ahead, the Board has announced a proposed maiden final dividend of 2.5 pence per share. The proposed final dividend will be paid on 3rd June 2016 to shareholders on the register at the close of business on 13th May 2016.

Other reserves
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 proposed dividend, 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 (the "Special Reserve"), 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). Unaudited interim accounts for the two month period to 29 February 2016 prepared for the purposes of section 836 Companies Act 2006 and showing, inter alia, the effect of the release of the Special Reserve will be filed at Companies House prior to the despatch of the notice of AGM to be held on 17 May 2016.

9. Acquisitions

Verdict Research Limited
On 1 September 2015 the Group acquired the Datamonitor Financial, Datamonitor Consumer, MarketLine and Verdict businesses from Informa Plc for cash consideration of £25,087,290. The acquisition was effected by Informa Plc transferring the above named businesses to Verdict Research Limited, the entire share capital of which was acquired by GlobalData Plc (formerly Progressive Digital Media Group Plc). During 2015, Verdict Research Limited changed its name to Progressive Digital Media Limited.

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	-	2,924	**2,924**
Customer relationships	-	1,656	**1,656**
Intellectual Property and Content	-	7,337	**7,337**
Net assets acquired consisting of:			
Tangible fixed assets	17	(17)	**-**
Cash	4,408	-	**4,408**
Trade receivables	1,106	(270)	**836**
Trade and other payables	-	(193)	**(193)**
Deferred revenue	(5,438)	(611)	**(6,049)**
Deferred tax	2	(2,385)	**(2,383)**
Fair value of net assets acquired	**95**	**8,441**	**8,536**

Cash consideration	25,087
Less net assets acquired	(8,536)
Goodwill	**16,551**

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 2014 the acquired businesses had revenues of £17.8 million and profits before tax of £3.7 million. The businesses have generated revenues of £5.3 million and Adjusted EBITDA of £1.9 million in the period from acquisition to 31 December 2015. If the acquisition had occurred on 1 January 2015, the Group year to date revenue for 2015 would have been £71.2 million and the Group profit before tax from continuing operations would have been £0.7 million.

The goodwill that arose on the combination can be attributed to revenue and cost synergies expected to arise upon the integration of the acquired businesses into the Group.

The Group incurred legal and professional costs of £331,000 in relation to the acquisition, which were recognised in other expenses (note 4).

The total cash cost of the acquisition is reconciled as follows:

Cash consideration	25,087
Cash acquired as part of opening balance sheet	(4,408)
Total cash cost	**20,679**

10. Post Balance Sheet Events

In January 2016 the Group completed the acquisition of Healthcare business information provider GlobalData Holding Limited, a private company owned by Mike Danson and Wayne Lloyd (and his connected parties) for a total consideration satisfied by the issue 26,078,431 Ordinary Shares.

In accordance with IFRS3.B66, management has not been able to estimate the fair value of goodwill and intangible assets acquired as the acquisition occurred in close proximity of the year end. No revenues or profits are included in the Group's results for the year ended 31 December 2015. In 2015 the acquired Healthcare business had revenues of £19.1 million and profits before tax of £1.4 million.

In addition, the Group also completed the disposal of its non-core B2B print assets to Research Views Limited also controlled by Mike Danson and Wayne Lloyd (and his connected parties). The disposal was for consideration of £1, together with a guaranteed loan agreement from the related party acquirers.

As a result of the above transactions, the Group changed its name to GlobalData Plc which better reflects the business and its operations.

On 1 March 2016, the Group announced its maiden dividend. Further details can be found in note 8.

11. Assets held for sale and discontinued operations

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

On 23rd December 2015, the Group announced that it was in advanced negotiations to sell some of its non-core B2B print businesses to a related party, as described in note 10. The Board felt that the assets no longer fitted with the Group's strategy of being a solely business information focused business. The completion of the disposal was confirmed on 19 January 2016.

The B2B print assets subject to the disposal currently provide marketing, advertising and online solutions to a wide number of clients operating in a number of the Group's non-core industry verticals, including Automotive, Oil & Gas and Hospitality. The disposal represents an exit from non-core businesses, which operate in markets that are contracting and are inconsistent with the remainder of the Group.

Pursuant to the provisions of IFRS 5, the business has been classified as held for sale as at 31 December 2015 and its operations have been separated out as discontinued.

	Carrying Value £000s	Fair Value Adjustments £000s	Fair Value £000s
Non-current assets consisting of:			
Goodwill	4,335	(4,335)	-
Intangible assets	497	(497)	-
Current assets consisting of:			
Trade receivables	7,553	(1,393)	6,160
Other receivables	265	-	265
Total Non-current and Current Assets	**12,650**	**(6,225)**	**6,425**
Current liabilities consisting of:			
Trade payables	(270)	-	(270)
Deferred income	(1,077)	-	(1,077)
Accruals	(781)	-	(781)
Total Current Liabilities	**(2,128)**	**-**	**(2,128)**
Net Assets held-for-sale	**10,522**	**(6,225)**	**4,297**

A fair value review was conducted by management prior to the assets being classified as held-for-sale. As a result, an impairment of £6.2 million was recorded in the income statement.

In addition to the disposal of the non-core B2B print business, included in the discontinued operations are those activities which ceased during 2014, including the Group's German subsidiary, the disposal of its 75% shareholding in Office Solutions Media Limited as well as a lead generation and market research business.

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

	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Discontinued operations		
Revenue	10,145	16,155
Cost of sales	(10,013)	(11,522)
Gross profit	**132**	**4,633**
Distribution costs	-	(19)
Administrative costs	(8,925)	(2,312)
Other income	-	86
(Loss)/ profit before tax from discontinued operations	**(8,793)**	**2,388**
Income tax credit/ (expense)	801	(1,352)
(Loss)/ profit for the year from discontinued operations	**(7,992)**	**1,036**

b) (Loss)/ profit before tax

This is arrived at after charging:	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Depreciation	-	6
Amortisation	409	-
Impairment	6,225	-

c) Cash flows from discontinued operations

	Year ended 31 December 2015 £000s	Year ended 31 December 2014 £000s
Cash (outflows)/ inflows from operating activities	(1,624)	518
Cash inflows from investing activities	-	4
Cash outflows from financing activities	-	(6)
Total cash (outflows)/ inflows from discontinued operations	**(1,624)**	**516**