

25 February 2009

**Moneysupermarket.com Group PLC Preliminary Results for the year ending
31 December 2008**

Moneysupermarket.com Group PLC ("Moneysupermarket.com" or the "Company"), the UK's leading price comparison website, is pleased to announce its preliminary results for the 12 months to 31 December 2008.

Financial highlights(1)	2008	2007	Change
Revenue	£178.8m	£162.9m	10%
Adjusted EBITDA(2)	£48.4m	£53.0m	(9%)
Goodwill impairment charge	£70.0m	-	n/a
Statutory (loss) / profit after tax and impairment charge	(£59.1m)	£9.4m	
Cash balance	£73.5m	£54.0m	
Total dividend for period	3.5p	1.63p	

Financial highlights

- Total revenues of £178.8m up 10% from £162.9m in 2007.
- Adjusted EBITDA of £48.4 million (£53.0m in 2007).
- Revenues in Insurance grew by 38% to £77.7 million (£56.4m in 2007). Insurance represented 45% of internet revenues (37% in 2007). Travel revenues were 27% higher at £19.1 million (£15.0 million in 2007) whilst revenues in Money fell 10% year on year to £68.3 million (£76.0m in 2007).
- Cash balances of £73.5 million (2007: £54.0m) at year end and the business remains cash generative and debt-free.
- Goodwill impairment charge of £70.0m recorded in the year.
- Final Dividend of 2.2p bringing the full year dividend to 3.5p per ordinary share.

Operational highlights

- Market leading position maintained
 - Moneysupermarket.com and travelsupermarket.com both number one in their sectors
 - Brand continued to strengthen - target of 80% for online brand recognition achieved by September 2008
- Visitors(3) to the Group's websites increased by 32% to 120 million (91m in 2007).
- Transactions on the Group's websites increased by 23% to 71.4 million (58.2m in 2007)
- New management team put in place to lead the business through the next stage of its development.

- Simon Nixon moves to Executive Deputy Chairman with effect from today
- Peter Plumb appointed as Chief Executive Officer with effect from today
- David Osborne joined as Marketing Director and joined the Board on 23 February
- Graham Donoghue, MD of Travel, promoted to the Board on 23 February.

The Board is proposing a final dividend of 2.2p per ordinary share. If approved by shareholders at the forthcoming Annual General Meeting, the final dividend will be paid on 1 May 2009 to ordinary shareholders on the register on 27 March 2009.

Commenting on the results, Gerald Corbett, Chairman, said: "As Simon moves to his new role, I would like to thank him for his immense contribution to our business. The past twelve months have further demonstrated the benefits of moneysupermarket.com's diversified business model, with growth in Travel and Insurance compensating for the decline in Money. We are, however, now in the grip of a full scale recession and it is the task of the new management team to get us through it whilst preserving our brand and market position."

Peter Plumb, Chief Executive Officer, commented: "Because of the recession, we are currently trading at levels well below last year. My first task is to reconfigure the business for this lower level of revenue. We will review the cost base, we will extract more value from lower online and offline marketing spend, we will re-engineer our systems and get closer to our providers and customers."

"We have a strong market position, the internet continues to grow and we are the pre-eminent brand. The immediate task is to get leaner and more efficient, continue to generate cash and ensure the business is well positioned for when the recovery eventually comes."

- ends -

Results presentation

There will be a presentation for investors and analysts at 1 Finsbury Avenue, London EC2M 2PP at 9am this morning. The presentation will be streamed live: visit <http://corporate.moneysupermarket.com/> to register and watch.

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Notes

1. The financial highlights relate to the Adjusted Income Statement covering the years ended 31 December 2008 and 31 December 2007 assuming a debt free acquisition of Moneysupermarket.com Financial Group Limited by the Company on 1 January 2006, from which date intangible amortisation commenced, and a share option charge which reflects the average charge over the vesting period of currently unexercised options.

2. Adjusted EBITDA is calculated by the Directors by making certain adjustments to the historical compensation levels of the Directors and senior managers, and share based bonus awards to employees on the listing of the Company. These adjustments reflect the Directors' and senior managers' profit share, discretionary bonus and related employer's national insurance contributions. They also include charges relating to the issue of free shares to each eligible employee to the value of £3,000, charges relating to the conditional share award made to Gerald Corbett on listing and charges related to share based compensation relating to options issued prior to listing. Charges relating to the impairment of goodwill in 2008 have also been added back to calculate adjusted EBITDA.
3. As noted in the prospectus issued in connection with the listing of the Company on 31 July 2007, the Group's visitor numbers during the period between January and May 2007 were understated due to certain visitors not being assigned a unique global user ID. The issue was resolved in May 2007 and has not impacted visitor numbers in the Insurance vertical after May 2007. The Group has not been able to quantify the exact extent of the understatement.

The Group recorded a substantial increase in its reported visitors from 27 April 2008 to the end of June 2008 following a release made in respect of the anti-virus software AVG. In assessing whether a webpage was safe it 'followed' every link or url displayed on an email or webpage to the destination website. This meant that many web based businesses including the Group recorded visitors from users of the AVG software who themselves did not technically visit the website. The 2008 visitor count has been adjusted for the estimated impact of this. AVG released a further update to its anti-virus software in early July 2008.

Highlights

Moneysupermarket.com Group PLC (the 'Company') was formed as a new holding company on 14 March 2007 and it acquired Moneysupermarket.com Financial Group Limited and its subsidiaries (together the 'Group') on 22 June 2007. Revenue in 2008 was £178.8m (2007: £88.3m), and after an impairment charge of £70.0m, generated a net loss after tax of £59.1m (2007: profit £9.4m).

The Group has presented below an Adjusted Income Statement for the years ended 31 December 2008 and 31 December 2007 to show what the financial results would have been had the Company acquired Moneysupermarket.com Financial Group Limited on 1 January 2006. The Directors believe that this will allow users of the financial information to gain a better understanding of the underlying performance of the business. This is consistent with the presentation made last year. The Adjusted Income Statement forms the basis of the commentary contained in the Business Review presented below unless otherwise stated.

Adjusted Income Statement for the year ended 31 December 2008

	Actual 2008 £000	Pro Forma 2007 £000
Revenue	178,800	162,882
Internet	172,532	152,220
Intermediary	6,268	10,662
Cost of sales	(62,064)	(54,268)
Gross profit	116,736	108,614
Distribution expenses	(21,618)	(19,640)
Administrative expenses - excluding Directors' and senior managers' profit share and discretionary bonuses, and share based compensation	(75,310)	(62,837)
Administrative expenses - Directors' and senior managers' profit share and discretionary bonuses	-	(4,967)
Administrative expenses - share based compensation	(4,325)	(4,433)
Administrative expenses - impairment of goodwill	(70,000)	-
Administrative expenses - total	(149,635)	(72,237)
(Loss)/profit from operating activities	(54,517)	16,737
Adjusted EBITDA		
(Loss)/profit from operating activities	(54,517)	16,737
Directors' and senior managers' profit share and discretionary bonuses	-	4,967
Share based compensation	4,163	4,433
Amortisation of intangible assets	25,200	25,200
Impairment of goodwill	70,000	-
Depreciation	3,543	1,612
Adjusted EBITDA	48,388	52,949
Adjusted earnings per ordinary share:		
- basic	6.9p	7.5p
- diluted	6.8p	7.3p

Notes to the Adjusted Income Statement

Basis of preparation

The adjusted results show the trading results of the Group for the years ended 31 December 2008 and 31 December 2007 adjusted for the following assumptions:

- The acquisition of Moneysupermarket.com Financial Group Limited by the Company occurred debt free on 1 January 2006.
- The charge for share options is the average expected charge over the vesting period of options still to be exercised

following the listing of the Company on 31 July 2007.

Adjusted basic and diluted earnings per ordinary share figures which have been included are based on an adjusted net profit figure assuming that the number of ordinary shares and options in issue at 31 December 2007 had been in issue since 1 January 2007. Options and shares issued since 28 December 2007 have been included in the adjusted diluted earnings per share calculation on a pro rata basis. The adjusted earnings per share calculations assume a 30% tax rate for 2007 and a 28.5% rate for 2008.

The Directors regard an adjusted EBITDA figure as being the most meaningful profit measure for this period. The following adjustments have been made to the Adjusted Income Statement:

- The acquisition of Moneysupermarket.com Financial Group Limited by the Company gave rise to £207.2m of intangible assets. These are to be written off over a period of 3-10 years with a charge of £25.2m per annum to be recorded in each of the first three years. This has been shown within administrative expenses as a charge of £25.2m in the 2008 and 2007 Adjusted Income Statement.
- With effect from the listing of the Company on 31 July 2007, Directors' and senior managers' compensation was revised and the individuals entered into new service agreements. Directors' and certain senior managers' profit share, discretionary bonus and employer's national insurance contributions have been added back in calculating adjusted EBITDA in 2007 to reflect the fact that following the listing on 31 July 2007 these elements of compensation no longer apply to these individuals. No adjustments are required for the year ended 31 December 2008.
- Share option charges relating to options granted to Directors, senior managers and other employees of the Group before the listing of the Company on 31 July 2007 have been added back to calculate adjusted EBITDA. Prior to the acquisition of Moneysupermarket.com Financial Group Limited by the Company, Moneysupermarket.com Financial Group Limited issued share options to employees on terms that will not be offered moving forwards. On listing, the Company also issued 'free' shares to the value of £3,000 as a 'bonus' to each eligible employee as part of its Share Incentive Plan scheme. On listing, the Company also entered into an agreement with Gerald Corbett under which Gerald Corbett purchased 117,647 ordinary shares in the Company and provided he completes three years service as Chairman of the Company from listing and he retains the ordinary shares he purchased, he will be entitled to subscribe at nominal value for 235,294 ordinary shares in the Company.
- The Company made conditional share awards under the terms of the Company's Long Term Incentive Plan on 28 December 2007 and on 4 March 2008.
- The Group has performed an impairment review during the year resulting in an impairment charge against goodwill of £70m which has been added back to calculate adjusted EBITDA.

Overview of financial performance

Revenue grew by 10% to £178.8m (2007: £162.9m) and adjusted EBITDA fell by 9% to £48.4m (2007: £52.9m). The internet business generated £172.5m of revenue representing an increase of 13% on 2007. Revenue growth was impacted by the credit crunch which reduced the supply of credit to the market in general and reduced revenue year on year in the Money vertical. Revenue in all of the other internet verticals grew compared with last year. The intermediary business generated £6.3m of revenue representing a decrease of 41% on 2007. The intermediary business also suffered as a result of lower lending volumes in the UK mortgage market. The Group is currently considering a number of options in respect of the intermediary business.

Gross margins fell slightly compared with last year from 67% to 65%. Gross margins benefited from a favourable sales mix, as the lower margin intermediary business contributed 3% of Group revenue in 2008 compared to 7% in 2007. The Group was able to maintain its direct-to-site revenue as a proportion of total revenue over the period. During the third quarter customer acquisition costs increased substantially in the Insurance vertical which reduced gross margins overall. However these returned to more normal levels in the fourth quarter.

The adjusted cost base before depreciation increased by 23% from £55.7m to £68.4m. Distribution costs, which consist primarily of TV advertising, increased by 10% on last year at £21.6m. Although the Group advertised across all of its verticals, more of the spend was targeted at Insurance, this being both the most competitive market segment and the fastest growing in absolute terms.

The Group has further strengthened its online brand recognition which increased to 80% in 2008 as measured by a YouGov survey regularly commissioned by the Group.

Adjusted administrative expenses increased by 34% over the period. Total adjusted staff costs increased by £7.6m to £30.4m in 2008. The Group reduced its permanent headcount over the

period, and particularly the second half of the year, from 647 to 555 reflecting declining revenue in the Money vertical and a downsizing of the workforce in the intermediary business. The Group invested approximately £3.3m in third party resource in the Money vertical to transfer its technology from ASP to ASP.net to ensure its core technology remained current and 'supported' by Microsoft and to improve the look, feel and functionality of a number of the key channels. This work was completed in the fourth quarter of 2008.

Other administrative costs, including irrecoverable VAT, increased by £3.0m accentuated by a change in sales mix towards sales which were exempt from VAT, notably insurance, together with the introduction of a second data centre to provide business continuity management capability in the first quarter of 2008.

The Group reshaped its operations in Germany and invested £2.2m in 2008 against £0.7m in 2007, launching operations in the Money vertical in January 2009 through the website marktvergleich.de.

Adjusted EBITDA margins fell from 32% in 2007 to 27% in 2008.

The Group operates two different business segments in the UK (internet and intermediary). The internet business operates across four vertical markets. These are discussed below:

	31 December 2008		31 December 2007	
	£000	%	£000	%
Money(1)	68,265	38	75,996	46
Insurance(1)	77,739	44	56,436	35
Travel	19,089	11	15,004	9
Home Services	7,416	4	4,540	3
Other - UK	23	0	87	0
Total internet UK	172,532	97	152,063	93
Germany	-	0	157	0
Total internet	172,532	97	152,220	93
Intermediary	6,268	3	10,662	7
Total	178,800	100	162,882	100

Internet business

The UK internet business accounted for 97% of Group revenue in the year ended 31 December 2008. The Directors use key performance indicators ('KPIs') to assess the performance of the internet business against the Group's strategy. These are reviewed on a regular basis. The principal KPIs for the internet business are as follows:

Visitors

The Group measures the number of visitors to its website as the number of unique visitors per day per channel, measured on a cumulative basis using cookie-based tracking methodologies.

Number of transactions

The Group measures transactions at the point in time that the customer leaves the Group's website having clicked through to a third party website, or in some cases having completed an application form hosted on the Group's website.

Revenue per visitor ('RPV')

The Group measures the total revenue (including click and other internet revenue) divided by the number of visitors defined above.

Revenue per transaction ('RPT')

The Group measures the click based revenue divided by the total number of transactions defined above.

The relative performance of each of the internet verticals is discussed below:

Money

The Money vertical currently offers customers the ability to search for, and compare, products for, amongst other things, business finance, credit cards, current accounts, mortgages, loans, debt solutions and savings accounts. It also includes elements of the Group's lead business (PAA) and advisory business (MCAT) together with advertising revenue that derives from financial products.

The KPIs for the Money vertical are shown below:

	31 December 2008	31 December 2007	Change
Visitors (000)(2)	35,131	27,676	27%
Transactions (000)	15,003	12,557	19%
Revenue (£000) - click based revenue	57,372	60,779	-6%
Revenue (£000) – other(1)	10,893	15,217	-28%
Revenue (£000) - total	68,265	75,996	-10%
RPV	£1.94	£2.75	
RPT	£3.82	£4.84	

Total revenue in the Money vertical in total decreased by 10% from £76.0m to £68.3m and click based revenue by 6% from £60.8m to £57.4m. Visitor growth of 27% has been offset by a decline in RPV of 29% in the year. The Group noted during the year, and in particular the second half of the year, that lenders significantly tightened their lending criteria. Indeed a number of providers withdrew from the market completely as the credit crunch began to deepen, reducing the supply of available credit. This impacted all of the credit based channels but most markedly the secured loans channel, which also suffered as home equity declined with the falling housing market. First Plus, a subsidiary of Barclays, which was the Group's largest single provider by revenue in 2007 closed to new business in August 2008. First Plus represented approximately 10% of Group revenue at the time it closed to new business.

Revenue generated from savings grew significantly year on year as customers sought both to maximise their returns on investments and reduce exposure to individual banks amidst the uncertainty that arose following the collapse of a number of financial institutions. The overall impact of the change in sales mix away from debt products towards savings products, together with the reduced availability of credit, was to reduce the average RPT and consequently RPV.

Other revenue, which includes revenue from the sale of leads through PAA, commission based sales through MCAT for mortgages and loans, and advertising revenue, declined 28% over the year. Leads and commission based revenue fell in line with the declining credit markets. Revenue from advertising declined relative to 2007 following a deliberate reduction in the space made available for impression-based advertising, aimed at improving the user experience on the website.

Insurance

The Insurance vertical currently offers the customers the ability to search for, and compare, insurance products for, amongst other things, breakdown, dental, home, life, medical, mortgage payment protection, motor, payment protection, pet and travel insurance. It also includes elements of the Group's lead business (PAA) and advisory business (MCAT) together with advertising revenue that derives from insurance products.

The KPIs for the Insurance vertical are shown below:

	31 December 2008	31 December 2007	Change
Visitors (000)(2)	24,830	20,677	20%
Transactions (000)	15,385	13,291	16%
Revenue (£000) - click based revenue	66,614	46,674	43%
Revenue (£000) – other(1)	11,125	9,762	14%
Revenue (£000) - total	77,739	56,436	38%
RPV	£3.13	£2.73	
RPT	£4.49	£3.51	

Total revenue in the Insurance vertical grew by 38% from £56.4m to £77.7m and click based revenue by 43% to £66.6m. RPT increased by 28% to £4.49 as a number of contracts with providers were migrated from a pure cost per click to a cost per action arrangement over the course of 2007 and 2008. This has allowed the Group to benefit from improved conversion rates as a result of better search functionality on its website and improvements made to provider websites. A number of significant enhancements to the website were made in the fourth quarter including the launch of the “Policy Wizard” in motor insurance, which enables customers in real time to make changes to policy details and compare the impact this has on pricing across multiple providers simultaneously. It is anticipated that the Group will continue to benefit from these improvements in 2009. Other revenue increased by 14% to £11.1m over the period.

The insurance comparison market remains the most competitive that the Group currently operates in. Advertising and in particular television advertising spend in the insurance comparison market increased significantly over the period. In response to this, the Group increased its spend in the Insurance vertical to protect its market share whilst only marginally increasing Group television advertising spend over the prior year. Customer acquisition costs from search engines also increased significantly in the third quarter which is traditionally a competitive period for the motor insurance industry. Customer acquisition costs returned to more normal levels in the fourth quarter. The increased marketing expenditure in 2008 lowered the relative contribution in the Insurance vertical compared to 2007.

Travel

The Travel vertical currently offers customers the ability to search for, and compare, amongst other things, airport parking, car hire, flights, hotels and package holidays.

The KPIs for the Travel vertical are shown below:

	31 December 2008	31 December 2007	Change
Visitors (000)(2)	48,924	36,964	32%
Transactions (000)	38,149	30,636	25%
Revenue (£000) - click based revenue	16,818	13,080	29%
Revenue (£000) - other	2,271	1,924	18%
Revenue (£000) - total	19,089	15,004	27%
RPV	£0.39	£0.41	
RPT	£0.44	£0.43	

Total revenue in the Travel vertical grew by 27% from £15.0m to £19.1m and click based revenue by 29% from £13.1m to £16.8m. Visitors grew by 32% over the period whilst RPV fell by 4%. Revenues from the flights channel were impacted in the year by the continued popularity of the low cost branded carriers, a number of which do not pay commissions to the Group.

Revenue growth slowed in the second half of the year as customers began to reduce their levels of discretionary spend. This impacted the flights and hotels channels in particular. Package holidays

and car hire revenue continued to grow strongly throughout the period. Other revenue grew 18% to £2.3m driven by increased visitor numbers.

The Group ceased television advertising activity for the Travel vertical for the majority of the second half of the year in response to the weakening market conditions and only recommenced activity in the post Christmas period. Full year television advertising expenditure for the Travel vertical was £2.2m lower than the previous year.

Home Services

The Home Services vertical offers customers the ability to search for, and compare, products for broadband, mobile telephones, shopping and utilities.

The KPIs for the Home Services vertical are shown below:

	31 December 2008	31 December 2007	Change
Visitors (000)(2)	11,245	5,721	97%
Transactions (000)	2,891	1,699	70%
Revenue (£000) - click based revenue	7,297	4,345	68%
Revenue (£000) - other	119	195	-39%
Revenue (£000) - total	7,416	4,540	63%
RPV	£0.66	£0.79	
RPT	£2.52	£2.56	

Total revenue in the Home Services vertical grew by 63% from £4.5m to £7.4m. Revenue grew particularly strongly in the utilities channel aided by the rising prices in the electricity and gas markets. The Group's shopping channel launched in September 2008 and this helped drive the significant year on year increase in visitors of 97% to the Home Services vertical. RPV and RPT are significantly lower in shopping than the other channels in the Home Services vertical and the change in sales mix has resulted in a fall in both KPIs compared with 2007.

Germany

During 2008 the Group refocused its operations in Germany. Launched in October 2007, the German operation originally focused on motor insurance using a third party provided solution to test the market. Whilst the initial reaction from customers was broadly positive, the third party technology was not sufficiently flexible to allow rapid development, particularly to the front end customer offering, and was therefore discontinued. The Group invested in its own proprietary technology in the second half of 2008 developing a loans channel which commenced trading in January 2009 at marktvergleich.de.

Acquisition of Moneysupermarket.com Financial Group Limited

On 22 June 2007 the Company, at that time controlled by Simon Nixon, purchased the entire issued share capital of Moneysupermarket.com Financial Group Limited. This was funded partly by a cash payment of £162m to one of the founder shareholders, Duncan Cameron, and partly by a share-for-share exchange. This transaction has had a number of impacts on the Financial Statements and will also impact on subsequent periods.

Goodwill and intangibles

The acquisition of Moneysupermarket.com Financial Group Limited gave rise to £125.0m of goodwill and the recognition of £207.2m of intangible assets. Individual intangible assets are amortised over their useful lives (which are in the range of 3-10 years) with a charge of £25.2m per annum in the first three years in the full year accounts. A charge of £13.3m has been included in the accounts covering the period from 22 June 2007 to 31 December 2007, and a full year's charge of £25.2m has been included in the Adjusted Income Statement for the years ended 31 December 2008 and 31 December 2007 and the Statutory Income Statement for the year ended 31 December 2008.

On an annual basis, or where an indication exists, the Group is required to assess its goodwill and intangible assets for impairment. For the current period, the recoverable amount of the assets was taken to be their value in use, and this was calculated by reference to the cash flows taken from the Group's forecasts, discounted to their present value by a discount rate reflecting not only the time value of money but also additional risks specific to the Group and the industry in which it operates, and the limited visibility inherent in the current economic environment.

As a result of this exercise, the Group concluded that it should recognise an impairment charge against goodwill of £70.0m in 2008, reducing the carrying value of the goodwill balance to £55.0m. No impairment was deemed necessary against the other intangible assets.

Treasury and funding

The Company raised £180m from the proceeds of the listing on 31 July 2007. Approximately £178m of the proceeds raised were used to fund the costs of the acquisition by the Company of Duncan Cameron's shares in Moneysupermarket.com Financial Group Limited including all related costs and expenses of the acquisition, the raising and draw down of debt finance and the costs of the listing. The Company acquired £14m of cash at the acquisition and has continued to generate cash from operations. The Company had cash balances of £73.5m at 31 December 2008 and no debt. The Company has invested its cash over the period predominantly in instant access cash deposits and short-term deposits of no more than three months, and in light of the events which occurred in the banking sector over the past year, now holds balances with a larger range of different UK and Irish institutions. As such the interest earned has closely followed movements in the Bank of England base rate.

Dividend

The Directors have adopted a progressive approach to dividend payout and initially had a dividend payout of approximately one third of adjusted net profit each year, with one third of the annual amount payable as an interim dividend and two thirds as a final dividend. The Group announced on 27 August 2008 following a review of its cash position that it would increase its annual dividend payout to approximately one half of adjusted net profit, to be paid on a broadly similar basis.

The Board is recommending a final dividend, subject to shareholder approval, consistent with the policy above in respect of the year ended 31 December 2008. This equates to £11.1m and represents 2.2p per ordinary share. Together with the interim dividend of 1.3p per ordinary share paid on 17 October 2008, this gives a total dividend for the year of 3.5p per ordinary share. The total cost of the dividend for the financial year will be £17.6m. The ex-dividend date for the final dividend is 25 March 2009, with a record date of 27 March 2009 and a payment date of 1 May 2009. Shareholders have the opportunity to elect to reinvest their cash dividend and purchase existing shares in the Company through a Dividend Reinvestment Plan.

Tax

The Group tax charge of £8.1m in the Income Statement represents an effective tax rate of -16%. This is significantly below the prevailing rate for the period of 28.5%. The current year has been impacted by a number of items. The Group has disallowable expenses in the year of £76.0m (including £70.0m of goodwill impairment), and a further £1.2m of losses have arisen in the year relating to the German operation, for which a deferred tax asset has not been recognised. The Group has also recognised a deferred tax charge of £2.7m representing the revaluation of the deferred tax asset held in relation to share options. In future, the Group expects the underlying effective rate of tax to revert to close to the standard UK corporation tax rate of 28%.

Loss per ordinary share

Basic statutory loss per ordinary share for the period to 31 December 2008 was 11.8p (2007: earnings per share of 3.0p). Adjusted basic earnings per ordinary share decreased from 7.5p to 6.9p per share. The adjusted earnings per ordinary share is based on adjusted EBITDA after deducting depreciation and adding estimated interest income for each period to calculate an adjusted profit before tax. A tax rate of 28.5% (2007: 30%) has been applied to calculate adjusted profit after tax.

Outlook

In line with most consumer facing businesses, trading conditions in the first few weeks of the year remained tough reflecting a continuation of the trends seen in quarter four last year.

Trading in the Money vertical has been in line with management's expectations. Lending volumes and the availability of credit has not improved and revenues are broadly consistent with the quarter four 2008 run rate albeit approximately 50% lower than the comparable period last year. Revenues in the Insurance vertical are marginally down over the same period last year as a result of lower visitor volumes. The Group has reduced its advertising spend targeted at insurance relative to the same period last year and has focused on margin rather than market share, particularly in motor insurance. Revenues from 'optional insurances' including life and travel insurance are more markedly down as customers seek to reduce levels of discretionary spend. This has also been a key theme in the Travel vertical where revenues have declined by approximately 10% over the same period last year, particularly in flights and hotels, as the 'weekend' travel market has declined markedly over the last two quarters. The Home Services vertical is trading in line with management's expectations. Revenues are down markedly over the same period last year as a result of lower switching volumes in the utilities market although management expects that trading will improve as a result of the widely expected price changes towards the end of quarter one.

Overall, revenues are in the region of 30% down against the comparable period last year with run rate profitability slightly behind the second half of 2008.

We have a strong position in the market and are the pre-eminent brand. The internet continues to grow. The immediate focus for the coming months will be to reconfigure and right size the business for the lower level of revenue. This will include a review of the cost base, including the efficiency of our marketing spend, and a focus to ensure the Group continues to deliver value for both its providers and customers. This will ensure the Group is well positioned when the recovery eventually comes.

Notes:

1. During 2008 the Group undertook an exercise based on additional information made available to it to reallocate impression-based advertising revenue between the Money and Insurance verticals in 2007 consistent with the results presented for the year ended 2008. As a result of this exercise £2.0m previously shown in the Money vertical in other revenue has been reallocated and recorded in other revenue in the Insurance vertical in respect of the year ended 31 December 2007.
2. As noted in the prospectus issued in connection with the listing of the Company on 31 July 2007, the Group's visitor numbers during the period between January and May 2007 were understated due to certain visitors not being assigned a unique global user ID. The issue was resolved in May 2007 and has not impacted visitor numbers in the Insurance vertical after May 2007. The Group has not been able to quantify the exact extent of the understatement.

The Group recorded a substantial increase in its reported visitors from 27 April 2008 to the end of June 2008 following a release made in respect of the anti-virus software AVG. In assessing whether a webpage was safe it 'followed' every link or url displayed on an email or webpage to the destination website. This meant that many web based businesses including the Group recorded visitors from users of the AVG software who themselves did not technically visit the website. The 2008 visitor count has been adjusted for the estimated impact of this. AVG released a further update to its anti-virus software in early July 2008.

Group Income Statement
for the period ended 31 December 2008

	Year ended 31 December 2008	Six months and nine days ended 31 December 2007
	£000	£000
Revenue	178,800	88,314
Cost of sales	(62,063)	(29,057)
Gross profit	116,737	59,257
Distribution expenses	(21,618)	(10,332)
Administrative expenses - other	(79,635)	(37,817)
Administrative expenses – impairment of goodwill	(70,000)	-
Administrative expenses – total	(149,635)	<u>(37,817)</u>
Results from operating activities	(54,516)	11,108
Financial income	3,504	1,336
Financial expense	-	(4,894)
Net finance income/(costs)	3,504	(3,558)
(Loss)/profit before income tax	(51,012)	7,550
Income tax (charge)/credit	(8,094)	1,874
(Loss)/profit for the period	(59,106)	9,424
Attributable to:		
Equity holders of the Company	(58,987)	9,472
Minority interest	(119)	(48)
(Loss)/profit for the period	(59,106)	9,424
(Loss)/earnings per share		
Basic (loss)/earnings per ordinary share (pence)	(11.8)	3.0
Diluted (loss)/earnings per ordinary share (pence)	(11.8)	2.9

Group Balance Sheet
at 31 December 2008

	31 December 2008 £000	31 December 2007 £000
Assets		
Non-current assets		
Property, plant and equipment	13,596	12,585
Intangible assets	223,653	318,853
Deferred tax asset	362	3,124
Total non-current assets	237,611	334,562
Current assets		
Trade and other receivables	16,074	19,906
Prepayments	2,059	1,194
Cash and cash equivalents	73,465	54,015
Total current assets	91,598	75,115
Total assets	329,209	409,677
Liabilities		
Non-current liabilities		
Deferred tax liability	47,259	54,243
Current liabilities		
Trade and other payables	20,710	25,681
Current tax liabilities	3,394	2,758
Total current liabilities	24,104	28,439
Total liabilities	71,363	82,682
Equity		
Share capital	101	118
Share premium	171,047	170,565
Retained earnings	(20,042)	13,285
Other reserves	106,740	143,027
Total equity attributable to equity holders of the Company	257,846	326,995
Minority interest	-	-
Total equity	257,846	326,995
Total equity and liabilities	329,209	409,677

**Group Statement of Changes in Equity
for the period ended 31 December 2008**

	Issued share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Reserve for own shares £000	Foreign currency translation reserve £000	Total £000
Foreign currency translation(*)	-	-	-	-	-	9	9
Deferred tax recognised on share based payments	-	-	-	262	-	-	262
Profit for the period	-	-	-	9,424	-	-	9,424
Total income and expense for the period	-	-	-	9,686	-	9	9,695
Arising on acquisition of subsidiary	-	-	143,018	-	-	-	143,018
Issue of share capital	118	179,927	-	-	-	-	180,045
Transaction costs	-	(9,362)	-	-	-	-	(9,362)
Share-based payment	-	-	-	3,599	-	-	3,599
At 31 December 2007	118	170,565	143,018	13,285	-	9	326,995
Foreign currency translation(*)	-	-	-	-	-	(6)	(6)
Deferred tax recognised on share based payments	-	-	-	(209)	-	-	(209)
Loss for the period	-	-	-	(59,106)	-	-	(59,106)
Total income and expense for the period	-	-	-	(59,315)	-	(6)	(59,321)
Share options exercised	2	482	-	-	-	-	484
Purchase and cancellation of deferred shares	(19)	-	19	-	-	-	-
Equity dividends	-	-	-	(14,637)	-	-	(14,637)
Share-based payment	-	-	-	4,325	-	-	4,325
Reserves transfer	-	-	(36,300)	36,300	-	-	-
At 31 December 2008	101	171,047	106,737	(20,042)	-	3	257,846

Other reserves

The other reserves balance represents the merger and revaluation reserves generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company and a capital redemption reserve for £19,000 arising from the acquisition of 95,294,118 deferred shares of 0.02p by the Company from Simon Nixon.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserve for own shares

The reserve for the Company's own ordinary shares comprises the cost of the Company ordinary shares held by the Group. At 31 December 2008, the Group held 948,184 shares at a cost of 0.02p per share through a trust for the benefit of the Group's employees.

* Foreign currency translation represents the only income or expense for the current and prior periods recognised directly in equity.

Group Consolidated Cash Flow Statement for the period ended 31 December 2008

	Year ended 31 December 2008	Six months and nine days ended 31 December 2007
	£000	£000
Operating activities		
(Loss)/profit for the period	(59,106)	9,424
Adjustments to reconcile Group net (loss)/profit to net cash flows:		
Depreciation	3,543	908
Amortisation of intangible assets	25,200	13,325
Impairment of goodwill	70,000	-
Loss on disposal of property, plant and equipment	78	-
Net finance (income)/costs	(3,504)	3,558
Equity-settled share-based payment transactions	4,325	3,599
Income tax (charge)/credit	8,094	(1,874)
Change in trade and other receivables	2,890	2,541
Change in trade and other payables	(4,971)	(1,730)
Income tax paid	(11,894)	(6,254)
Net cash flow from operating activities	34,655	23,497
Investing activities		
Interest received	3,581	1,336
Acquisition of subsidiary	-	(164,561)
Cash acquired with subsidiary	-	14,296
Acquisition of property, plant and equipment	(4,618)	(6,260)
Net cash flow from investing activities	(1,037)	(155,189)

Financing activities

Proceeds from share issue	484	179,951
Purchase of own shares	-	-
Costs from issue of shares	-	(9,362)
Proceeds from borrowings	-	150,000
Loan from a related party	-	20,000
Repayment of borrowings	-	(150,000)
Interest paid	-	(4,882)
Dividends paid	(14,637)	-
Net cash flow from financing activities	(14,153)	185,707
Net increase in cash and cash equivalents	19,465	54,015
Cash and cash equivalents at start of period	54,015	-
Effect of exchange rate fluctuations on cash held	(15)	-
Cash and cash equivalents at end of period	73,465	54,015

Notes:

1 Earnings per share

Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the year attributable to ordinary equity holders of the parent, by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing profit attributable to ordinary equity holders of the parent, by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

Earnings per share

Basic and diluted (loss)/earnings per share has been calculated on the following basis:

	2008	2007
	£000	£000
(Loss)/profit after taxation (for basic and diluted earnings per share)	(59,106)	9,424
Basic weighted average ordinary shares in issue (millions)	498.9	313.6
Dilutive effect of share based instruments (millions)	-	12.2
Diluted weighted average ordinary shares in issue (millions)	498.9	325.8
Basic (loss)/earnings per ordinary share (pence)	(11.8)	3.0
Diluted (loss)/earnings per ordinary share (pence)	(11.8)	2.9

2 Dividends

	2008	2007
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	£000	£000
Declared and paid during the period:		
Equity dividends on ordinary shares:		
Final dividend for 2007: 1.63p per share	8,098	-
Interim dividend for 2008: 1.3p per share	6,539	-
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2008: 2.2p per share	11,107	-

3 Intangible assets

During 2007 the Group employed the services of an appropriately qualified and experienced independent third party to value the intangible assets acquired from Moneysupermarket.com Financial Group Limited. This valuation was used as the initial carrying value for these assets. Since the goodwill and intangibles have historically constituted approximately 90% of the Group's net assets balance, the Group has tended to use its quoted market price to provide assurance over the value, or indicate impairment of, its assets. At the balance sheet date and prior to any impairment, the market capitalisation of the Group represented 92% of the total carrying value of the goodwill and intangible assets (2007: market capitalisation exceeded carrying value by 70%). Whilst not directly comparable, the quoted market price acts as an indicator of impairment, and in light of this, the Group has performed a thorough assessment during the period to consider whether its non-current assets are impaired.

Impairment testing of goodwill

On an annual basis, or where an indication exists, the Group is required to assess its goodwill and intangible assets for impairment. Given the worsening economic conditions and the turmoil in the credit and wider financial markets, the impairment testing has been performed on the following basis.

For the current period, the recoverable amount of the assets was taken to be their value in use and was calculated by reference to the cash flows taken from the Group's forecasts as detailed below.

For the purposes of impairment testing, the Group has one significant cash generating unit (CGU), the internet segment, to which all of the goodwill has been allocated. The segment is the lowest level at which goodwill is monitored for internal management purposes. The present value of its future cash flows has been calculated with the following key assumptions applied:

- Cash flows for year 1 represent management's best estimate of future cash flows as at 31 December 2008, and are based upon the Group's approved budget for 2009. The main assumptions underlying the 2009 budget relate to visitor numbers and revenue per transaction/visitor. The budget reflects the general downturn in the consumer economy and expected lower levels of credit available to consumers and lower levels of discretionary expenditure in general.
- Subsequent cash flows for future years assume nil per cent growth in earnings from those forecast for 2009. Management believe this reflects the tightening of lending criteria, withdrawal of products by providers, and the general downturn in the economy. No reliable third party estimates of long term growth rates exist, given it is a relatively new business model.
- Cash flows into perpetuity have been incorporated in the calculations.

- A pre-tax discount rate of 16% has been used in the forecast. This reflects the increased risk and uncertainty inherent in the current economic climate, the lack of confidence with which the near future can be forecast, and the additional risks specific to the Group and the industry in which it operates.

When the economy begins to recover a different set of assumptions may be more appropriate.

The analysis performed calculates the value in use of the internet segment as £237million, indicating that the segment's assets are impaired as follows:

	£000
Value in use of internet segment	237,249
Representing:	
Carrying value of tangible non-current assets	(13,596)
Carrying value of other intangible non-current assets	(168,688)
	<hr/>
Implied book value of goodwill	54,965
Carrying value of goodwill	<hr/> 124,965
Impairment of goodwill	<hr/> (70,000)

An impairment loss of £70.0m has been recognised in the year and therefore there is no difference between the carrying amount and recoverable amount of the goodwill balance as at the balance sheet date. An increase of 1% in the discount rate, with all other assumptions held constant, would give rise to an additional impairment charge of £14.5m. A decrease of 1% in the value of cash flows generated, with all other assumptions held constant, would give rise to an additional impairment charge of £2.4m.

Impairment testing of other intangible assets, property, plant and equipment

For impairment testing purposes, all of the Group's intangible, and other non-current, assets are also assigned to the internet segment. With reference to the testing described above, the value in use of £237m assigned to the internet segment indicates that neither the other intangible, nor other non-current, assets are impaired. At an individual level, management believe that the assumptions relating to each intangible asset remain applicable, and that no adjustment is required to their valuation, nor their useful economic life.

Statutory Information

The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 December 2008 but is derived from those accounts. The accounts for the year ended 31 December 2008 will be delivered to the Registrar of Companies following the Annual General Meeting. The Company's auditors, KPMG Audit Plc, have reported on the accounts for the year ended 31 December 2008 under section 235(1) of the Companies Act 1985 ("Act"). These reports were not qualified within the meaning of section 235(2) of the Act and did not contain statements made under section 237(2) and section 237(3) of the Act. The annual report and accounts for the year ended 31 December 2008 will be posted to shareholders in March 2009. The results for the year ended 31 December 2008 were approved by the Board of Directors on 24 February 2009 and are audited. The Annual General Meeting will take place on 16 April 2009. The final dividend will be payable on 1 May 2009 to shareholders on the register at the

close of business on 27 March 2009. Interim and preliminary announcements notified to the London Stock Exchange are available on the internet at www.moneysupermarket.com.

Cautionary note regarding forward-looking statements

This announcement includes statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by the Listing Rules and applicable law, the Company undertakes no obligation to update, revise or adjust any forward looking statements to reflect events or developments occurring after the date such statements are published.