

Preliminary Results

28 February 2017

Bruce Carnegie-Brown

Chairman

“Our goal is generating returns for our customers and shareholders in the present and building growth in the future.

“We are announcing a return of capital of £40 million to enhance shareholder value today, and introducing our new CEO, Mark Lewis, who will shape and deliver our growth for tomorrow.”

Bruce Carnegie-Brown, Chairman

Mark Lewis

Matthew Price

Chief Financial Officer

Full year themes

Diversified business operating in attractive growth markets

- 12% revenue growth, and exiting the year strongly, led by Insurance
- Increased diversity with great market positions in Insurance, Money and Home Services
- Core markets worth c£1.6bn and growing at 11%

Continued investment in technology and our future

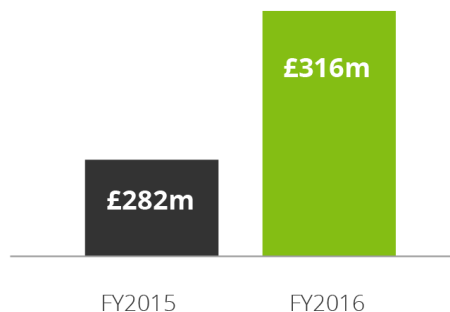
- Step change in technology capabilities and agility, creating options for differentiation
- Transitioning from a search to serve model – using data and personalisation

Delivering great returns to shareholders

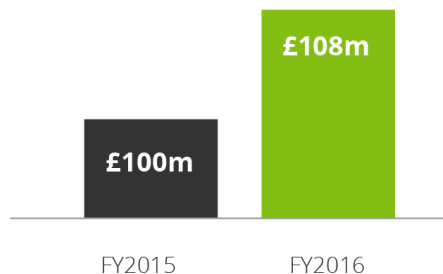
- Continue to deliver strong and growing cash flows
- Increasing total ordinary dividend by 8%, distributing £54M to shareholders
- Announcement to return a further £40M through share buy back

We continue to grow our diversified business

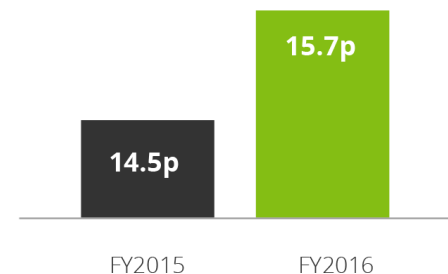
Revenue
(+12%)



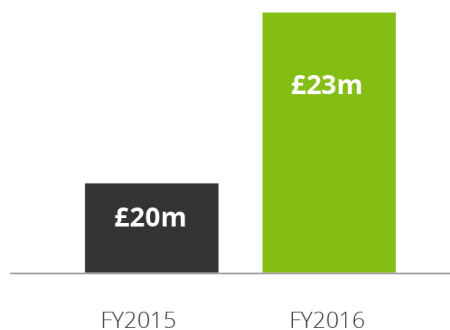
AOP
(+8%)



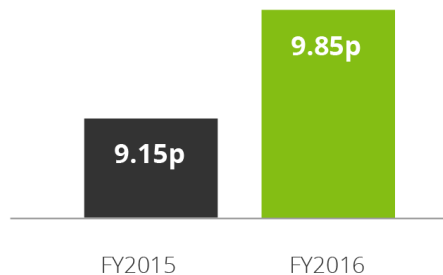
EPS (Adjusted)
(+8%)



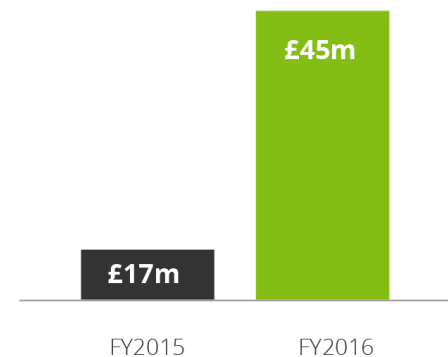
Capital Investment
(+£3m)



Total Dividend
(+8%)



Cash
(+£28m)



Revenue growth converted to profit

£Millions	FY 2016	FY 2015	Growth
Revenue	316.4	281.7	+12%
Gross Margin	75%	80%	
Adjusted EBITDA	120.8	110.1	+10%
EBITDA margin %	38%	39%	
Depreciation & Software Amortisation	(13.0)	(10.0)	
Adjusted Operating Profit *	107.8	100.1	+8%
Adjusted Operating Profit margin %	34%	36%	
Adjusting items *	(16.7)	(19.7)	
Operating Profit	91.1	80.5	+13%
Net finance costs	(0.7)	(0.7)	
Profit on disposal of associate	0.8	-	
Taxation	(17.8)	(16.4)	
Net Profit	73.5	63.4	+16%

Adjusted Operating Profit ("AOP") definition: Operating profit adjusted for the amortisation of acquisition-related intangible assets (2016: £14.5M, 2015: £14.9M, the impairment of intangible assets (2016: £2.2M, 2015: nil) and the contingent payable in relation to the acquisition of MoneySavingExpert.com. (2016: nil, 2015 £4.8M)

Adjusted EBITDA definition: Adjusted Operating Profit adjusted to exclude depreciation and software amortisation (2016: £13.0M, 2015 £10.0M)

Progress on KPI performance

Best Site



23m (-1%)
Unique monthly
visitors

£23m (+£3m)
Investment in
Technology

Earn Customer Loyalty



22m (+19%)
People choosing
to share data

43% (-5%*)
Net Promoter
Score

£1.8B (+13%)
Savings made by
customers

Preferred partner



980 (+12%)
Number of
providers

64% (-4%)
Marketing
margin

Note:

* This is an aggregated Group NPS score

* Excluding TravelSupermarket Net Promoter Score remained flat at 49%

Delivering strong growth

Revenues £Millions	FY 2016	FY 2015	FY Growth (%)
Insurance	155.2	140.2	+11%
Money	78.9	72.4	+9%
Home Services	51.0	37.5	+36%
MoneySuperMarket.com	285.1	250.1	+14%
MoneySavingExpert.com	36.8	30.7	+20%
TravelSupermarket.com	22.3	24.5	-9%
Intra-group eliminations and other income *	(27.8)	(23.6)	
Total Group	316.4	281.7	+12%

*Other income includes one-off recoveries relating to prior years of £0.6m (2015: £nil) arising from revenue assurance activity

Our core markets are worth c.£1.6bn, growing at **11%**

Online Switching Market Today

Insurance
£1000m

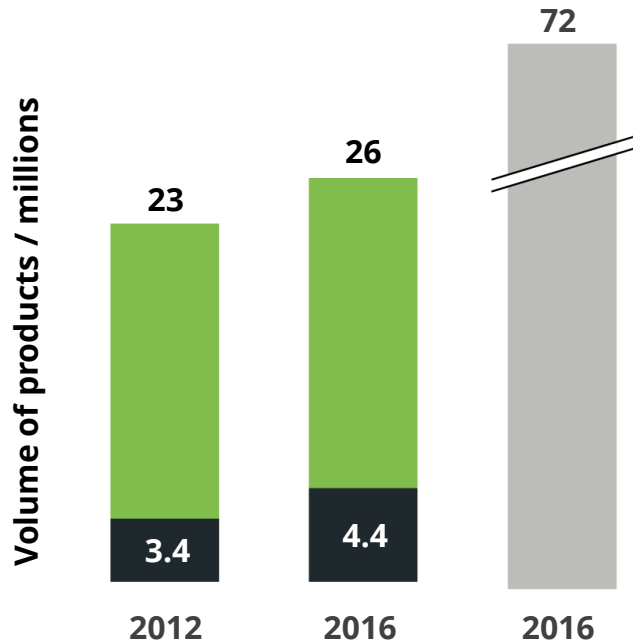
Money
£450m

Home Services
£150m


+11%
GROWTH
2016

Insurance: Growing robustly by 11% in 2016

Home, Motor and Travel Insurance



CAGR 2012 - 2016

- +7% ● MSM sales new / switching
- +4% ● Online sales new / switching

Online Competition

Online includes three other material aggregators (Confused.com, CompareTheMarket.com and Gocompare.com), some smaller aggregators and direct to provider

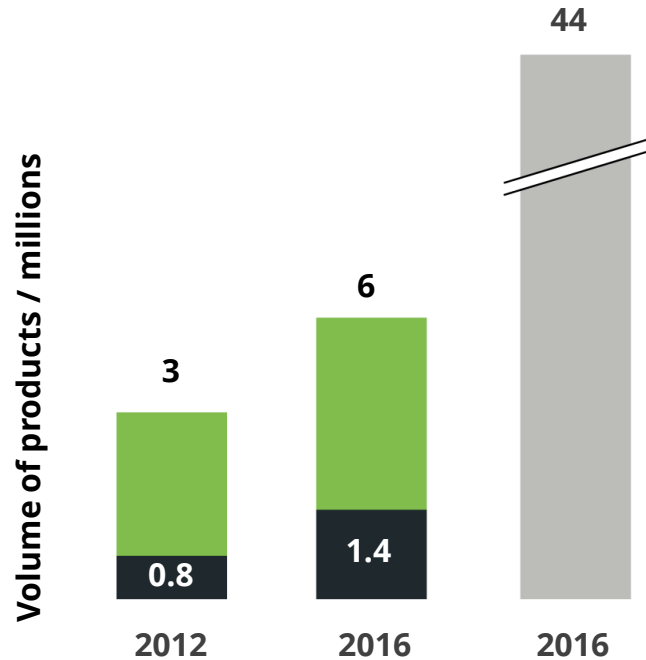
- 2016 industry advertising spend unchanged
- The products above represent over 70% of group Insurance revenues

Source: Internal estimates based on DfT, ABI, ONS, Mintel, Kantar, Internal Data

Note: Online size is based on 12 months to October, MSM and total market are full year

Money: Removing barriers for consumers

Cards & Loans



CAGR 2012 – 2016

+16% ● MSM sales new / switching

+15% ● Online sales new / switching

Online Competition

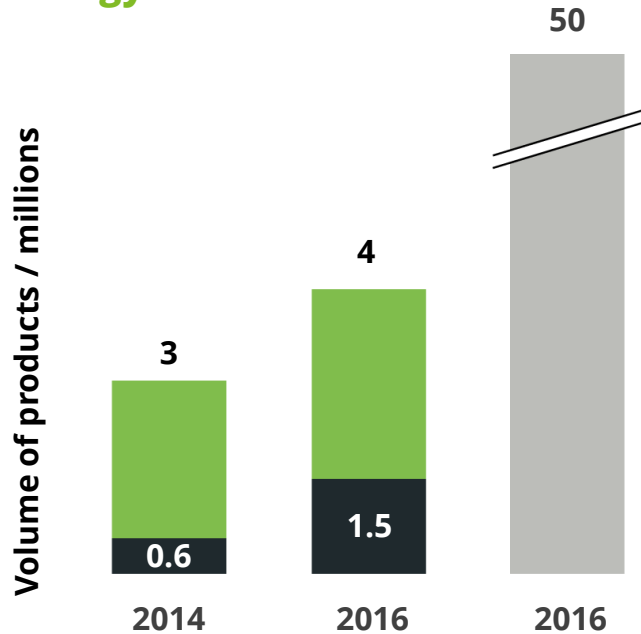
Apart from Moneysupermarket, the online market is predominantly direct sales on bank, credit card and loan providers' websites

- The products represented above comprise over 60% of total Group Money revenues

Source: Internal estimates based on BBA, Mintel, EIU, GfK, Internal Data

Energy: Significant market opportunity

Energy



CAGR 2014 - 2016

+52% ● MSM sales new / switching

+24% ● Online sales new / switching

Online Competition

Apart from Moneysupermarket, the online market is a mix of other aggregators and direct sales by providers

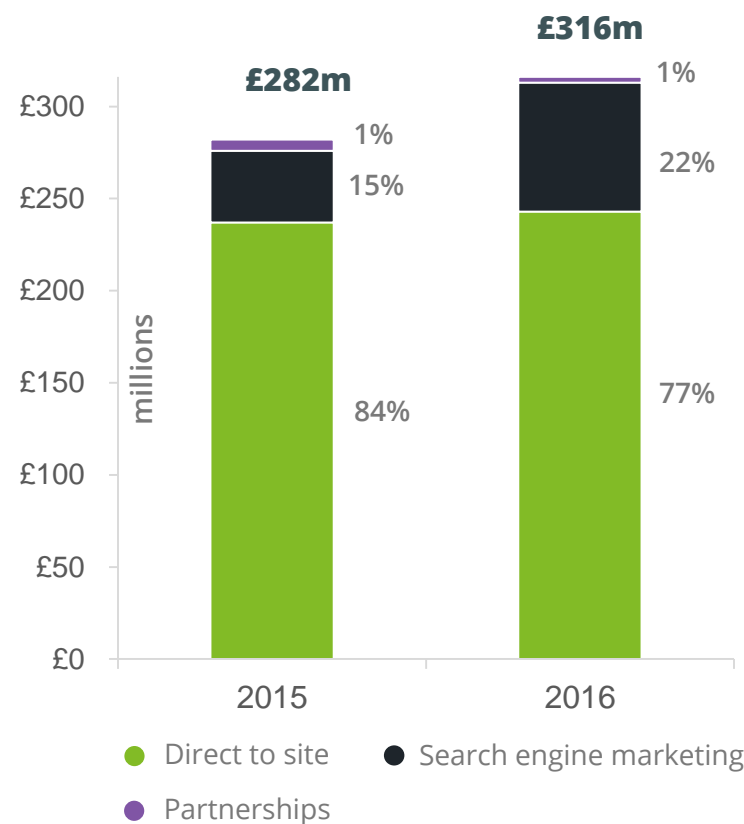
- Energy is over 80% of home services

Profitable growth from up-weighting online marketing

Marketing Spend

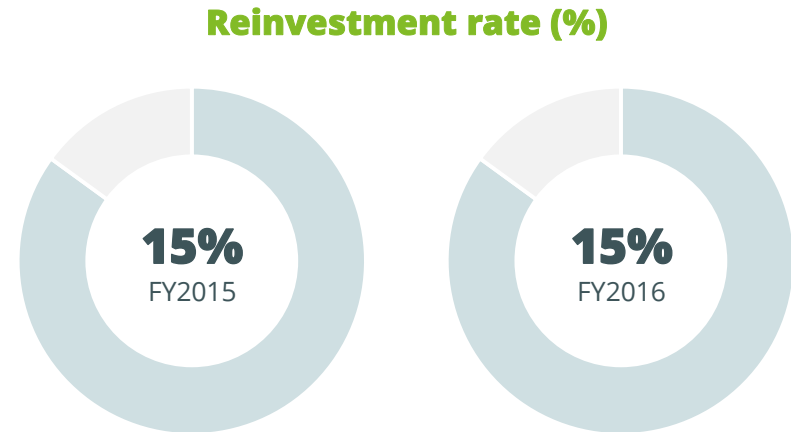
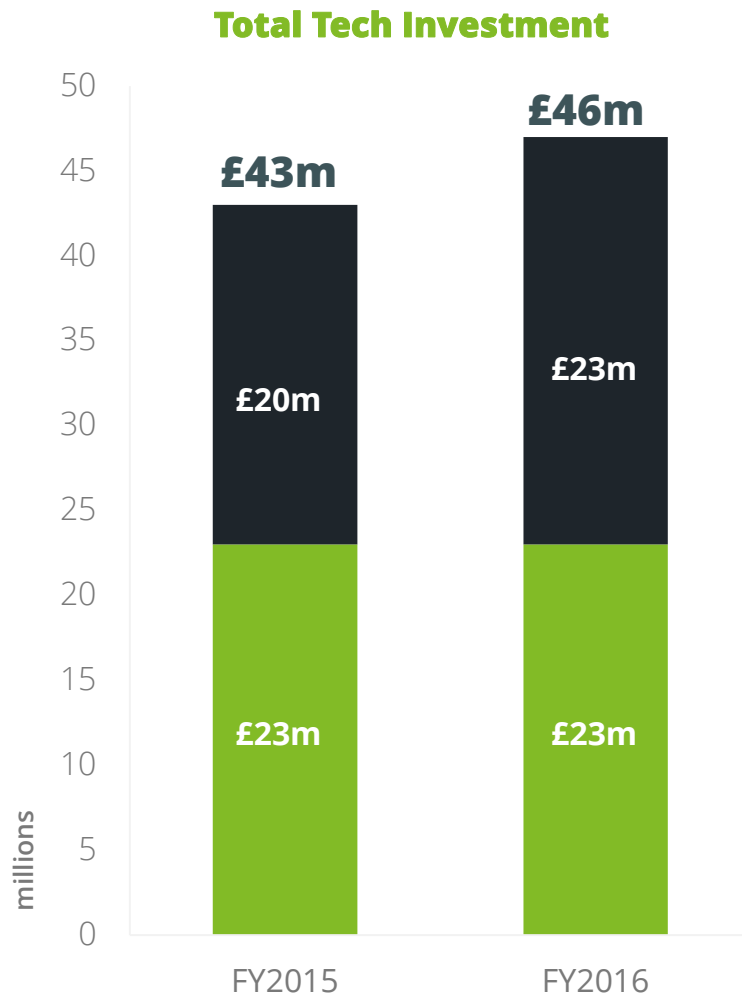
£Millions	FY 2016	FY 2015	FY (%)
Offline spend	28.7	25.8	+11%
Online spend	62.8	45.5	+38%
Other	5.6	8.4	-33%
Total Group	97.1	79.7	22%
<i>Marketing Margin excl MSE Cash Back</i>	69%	72%	-3%

Revenue by source



- Direct to site revenue increased £7M YOY
- Increased online marketing profitably
- As this marketing is working we currently expect the 2017 gross margin to be in-line with H2 2016 at around 73%

Creating options for future differentiation



- Operating costs are mainly staff costs and licenses
- Operating costs will increase £2-3M as we complete the transition from capitalised build phase to run phase on new systems
- Reinvestment rate is defined as the total technology investment as a percentage of revenue

- Technology operating costs excluding amortisation
- Technology capital investment

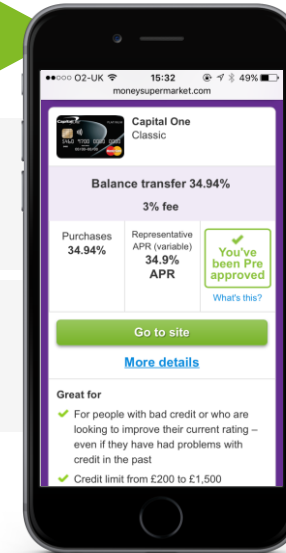
From search to serve model with data and personalisation

2009



Technology enabler

2016

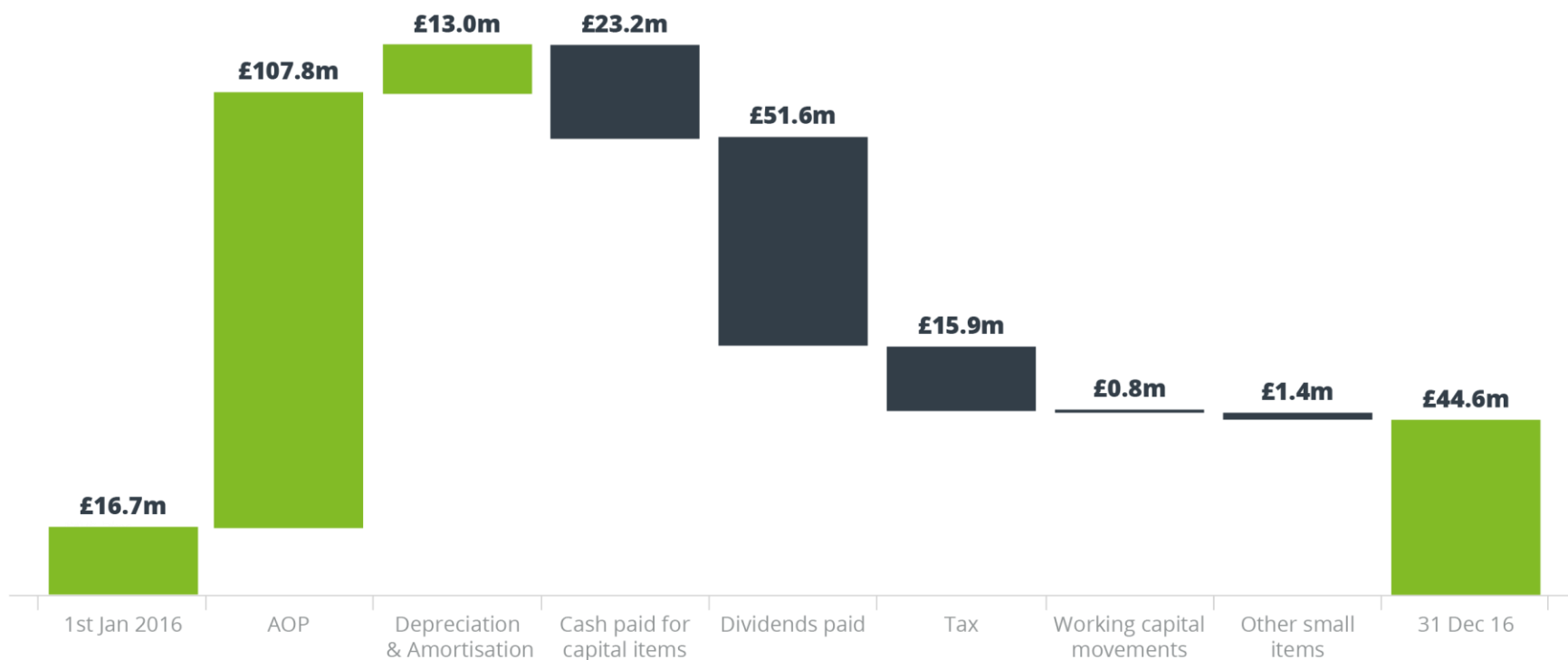


- Single view of the customer
- Agile Content Management system

- Service for customers to search
- Static best buy table
- Results were not personalised

- Results that go beyond price
- Increasingly we will deliver customers recommendations based on their circumstances creating barriers to entry

Strong cash position after distributing £52M to shareholders



Note: Other smaller items include £1.9M Share option charges, £0.8M Disposal of an associate £(0.5)M Interest and facility costs, and (£3.9)M Share purchases from EBT

Priorities growth & delivering £94M to shareholders



- Group will borrow to fund growth investments, not to finance distributions to shareholders
- Return a further £40M through share buy back

The best place for people to switch & save

- Strong and diversified positions in markets worth £1.6bn and growing
- Great opportunities for further growth as consumers continue to shift online to save money on their household bills and financial products
- Technology investment aims to accelerate our growth through differentiation – moving from search to serve for customers

Delivering great returns to shareholders

- Track record of growth across our markets and converting this to profits
- Highly cash generative
- Increasing normal dividend by 8% to £54M
- Returning a further £40M through share buy back



Peter Plumb

Chief Executive Officer

2016: Good year building momentum to strong Q4 trading

We saved 7M families £1.8bn on their household bills

Business Summary

- Group Brands were used by an estimated 39M unique users (85% of UK online adults)
- MoneySuperMarket.com: +14% - credit products strong, insurance strong H2
- MoneySavingExpert.com: +20% - 2 collective energy switches saving 0.3M families money
- TravelSuperMarket.com: -9% - turnaround back on track, strong Q4 growth

Growth Investment

- New Fusion platform powering 24 channels
- Migration of 38M customer records to new Enterprise Data Warehouse (EDW) on track
- Manchester Lab innovating new App services

Regulation

- No new regulatory matters to report

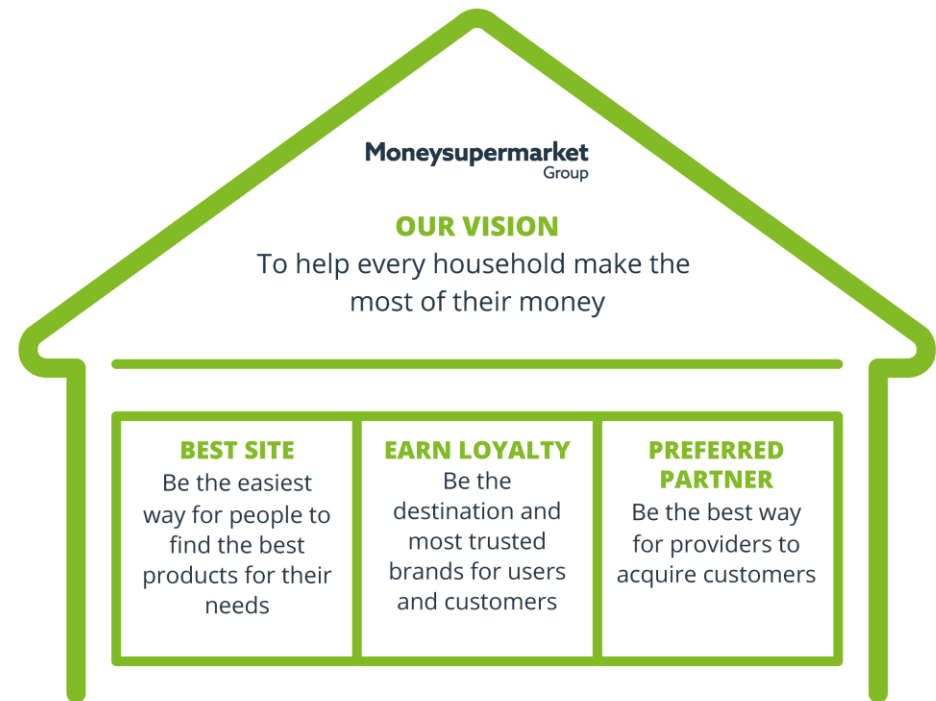
Helping every household make the most of their money

Our simple strategy continues to focus the Group on our customers and users

2010



2016

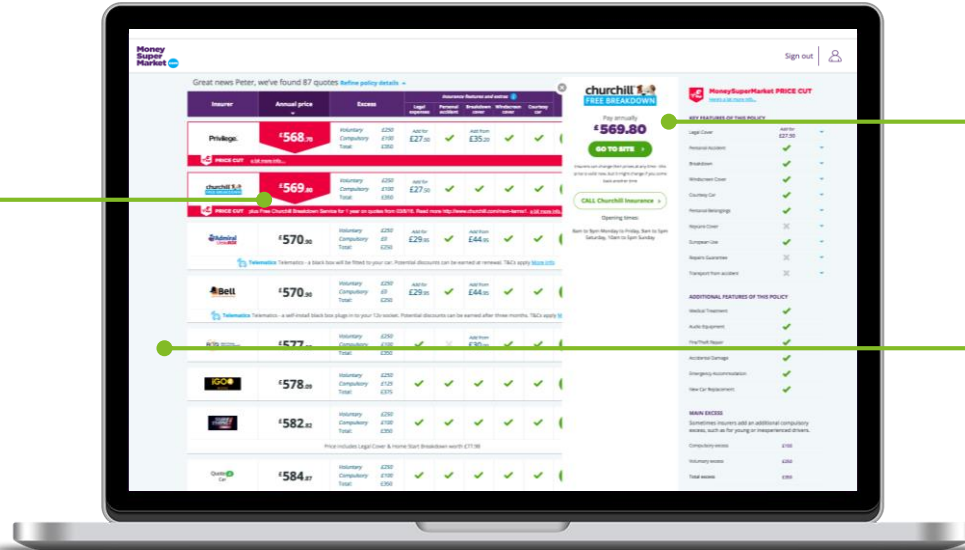


MoneySuperMarket: Insurance re-engineered for growth

Motor Insurance is all about delivering our 'Best Price' and 'Best Shop' ambition

Price:

'Best Price' delivered through data analytics



Product:

Policy details transparent at the level the customer wants

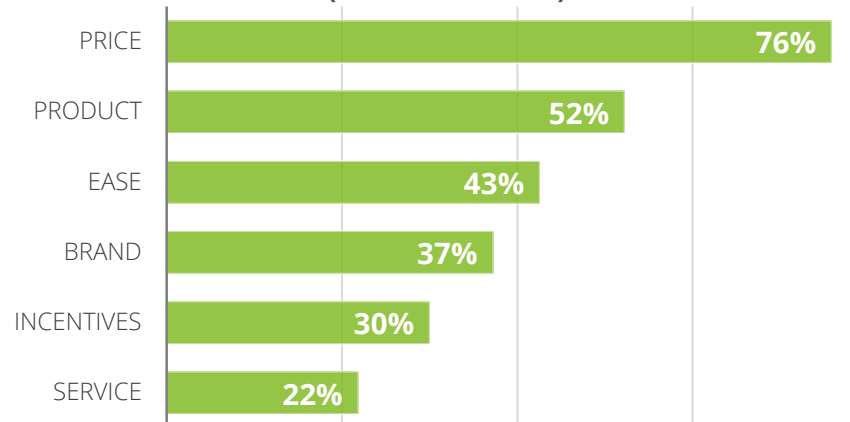
Ease:

'Best Site' powered by new Fusion platform

What customers want...



*Customer consideration factors (Motor Insurance)



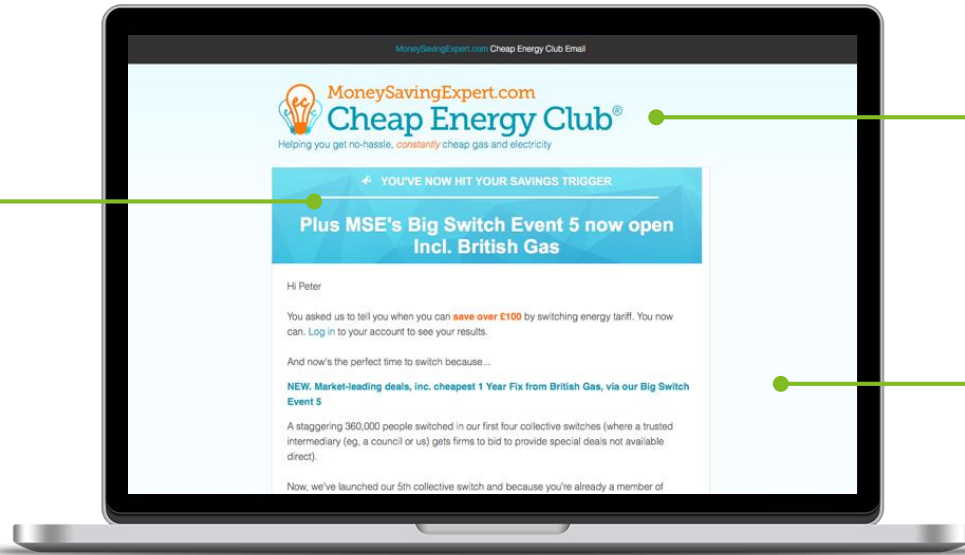
*Source: Incite 2015 N=5000

Which of the following would be important to consider when deciding which is the right Motor Insurance policy for you and which would be most important in determining which policy you decide to take out?

MoneySavingExpert.com: growth engine for Energy

Cheap Energy Club has 2.6M members and switched 0.6M users in 2016

Price:
Collective Switch
tariffs



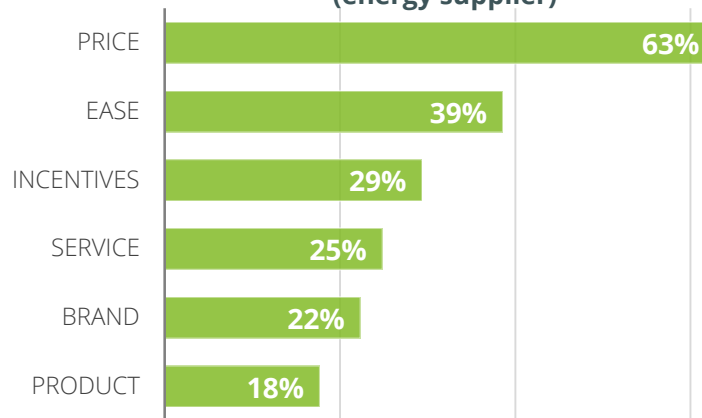
Ease:
Energy Club's 2.6M
members get an
email when they
can save

Incentives:
Cash back deals
from MSE

What customers want...



*Customer consideration factor (energy supplier)



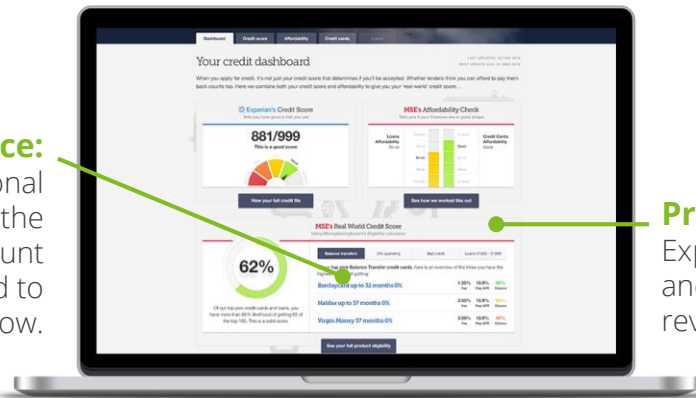
*Source: Incite 2015 N=5000

Which of the following would be important to consider when deciding which is the right energy supplier for you and which would be most important in determining which energy/tariff supplier you decide to switch to? Base: All who are likely to switch (837) ?

MoneySavingExpert: Trusted service driving Money growth

Credit Club offers personalised product search and trusted expert content

2016 'Soft Launch'



Price:
Best personal rate for the amount I need to borrow.

Product:
Expert guides and product review

2017 'Hard Launch'

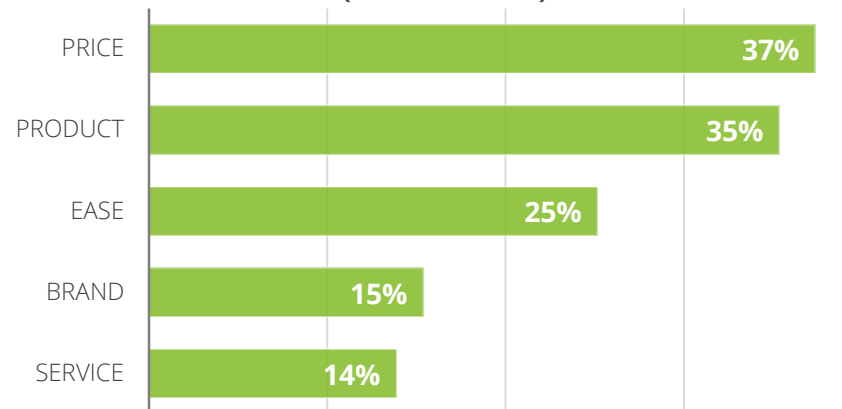


Ease:
Access to your personal credit file

What customers want...



*Customer consideration factors (Personal Loan)

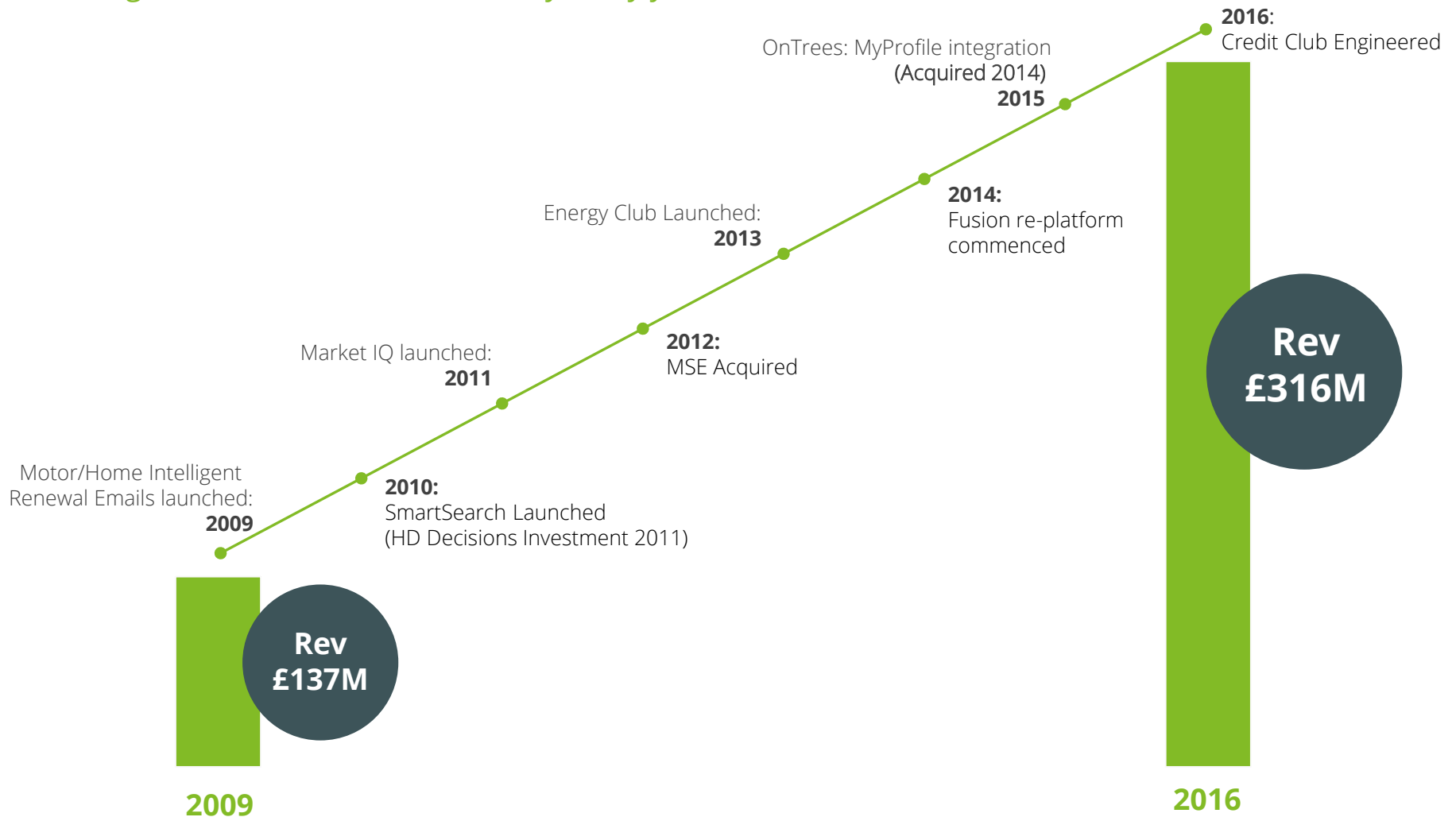


*Source: Incite 2015 N=5000

Which of the following would be important to consider when deciding which personal loan is right loan for you and which would be most important in determining which personal loan you decide to take out ? Base: All who are likely to switch or acquire (741)

The Group has driven growth through continued innovation

Saving more customers more money every year



Group has unique building blocks for continued innovation

Apps are now the preferred way to manage bank accounts in UK

Group Platform



38M



Content

20,000,000 pages



MoneySavingExpert.com

547
Providers

Aggregation
Engine Connected



APIs

Group Reach

39M
People

617

Talented
Employees

Engineering new services

'OnTrees'

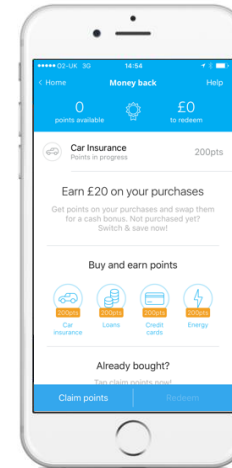
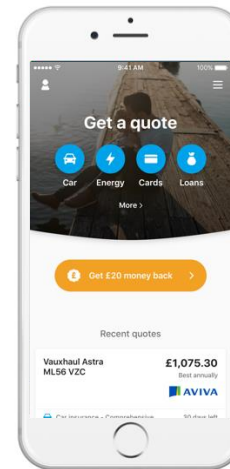
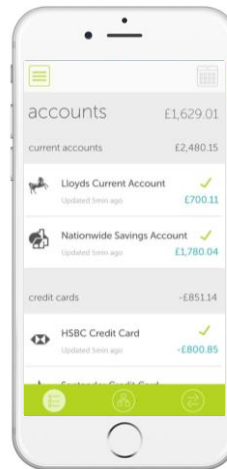
Account Aggregation

'GO'

Easy Switching and Money Management

'APIs'

Conversation Commerce



amazon echo



Google Home



What's happening in the world
of Customer Data

(MiData) Smart Energy Motor Rollout

PSD2

GDPR

Moneysupermarket
Group

Current trading: 2017

Insurance in strong growth, energy phasing likely to be different to 2016

Market

- Insurance: Prices continue to rise
- Energy: Prices rises coming through from some of the Big 6, although small players dominate low tariffs
- Money: Cheap lending continues
- Travel: Package holiday market good

Brands/Marketing

- MSM campaign: You're So MoneySuperMarket moves on from Colin and Dave
 - Data investments are powering more personalised/relevant email campaigns
 - Insurance focus on delivering 'Best Price' is building further momentum
- MoneySavingExpert
 - Cheap Energy Club likely to have different phasing (no collective in Q1) vs 2016
 - Credit Club 'hard launch' on track
- Travelsupermarket.com back in good health

Board Confidence

- MSM.com's channel migration to Fusion continues through H1
- Mark Lewis to take over as CEO on 10 April 2017
- Board is confident in meeting expectations for the year ahead

Q&A

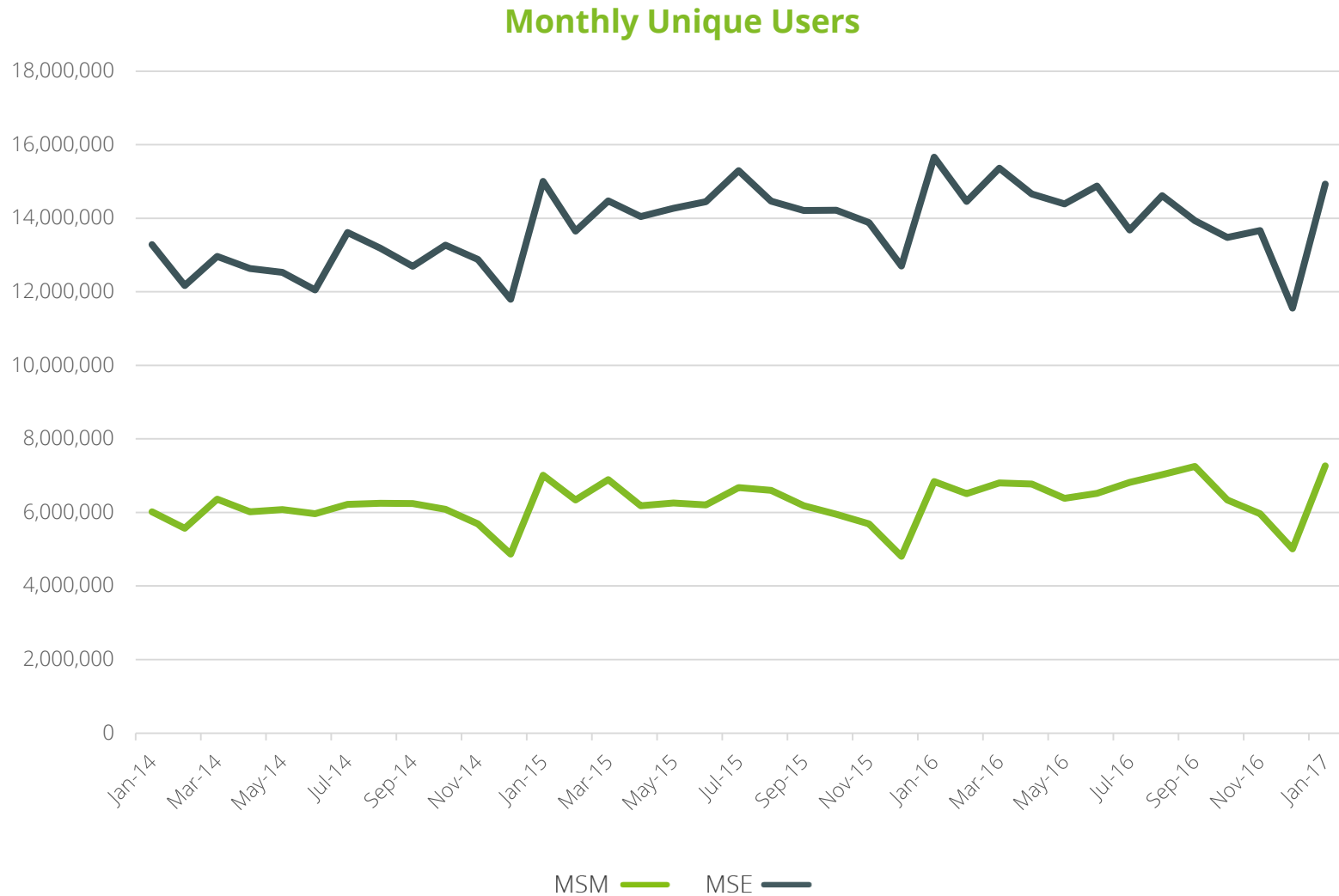
Peter Plumb & Matthew Price

Preliminary Results

28 February 2017

Appendix

Unique monthly users



Source: Google Analytics

Cash and capital update

- We incurred software amortisation costs of £11 million this year. We expect technology amortisation to be in the region of £17 million for 2017
- We expect to make capital investment of up to £17 million in 2017
- Amortisation of the intangible assets related to the pre IPO reorganization and MSE acquisition was £14.5 million in FY 2016. We expect amortisation of the intangible assets to be in the region of £7 million for 2017
- The Group's cash tax payment benefits from the amortisation of goodwill on the MoneySavingExpert acquisition. This amortisation is c.£16 million pa and will run until September 2017
- The Group intends to reorganise its real estate including the new London Soho office. This is likely to result in a one-off capitalization charge of c. £3 million in 2017
- In November 2016, the group extended the existing revolving credit facility of £100 million until December 2019

We continue our progressive dividend policy

Dividend (pence)	2016	2015
Interim	2.75	2.55
Final	7.10	6.60
Total Ordinary Dividend Declared	9.85 +8%	9.15

Adjusted Earnings Per Share	15.7	14.5
Dividend Cover	1.6 x	1.6 x

- Returning a further £40M through share buy back

Dates for Final dividend – 6th April ex-div date, and 12th May payment date

Adjusted operating profit

Revenues £ Millions	FY 2016	FY 2015	Variance	Variance %
Revenue	316.4	281.7	34.7	+12%
Gross Profit	236.8	225.4	11.4	+5%
<i>Gross Margin</i>	75%	80%		
Administrative Costs	(109.2)	(110.8)	(1.6)	-1%
Distribution Costs	(34.3)	(34.2)	(0.1)	0%
Impairment of intangible assets	(2.2)	-	(2.2)	
Operating Profit	91.1	80.5	10.6	+13%
Amortisation of acquired intangible assets	14.5	14.9	(0.4)	-3%
Contingent payable in relation to MSE	-	4.8	(4.8)	-100%
Impairment of intangible assets	2.2	-	2.2	
Adjusted Operating Profit	107.8	100.1	7.7	+8%
Depreciation	1.9	2.6	(0.7)	-27%
Amortisation of technology related Intangible assets	11.1	7.4	3.7	+50%
Adjusted EBITDA	120.8	110.1	10.7	+10%

Adjusted cost base

£Millions	FY 2016	FY 2015	Variance	Variance %
Staff Costs	50.6	51.1	(0.5)	-1%
Depreciation	1.9	2.6	(0.7)	-27%
Amortisation of technology	11.1	7.4	3.7	+50%
Irrecoverable VAT	9.8	7.4	2.4	+32%
Other admin	21.5	22.6	(1.1)	-5%
Total Adjusted Admin	94.9	91.1	3.8	+4%
Advertising	28.7	25.8	2.9	+11%
Other Marketing	5.6	8.4	(2.8)	-33%
Total Distribution costs per P&L	34.3	34.2	0.1	0%
Online and other marketing costs*	79.4	56.3	23.1	+41%
Total Marketing Costs	113.7	90.5	23.2	+26%
Total Adjusted Cost base below gross margin	129.2	125.3	3.9	+3%
Total Adjusted cost base	208.6	181.6	27.0	+15%

• Represents the adjusted cost base for the Group, and therefore includes approximately £10.6m of administrative and distribution costs (2015: £9.4m) relating to MoneySavingExpert.com. Excludes contingent payable in relation to the MSE acquisition and amortisation relating to acquisitions

* Includes costs relating to cashback, smartsearch and online display

Gross margin impacted by higher online marketing

£Millions	FY 2016	H2 2016	H1 2016	FY 2015	H2 2015	H1 2015
Revenue	316.4	158.8	157.6	281.7	137.8	143.9
Cost of sales	(79.6)	(42.4)	(37.2)	(56.3)	(27.3)	(29.0)
Gross profit	236.8	116.4	120.4	225.4	110.5	114.9
GP %	74.8%	73.3%	76.4%	80.0%	80.2%	79.8%

Tax and Earnings per share calculation

£Millions	FY 2016	FY 2015
Profit before tax	91.3	79.8
Standard rate of tax 20.00% (2015: 20.25%)	18.3	16.2
<i>Effects of:</i>		
Expenses not deductible for tax purposes	0.1	0.3
Movement related to share based payments	0.1	-
Impact of changes in tax rate	-	(0.1)
Adjustment in relation to prior periods	(0.7)	-
Tax expense for the year	17.8	16.4
<i>Effective tax rate</i>	19.5%	20.6%
Adjusted Earnings	85.7	79.3
Basic average shares (millions)	546.6	546.3
Basic adjusted EPS (pence)	15.7	14.5
Diluted average shares (millions)	548.8	548.9
Diluted adjusted EPS (pence)	15.6	14.4

Statutory balance sheet

£Millions	31-Dec-16	31-Dec-15
Property, Plant And Equipment	7.5	8.7
Intangible Assets - Technology	37.8	28.1
Intangible Assets - Acquisition related	119.8	135.8
Investments	0.5	-
Trade and Other Receivables	39.3	32.4
Cash and Cash Equivalents	44.6	16.7
Total Assets	249.5	221.7
Trade And Other Payables	(46.8)	(40.7)
Tax assets and liabilities	(16.3)	(15.2)
Borrowings	-	-
Total Liabilities	(63.1)	(55.9)
Net assets	186.4	165.8

- Acquisition related intangible assets include £74 million associated with the pre-IPO Group reorganisation, and £60 million from the acquisition of MoneySavingExpert
- Tax assets and liabilities include both current and non-current balances

Cash flow seasonality

£Millions	H1 2016	H2 2016	FY 2016
Adjusted Operating Profit	53.8	54.0	107.8
Depreciation	1.1	0.8	1.9
Amortisation of technology related intangible assets	4.8	6.3	11.1
Dividends	(36.5)	(15.1)	(51.6)
Tax	(7.6)	(8.3)	(15.9)
Purchase of shares by employee trust	(2.3)	(1.6)	(3.9)
Disposal of associate	0.8	-	0.8
Acquisitions of other fixed assets	(10.9)	(12.3)	(23.2)
Working capital & Other	(10.1)	9.4	(0.7)
Share options and share issues	1.0	1.1	2.1
Interest and up front facility fees	(0.1)	(0.4)	(0.5)
Net cash movement	(6.0)	33.9	27.9
Movement in borrowings	-	-	-
Cash movement	(6.0)	33.9	27.9

2016 Quarterly performance

£Millions	Q1 16	Q2 16	Q3 16	Q4 16	FY 2016
MoneySuperMarket.com	76.0	66.2	76.0	66.9	285.1
MoneySavingExpert.com	11.2	8.1	9.2	8.3	36.8
TravelSupermarket.com	5.3	5.8	6.9	4.4	22.3
Intragroup / Other	(8.9)	(6.1)	(7.1)	(5.7)	(27.8)
Group Revenues	83.7	73.9	84.9	73.9	316.4
Growth PY %	9%	10%	12%	20%	12%

- The diversified and strong business delivers stable annual returns despite vertical Q on Q volatility












Perceptions and realities

Perceptions:	Insurance is a mature market	The barriers to entry are low
Reality:	<ul style="list-style-type: none"> ✓ Insurance delivered 11% YOY revenue growth 2016 ✓ Insurance includes four key channels, some have very low levels of PCW penetration ✓ Car insurance the most mature still benefiting from the shift to online 	<ul style="list-style-type: none"> ✓ The core competitor group is unchanged ✓ Deep relationships with providers needed to deliver personalised results rather than just listings ✓ Well established and invested brands ✓ Investing in tools and services to deliver differentiation. Great service needs data, more than just TV

Perceptions:	Performance is cyclical	Rising energy prices is bad for switching
Reality:	<ul style="list-style-type: none"> ✓ The Group is a trading business with limited contracted revenues ✓ Opportunity with MSE in Money and Home Services to promote special deals on products ✓ Core business very relevant to customers in a downturn ✓ Not reliant on any single product or provider 	<ul style="list-style-type: none"> ✓ In a rising price environment, consumers should switch to secure the best deal ✓ 2013, a rising pricing environment the Group helped 150,000 more customers save on energy ✓ In the short term rising costs can impact providers ability to price a collective switch

Customers keep saving year after year

Fuelling continued structural growth opportunity across the Group

	Jan 2015		Jan 2016		Jan 2017	
	Product Average Policy	Average MSM Saving	Product Average Policy	Average MSM Saving	Product Average Policy	Average MSM Saving
Car Insurance <small>Average Cheapest Premium</small>	£958	£455*	£1014	£488*	£1081	£569*
Home Insurance <small>Average Cheapest Premium</small>	£141	£99*	£132	£93*	£127	£105*
Credit Cards <small>0% BT Duration</small>	 £277 <small>35 Months</small>		 £278 <small>40 Months</small>		 £285 <small>43 Months</small>	
Savings <small>Easy Access</small>	 £24 <small>1.4%</small>		 £21 <small>1.65%</small>		 £16 <small>1.1%</small>	
Loans <small>£10k over 5 years</small>	 £55 <small>3.9%</small>		 £49 <small>3.3%</small>		 £47 <small>2.8%</small>	
Energy <small>Average Household Bill**</small>	£1165	£124	£1095	£325	£1099	£191
						

Source:
* based on Ofgem consumption figures
Note: Cards, Loans, Savings based on Dec 14