Moneysupermarket.com Group PLC

Annual Report **2009**

Helping every household to make the most of their money

moneysupermarket.com a great deal easier

travelsupermarket.com a great deal easier

Our objective is to help every household to make the most of their money.

We do this by providing our customers with a free online service enabling them to compare a wide range of products and to find the one most suited to their needs. Our customers can compare products by price, product features and service.

We provide these services through our two market leading brands, moneysupermarket.com and travelsupermarket.com.

Contents

How do we operate?

Our comparison services offer a compelling proposition both to our customers and to product providers.

Our customers are able to search and compare products by price, product features and service in one place so that they can choose the product most suited to their needs. This saves our customers valuable time and helps our customers to make the most of their money – always important but never more so than during uncertain economic times.

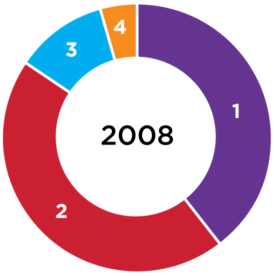
To providers, we strive to offer the most cost effective solution to customer acquisition in our chosen business areas. By matching the right customer to the right provider we offer our providers an efficient and completely measurable media tool. We have considerable volumes of informed customers actively looking for the product most suited to their needs and ready to purchase. This enables product providers and advertisers to target their marketing spend most effectively.

Our online services are free to our customers. Our revenue comes predominantly from fees paid to us by product providers and advertisers either when our customer clicks through to their website or when our customer actually applies for or purchases a product.

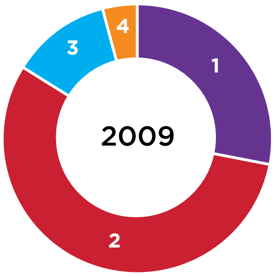
How do we measure our performance?

We use a number of key performance indicators (KPIs) to measure our performance against our strategy. These are reviewed on a regular basis. The principal KPIs for each of our verticals are:

REVENUE SPLIT BY VERTICAL - £M



1. Money	**68.3**
2. Insurance	**77.7**
3. Travel	**19.1**
4. Home Services	**7.4**



1. Money	**38.1**
2. Insurance	**75.7**
3. Travel	**16.3**
4. Home Services	**5.5**

MONEY

Money products compared include:

- Loans
- Credit cards
- Current accounts
- Savings accounts

KPIs:

Visitors (000)
35,178 0%

2009	**35,178**
2008	35,131

Transactions (000)
11,650 -22%

2009	**11,650**
2008	15,003

Revenue per visitor (£)
1.08

2009	**1.08**
2008	1.94

Revenue per transaction (£)
2.82

2009	**2.82**
2008	3.82

INSURANCE

Insurance products compared include:

- Motor
- Home
- Travel
- Breakdown

KPIs:

Visitors (000)
24,143 -3%

2009	24,143
2008	24,830

Transactions (000)
13,189 -14%

2009	13,189
2008	15,385

Revenue per visitor (£)
3.13

2009	3.13
2008	3.13

Revenue per transaction (£)
5.20

2009	5.20
2008	4.33

TRAVEL

Travel products compared include:

- Flights
- Hotels
- Package holidays
- Car hire

KPIs:

Visitors (000)
42,970 -12%

2009	42,970
2008	48,924

Transactions (000)
28,904 -24%

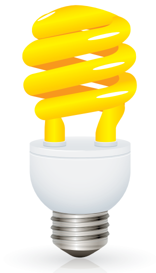
2009	28,904
2008	38,149

Revenue per visitor (£)
0.38

2009	0.38
2008	0.39

Revenue per transaction (£)
0.51

2009	0.51
2008	0.44



HOME SERVICES

Home services products compared include:

- Utilities
- Mobiles
- Vouchers
- Shopping

KPIs:

Visitors (000)
18,216 +62%

2009	18,216
2008	11,245

Transactions (000)
5,177 +79%

2009	5,177
2008	2,891

Revenue per visitor (£)
0.30

2009	0.30
2008	0.66

Revenue per transaction (£)
1.03

2009	1.03
2008	2.52

Highlights

Our Financial Highlights

- Revenue decreased by 23% from £178.8m to £136.9m
- Adjusted EBITDA[1] of £36.0m
- Final dividend of 7.11p per share comprising:
  - Dividend of 2.2p per share equivalent to 2008 final dividend
  - Special dividend of 4.91p per share
- Total dividend for the year of 13.34p per share
- Cash balances of £53.8m at 31 December 2009
- Profit after tax of £1.9m

1. Certain share option charges relating to Directors, senior management and other employees of the Group arising from when the Group listed or when it was privately owned have been added back to calculate adjusted EBITDA. A charge for awards made under the Group's Long Term Incentive Plan is included within the adjusted results.

Our Operational Highlights

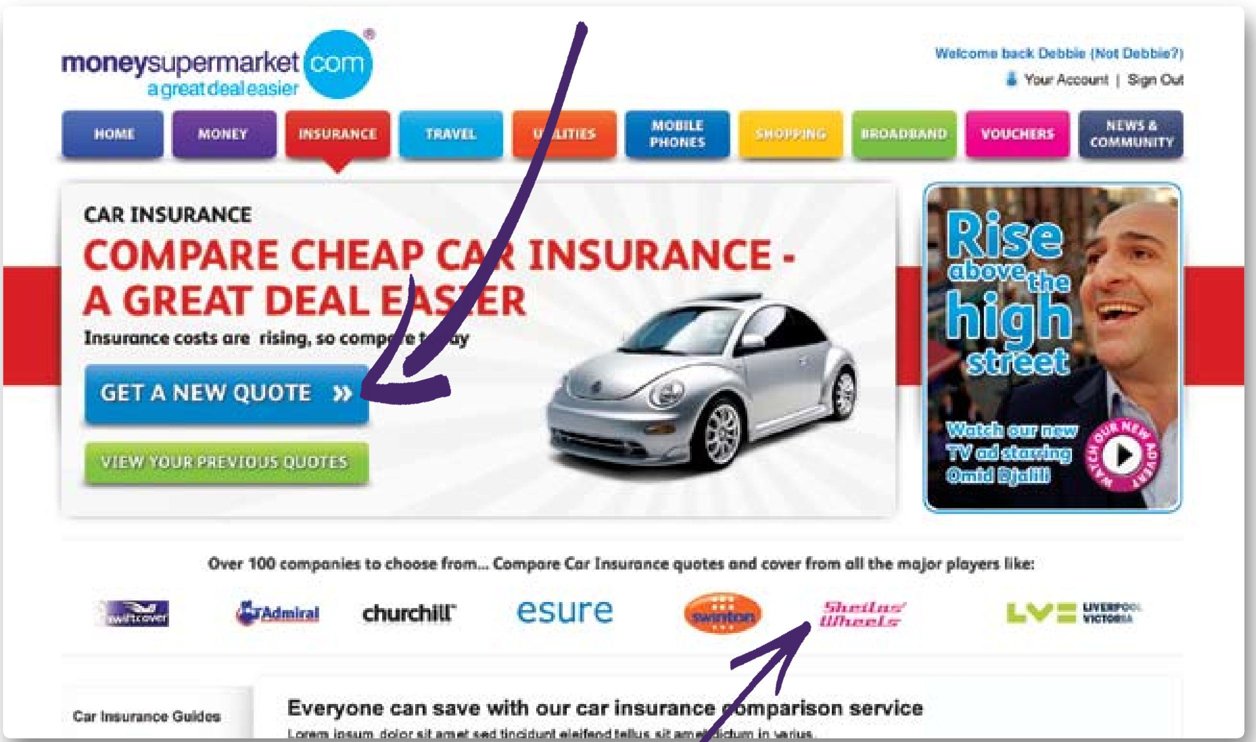
- Visitors[1] to the Group's websites increased to 120.5m
- Significant improvements in the website offering:
  - New vouchers channel launched November 2009
  - New credit card channel launched January 2010
  - New motor insurance channel launched February 2010
- Online brand recognition increased to 85% in January 2010 from 80% in September 2008

1. 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 early in July 2008 which resolved the issue.

Best products

- **Building strong relationships with providers to ensure our customers get great products tailored to their needs**
- **Providing our customers with the widest range of products and the best deals**
- **Ensuring our customers do not get a better deal going direct**

Best deal
We compare more than 100 motor insurance providers to ensure our customers get the best deals on their motor insurance.

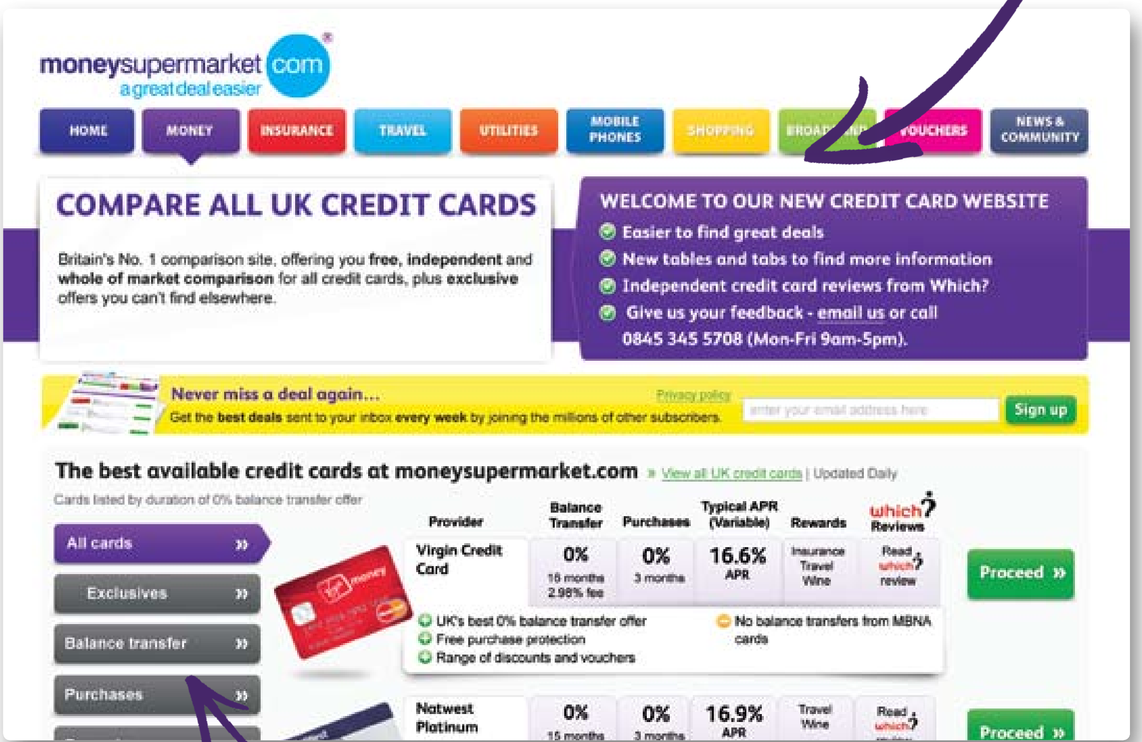


Providers
We work with the major motor insurance providers to ensure our customers get great products and make great savings.

Best shop

- **Ensuring we deliver the best customer experience through our websites**
- **Ensuring we are open for business whenever and wherever our customers want to visit us**
- **Utilising our core product comparison skills in new markets and new product areas to meet our customers' needs**
- **Ensuring our customers have the tools they need to compare products based on the features that are important to them**

Best customer experience
We have launched our new credit card channel to make it even easier for our customers to find great deals.

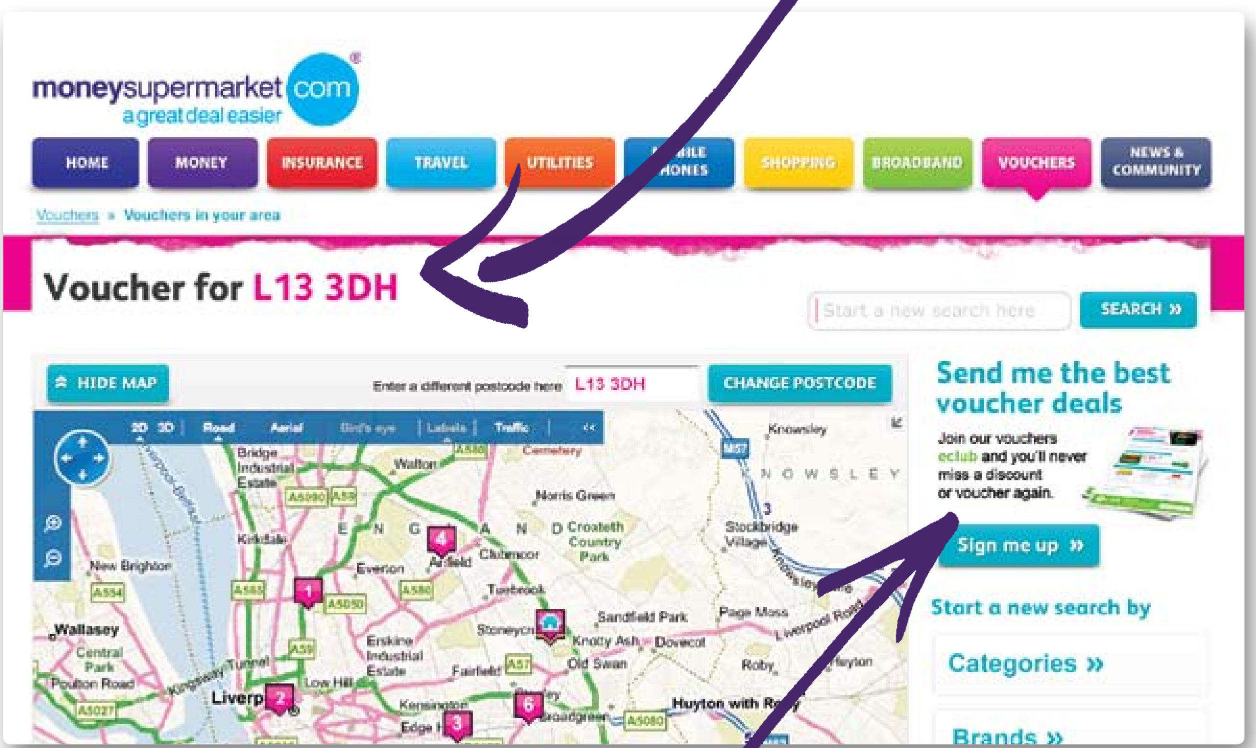


Best tools
We ensure our customers have the tools they need to compare products based on the features that are important to them.

Data

- Protecting data and keeping it safe
- Using data to personalise our services and products to more readily meet our customers' needs
- Enabling our customers to store their details to improve their experience when they visit us again

Personalised service
Our vouchers channel displays vouchers that will be of interest to our customers based on where they live.



Use of data
By joining our vouchers eclub and storing their details with us, we can keep our customers up to date with the best local voucher deals.

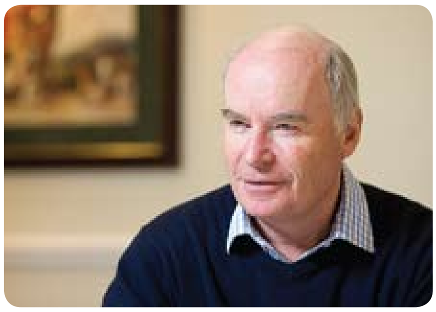
Brand

- Focusing on innovative and effective methods of communication to build long term relationships with our customers
- Striving to retain our customers year after year through the provision of excellent customer service
- Investing in effective and targeted marketing, advertising and PR
- Ensuring our customers visit us first when they need help with their household bills

New television advertising
We launched our new advertising campaign 'a great deal easier' fronted by Omid Djalili in January 2010 to help ensure our customers visit us first whenever they need help with their household bills.

Chairman's Statement

We are a very cash generative business, but will run with a conservative debt free balance sheet to enable us to take advantage of the opportunities as our business and the economy recovers



Gerald Corbett
Chairman

Our third year as a public company was one of great change. The impact of the credit crunch on our business, especially our Money vertical, was significant. Across the whole of the United Kingdom, there was a collapse in mortgage and secured lending as the banks contracted their loan books.

Against this economic backdrop, the Group's revenue declined by 23% from £178.8m to £136.9m for the year ending 31 December 2009 and adjusted EBITDA declined by 26% to £36.0m for the year.

However, some positives for the Group emerged from the crisis. It accelerated our transition to a professional management team; it prompted a significant reduction in the cost base; it precipitated a review and rethink of everything that we do; and it demonstrated the resilience of our diversified business model with yet another year of solid cash flow.

Peter Plumb was appointed Chief Executive Officer in February 2009. Graham Donoghue and David Osborne were appointed as Directors at the same time. All are experienced professional managers.

The new management team have settled in well. The drop in profitability was minimised, the business was stabilised, improvements were made and by the final quarter our year on year profitability was ahead of the previous year. We came through the worst recession since the 1930's solidly profitable, leaner and better managed. Each of our verticals were significantly enhanced during the year and our advertising programme changed, initially with Peter Jones and then the new programme which commenced in January this year with Omid Djalili. We retained our leading market position in the Money vertical, maintaining market share, in spite of revenues, particularly from mortgage and secured lending, falling by 44%.

We lost some market share in the first quarter in our Insurance vertical, when some of our site enhancements failed to generate the improvements expected, but held share in the rest of the year.

Our travel website suffered in line with the rest of the market and consequently was managed for margin. Our Home Services vertical performed satisfactorily given the greater stability in gas and electricity prices in 2009. We believe there is good potential to switch customers from these to our other verticals.

Following a review of the Group's cash requirements in July 2009, the Company paid an interim dividend of 1.3p per ordinary share on 16 October 2009, consistent with the interim dividend in 2008. In addition, the Company paid a special dividend on the same date of 4.93p per ordinary share reflecting the Board's confidence in the ability of the business to generate cash on an ongoing basis.

During the year, the business continued to generate cash, and we ended the year with cash balances of £53.8m. With the business stabilised, and with the tax changes announced in the April 2009 Budget, we have decided to recommend another special dividend of £25m or 4.91p per ordinary share. This brings the total dividend for the year to 13.34p per ordinary share including the total of the special dividends of 9.84p per ordinary share. If approved by shareholders at the forthcoming Annual General Meeting, this will be paid on 1 April 2010 to all shareholders on the register as at 5 March 2010.

We are a very cash generative business, but will run with a conservative debt free balance sheet to enable us to take advantage of the opportunities as our business and the economy recovers.

The new year has begun satisfactorily and we are quietly confident that the worst is behind us. It has been a difficult time for the Company. Our employees have responded magnificently to the challenges they have faced and, on behalf of the Board, I would like to thank them for their commitment during the year.

The Annual General Meeting will be held at 10.30am on Wednesday 31 March 2010 at De Vere Carden Park Hotel, near Chester, Cheshire, CH3 9DQ and I look forward to seeing you there.

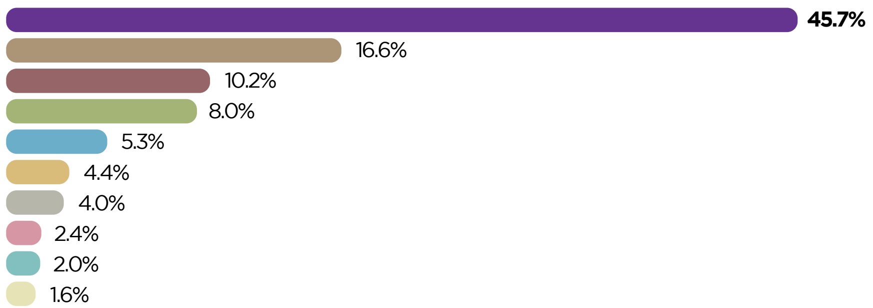
G. Corbett

Gerald Corbett
Chairman

The Market at a Glance

Moneysupermarket.com retained its leadership position in an increasingly competitive market

Market Share – Moneysupermarket.com

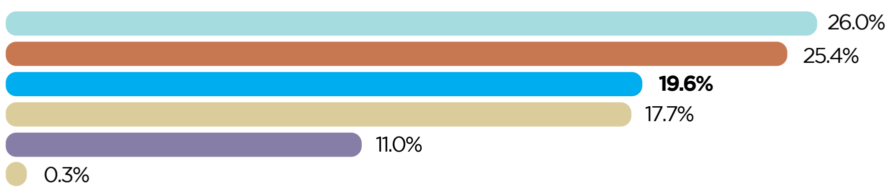


- www.moneysupermarket.com
- www.gocompare.com
- www.confused.com
- www.comparethemarket.com
- www.uswitch.com
- www.fool.co.uk
- www.moneyextra.com
- www.moneyexpert.com
- www.beatthatquote.com
- www.tescocompare.com

Source: Experian Hitwise: December 2009 monthly market share in 'City' (Cust. Cat.), measured by visits, based on UK usage

Travelsupermarket.com was managed for margin in a declining market

Market Share – Travelsupermarket.com



- www.cheapflights.co.uk
- www.travelzoo.co.uk
- www.travelsupermarket.com
- www.skyscanner.net
- www.kayak.co.uk
- www.sidestep.com

Source: Experian Hitwise: December 2009 monthly market share in 'City' (Cust. Cat.), measured by visits, based on UK usage

Chief Executive's Report

This is a great business, with hugely dedicated and skilled employees who have a passionate focus on helping our customers make the most of their money

Peter Plumb
Chief Executive Officer

Q: What have been your main priorities and achievements in your first year as Chief Executive Officer?

A: I was appointed Chief Executive Officer during what can only be described as an unprecedented global financial crisis and a UK recession. This, of course, helped to shape the main priorities for my first year. Those priorities were reshaping the business for lower volumes, ensuring critical investment remained prioritised to capitalise on a returning market, as and when it happens, and most of all, focusing our organisation even further on helping our customers make the most of their money.

The first six months of the year were spent stabilising and reshaping the business. We reduced our team by approximately 80 people, a burden shared across the business and at all levels, delivering an annualised saving in excess of £2m.

Our marketing team was challenged to deliver 'more for less'. Our online marketing spend including both search engine marketing and partners was significantly reduced. This was delivered through the use of sophisticated bid management tools and additional investment in our marketing team, to harness further the benefits our brand, expert content and breadth of services give us in natural online search. We also reduced our offline marketing spend. Television advertising spend achieved much greater 'cut through' with our 'Savings on household bills' campaign fronted by Peter Jones. This campaign played a strong role, when combined with our extensive PR coverage, in building our brand trust with customers.

In the second half of the year we increased our investment in our core systems as we continued our focus on product development and innovation. This resulted in a significantly improved motor insurance channel being launched in beta during the year which went fully live in February 2010. In January 2010 we also launched an improved credit card channel and have a programme of delivery in place for other major channels in 2010. Together, this will significantly improve our customer proposition and customer experience in these important channels.

My final and most important priority has been to place our customers even further into the heart of our business. We now run regular focus groups, testing out new ideas with real customers. We have continued to invest in better analytics tools this year, giving our design teams granular data on how customers use and interact with our services.

Q: How have you worked with Simon Nixon?

A: First and foremost, as a major shareholder in the Company and as an Executive Director, Simon has been very supportive of our new strategy and vision. On a personal level, Simon and I compliment each other and work well together. Simon's industry expertise has helped me settle into my role quickly.

In his new role, Simon has focused on product development and innovation across the Group, areas he is passionate about and in which he clearly has a great deal of knowledge and experience.

Q: Clearly the global financial crisis has negatively affected most businesses. What has been the impact on Moneysupermarket.com?

A: As a business working in the financial services sector, we have clearly and directly been affected by the tightening of credit markets and downturn in the economy during 2009 which has made trading challenging.

In 2009, Group revenue declined by 23% to £136.9m and adjusted EBITDA declined by 26% to £36.0m from £48.4m in 2008. The Group maintained its overall market share although it surrendered some share in Travel which was managed for margin in a declining market.

The Group was able to successfully flex its cost base to protect its operating margins. The Group has remained strongly cash generative and ended 2009 with no debt and a cash balance of £53.8m after the payment of the special dividend and the interim dividend on 16 October 2009.

In the first quarter of the year we closed the non-core intermediary business primarily due to the difficulties faced in the mortgage market last year.

The Insurance vertical remains the Group's largest vertical, accounting for 55% of Group revenue up from 44% in 2008. Home and travel insurance performed particularly well, however, the motor insurance market remained very competitive in 2009 with increased advertising spend by some competitors. We maintained a clear strategy of only acquiring visitors at a level which made financial sense. This resulted in a decline in revenue for the year. However in the second half of the year following the launch of the Peter Jones campaign and improvements to the website, the Insurance vertical grew over the same period last year.

In a year of financial uncertainty for our customers, visitors to our Money vertical remained consistent. However, with a shortage of credit products, particularly in the first half of the year, revenue decreased in the year by 44% to £38.1m. The secured lending market in particular suffered from a radical reduction in the supply of credit and a tightening of underwriting criteria.

The Travel vertical also suffered in 2009 with revenue declining by 15% to £16.3m following market trends and the business was actively managed for margin.

The UK's favourite comparison site!

Chief Executive's Report *continued*

Travelsupermarket.com was redesigned during 2009, improving the customer proposition and customer usability of the site. During the year, we launched a cruise channel, increasing the breadth of offering in the Travel vertical.

Revenue in the Home Services vertical declined substantially in 2009 compared to 2008 chiefly due to a year of more stable gas and electricity prices compared to 2008. During the fourth quarter, the Group re-launched its vouchers channel enabling customers to obtain discounts on a much wider range of different products and services.

As a business that concentrates on helping every household to make the most of their money, our customer proposition is more important now than ever.

Q: What are your plans for 2010 and beyond?

A: The actions we took in 2009 will provide a strong platform for 2010 and I am confident that we will see the results of that work during the year and into 2011.

We have set out on pages 4 to 7 the key elements of our strategy for 2010 as we continue to focus on how we can help households make the most of their money.

We will continue our development momentum across the business, ensuring that in 2010 our customers continue to receive market leading services whilst building a better service infrastructure for our providers.

We will continue to work closely with our providers to ensure that we offer our customers the best possible range of products and deals. Our dedicated rates team constantly scour the market for changing rates and deals, striving to offer customers the capability to compare the whole of market and best buy products.

Our redeveloped channels provide a richer data set on our customers. This will ensure we are better placed to talk to our customers about relevant services and deals. Our customer communication programme will become an ever more important part of our business as we build long term relationships with our customers.

Most importantly, we will complete the rollout of our new advertising campaign 'a great deal easier' fronted by Omid Djalili. Our brand adverts were aired in early January, shortly followed by our new motor insurance adverts in mid January. The adverts have been well received by our customers.

Q: This seems to be different to your strategy for 2009. What has changed?

A: Although the recession meant that my priority was to stabilise the business in a market with significantly lower credit availability and travel product demand, we continued investment in teams and technology for the long term good of our business. Investments were made against the clear strategic template I referred to above.

The major changes in strategy have been ones of marketing priorities and our approach to international operations.

With our new offline marketing campaign, we will be looking for greater 'cut through' than we have achieved with previous campaigns. It is a very competitive market and what you say is potentially more important than how much you spend.

On international, we have stronger ambitions than ever to take our model to new markets. However, our green field market entry test in Germany has taught us a great deal this year. Germany, a country whose personal finance market did not escape the global crisis, has proven to be very different to operate in. Our innovative personalised loans website went live during 2009 and is the most sophisticated service in Germany. However, we have learnt a great deal about the need in Germany to support online service offline. In the UK, customers are happy to self serve but in Germany a degree of offline support is required through a dedicated telephone support team. The economics of such a service is much less attractive and indeed expensive as an organic entry strategy. We are therefore winding down this test whilst we explore other options for international growth.

Q: What do you see as Moneysupermarket.com's key strengths?

A: We are a business with many important strengths. Principally, I see them as team, scale and brand.

This year has seen a major transformation within our business in how we build and enhance our website based on customer behaviour. We start 2010 with a much more agile business, both curious and innovative. Although 2010 will see a continued website development plan, our core motor, home and credit card channels will be able to respond to market changes in almost real time, something we certainly were unable to do last year. Our new executive team brings a strong mix of skills to the business ranging from blue chip marketing to hands on provider experience.

We are the UK's number one price comparison website and our scale brings distinct benefits to our business in two main ways. Firstly, our breadth of services means that customers have many reasons to visit us throughout the year to make the most of their money. This not only gives us the financial benefits of a diversified product range, but also gives us a real opportunity to cross sell products from our different verticals. Secondly, we gain benefits from our marketing efficiency, both online and offline, an area that we made good progress on in 2009.

Our business is now 10 years old. Moneysupermarket.com is a very valuable brand which is highly recognised and trusted by our customers.

Q: What do you think will be the challenges for the year ahead?

A: 2010 will be another challenging year for the business as we seek to execute our strategy outlined above and focus on delivering our ambitious plans for 2010 and beyond.

There will remain challenges in the wider economy this year, particularly in the credit markets, and it will be critical that we remain flexible and responsive to changing market conditions and evolving customer needs.

Our breadth of services will however continue to be a source of great strength. We will continue to focus on our customers and on making sure that we offer them the best range of products, ensuring that whatever their financial needs, we as a business can help them make the most of their money in 2010.

Q: When do you expect things to improve?

A: Clearly 2009 has been a difficult year for the Group. However, we have maintained market share in key verticals and I believe the business has now stabilised with the worst behind us.

I remain confident that the work we are doing across the business and the enhancements we have made and will continue to make in 2010 will ensure the Group is well positioned to capitalise on its strengths when growth returns to our markets.

I am very much looking forward to 2010 and beyond. This is a great business, with hugely dedicated and skilled employees who have a passionate focus on helping our customers make the most of their money. That's a good place to start 2010 from.

P Plumb

Peter Plumb
Chief Executive Officer

Financial and Business Review

The Group has presented below an extract of the Consolidated Statement of Comprehensive Income for the years ended 31 December 2009 and 31 December 2008 along with a reconciliation to adjusted EBITDA. Revenue in 2009 was £136.9m (2008: £178.8m) which generated a net profit after tax of £1.9m (2008: loss of £59.1m). The Directors believe that the presentation of an adjusted EBITDA measure will allow users of the financial information to gain a better understanding of the underlying performance of the business.

Extract of Consolidated Statement of Comprehensive Income

for the year ended 31 December 2009

	2009 £000	2008 £000
Revenue	**136,874**	178,800
Cost of sales	**(42,627)**	(62,063)
Gross profit	**94,247**	116,737
Distribution expenses	**(18,446)**	(21,618)
Administrative expenses – excluding Directors' and senior managers' share based compensation	**(69,140)**	(75,310)
Administrative expenses – Directors' and senior managers' share based compensation and related costs	**(4,355)**	(4,325)
Administrative expenses – impairment of goodwill	**–**	(70,000)
Administrative expenses	**(73,495)**	(149,635)
Profit/(loss) from operating activities	**2,306**	(54,516)
Reconciliation to adjusted EBITDA:		
Profit/(loss) from operating activities	**2,306**	(54,516)
Share based compensation	**4,067**	4,163
Amortisation of intangible assets	**25,200**	25,200
Impairment of goodwill	**–**	70,000
Depreciation	**4,436**	3,543
Adjusted EBITDA	**36,009**	48,390
Adjusted earnings per ordinary share:		
– basic (p)	**4.6**	6.9
– diluted (p)	**4.5**	6.8

Basis of preparation

The results show the trading results for the years ended 31 December 2009 and 31 December 2008. The following adjustments have been made to arrive at adjusted EBITDA:

- 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 post acquisition. Charges relating to the impairment of goodwill in 2008 have also been added back in calculating adjusted EBITDA.
- Certain share option charges relating to Directors, senior management and other employees of the Group arising from the time the Group listed or when it was privately owned have been added back to calculate adjusted EBITDA. A charge for awards made under the Group's Long Term Incentive Plan is included within the adjusted results for 2008 and 2009.

Reference is made in the Overview section below to adjusted distribution and administration expenses, and adjusted staff costs. These measures represent the costs charged to the Statement of Comprehensive Income, less the intangible amortisation, goodwill impairment, and pre-listing share option charges.

Overview

We are pleased to present a solid set of financial results for the year ended 31 December 2009. Revenue for the year was £136.9m (2008: £178.8m) generating adjusted EBITDA of £36.0m (2008: £48.4m).

During the year the Group focused on reconfiguring its business for the lower levels of supply for certain products in the Money vertical and making its online and offline marketing investment work harder, whilst maintaining its market leading position. Good progress has been made in both these areas, having reduced the cost base substantially, expanded gross margin and adjusted EBITDA margin against the second half of 2008.

The management team was considerably strengthened during the year with a number of key appointments which have provided the Group with a solid skills and talent base to provide a foundation for future growth. The new team has focused its efforts on technology and marketing, to enhance our products and services and improve the user experience, whilst maintaining and strengthening our brand. In the second half of the year, the Group invested £1.3m in technology using flexible third party resource to improve its core architecture and usability in a number of key channels. The Group launched a new vouchers channel in November 2009 and released new credit card and motor insurance channels in January and February 2010 respectively. Other major refreshes of some of the Group's key channels will be released throughout the remainder of the year. New advertising creative featuring Peter Jones was released in June emphasising our key message that we help households looking to save time and money on their household bills. The campaign was used successfully in the second half of the year whilst we developed entirely new creative for 2010 which built upon this theme and which aired for the first time in January 2010 featuring comedian Omid Djalili. Feedback from customers to date has been positive.

Financial performance

Revenue declined by 23% to £136.9m (2008: £178.8m) and adjusted EBITDA fell by 26% to £36.0m (2008: £48.4m). Revenue and profitability in 2009 were impacted by the credit crunch which reduced both the supply of credit and consumer discretionary spend in the wider UK economy relative to the same period last year. Revenue in 2008 included £13.2m generated from secured lender First Plus which closed to new business in August 2008. The Group maintained its market share measured by Experian Hitwise against its key competitor set.

Group gross margins at 68.9% improved by more than three percentage points over last year. The Group improved its proportion of direct to site revenue in the year. An accrual release of £0.8m within cost of sales was also made in the first half of the year following the resolution of a dispute with a portal partner during the period. The Group closed its lower margin intermediary operation to new business early in the first quarter of 2009. Revenue recorded in 2009 represents trail commission for mortgage applications in process prior to closure and revenue from revenue sharing agreements with third parties who have managed the winding down of the business.

The adjusted administrative and distribution cost base decreased by 13% from £71.8m to £62.6m in the year. Distribution expenses decreased by £3.2m over the prior year driven by reduced television advertising costs. The Group maintained a level of presence on broadcast media broadly similar to the prior year through a deflation in media costs and changes made in the length of slots acquired.

Adjusted administrative costs decreased by £6.0m (12%) over the prior year from £50.2m in 2008 to £44.2m in 2009. Adjusted staff costs (including contract resource) decreased by £3.5m to £26.9m.

Financial and Business Review *continued*

Headcount decreased from 555 to 442 from December 2008 to December 2009 as the Group sought to align its cost base to the prevailing market conditions in the Money vertical.

In April 2009 the Group made headcount reductions of approximately 80 people across all areas of the business although the largest impacted area was the Group's mortgage brokerage business. The Group incurred costs of £0.5m in relation to these and other reorganisation activities in the first half of 2009 yielding savings of approximately £2.3m per annum in permanent staff costs.

The Group invested approximately £1.3m in the second half of 2009 in flexible resource to improve its core technology and product in 2009 and into 2010. The Group made a number of significant releases to its product set in the fourth quarter of 2009 and the first quarter of 2010 as referred to above. The Group expects a slightly higher run rate level of investment over the course of 2010 to be made in technology.

Other costs including irrecoverable VAT decreased by £3.3m over last year as expenditure on, inter alia, television advertising and search engine marketing was reduced, together with the reduction in the VAT rate to 15% which was effective from 1 December 2008. The Group incurred a loss of £2.1m in Germany in 2009 (2008: loss of £1.2m). Following a review of its German business, the Group has now taken the decision to wind down this test operation.

Adjusted EBITDA margins declined from 27.1% to 26.3% against the same period last year but improved significantly from 22.9% in the second half of 2008.

The Group operates its internet business across four vertical markets. These are discussed below:

	Revenue			
	31 December 2009		31 December 2008	
	£000	**%**	£000	%
Money	**38,132**	**28**	68,265	38
Insurance	**75,669**	**55**	77,739	44
Travel	**16,305**	**12**	19,089	11
Home Services	**5,539**	**4**	7,416	4
Other – UK	**–**	**0**	23	0
Total internet UK	**135,645**	**99**	172,532	97
Germany	**361**	**0**	–	0
Total internet	**136,006**	**99**	172,532	97
Intermediary	**868**	**1**	6,268	3
Total	**136,874**	**100**	**178,800**	**100**

Internet business

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 websites as the number of unique visitors per day per channel, measured on a cumulative basis using cookie-based tracking methodologies.

Transactions

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

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 offers customers the ability to search for, and compare, products for, amongst other things, credit cards, current accounts, mortgages, loans, debt solutions, savings accounts and business finance. 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 2009	31 December 2008	Change
Visitors (000)[1]	**35,178**	35,131	0%
Transactions (000)	**11,650**	15,003	-22%
Revenue (£000)			
– click based revenue	**32,812**	57,372	-43%
Revenue (£000) – other	**5,320**	10,893	-51%
Revenue (£000) – total	**38,132**	68,265	-44%
RPV	**£1.08**	£1.94	
RPT	**£2.82**	£3.82	

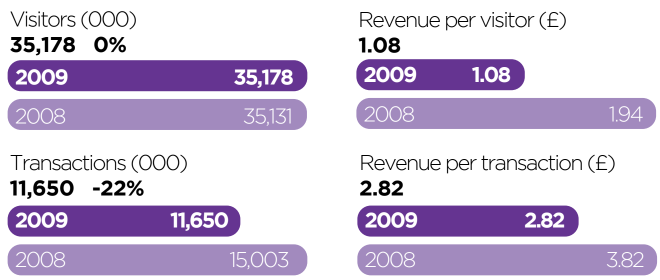
Total revenue in the Money vertical decreased by 44% from £68.3m to £38.1m and click based revenue by 43% from £57.4m to £32.8m. Visitors were broadly flat.

Conditions in the credit market in 2009 were significantly worse than those in the majority of 2008. Credit markets materially worsened over the course of 2008 and particularly the second half of the year as the credit crunch deepened impacting a number of key channels in the Money vertical. The secured lending market in particular suffered from a reduction in the supply of credit and a tightening of underwriting criteria. This was one of the Group's largest revenue generating channels. First Plus, a subsidiary of Barclays, which was the Group's largest single provider by revenue closed to new business in August 2008. First Plus generated revenue of £13.2m in 2008 which the Group was unable to replace in 2009.

The Group noted that towards the end of the first half of 2009 external measures of credit availability began to show signs of having stabilised. Trading in credit products defined as total revenue from secured and unsecured loans, credit cards, debt solutions and mortgages excluding impression based advertising revenue was slightly in excess of 50% down against last year. However revenue from credit products improved in the second half of the year to £13.9m from £13.3m in the first half of the year despite the fact the second half of the year is traditionally weaker than the first half given the softness of fourth quarter revenue. Throughout the year trading in the Money vertical improved on a quarterly basis relative to the same quarter last year and in the fourth quarter was approximately 10% down over the same period last year.

Revenue from other banking products, particularly savings and current accounts, has held up relatively well although savings revenue softened into the fourth quarter against a tough 2008 comparator. Savings revenue increased significantly in the fourth quarter of 2008 following the financial uncertainty created after the collapse of a number of financial institutions. The change in sales mix away from credit based products, which generate higher transaction revenue, towards general banking products markedly reduced RPT and RPV in 2009 against last year. RPV has however been slowly improving for the Money vertical throughout 2009 as the wider markets have shown signs of stabilising.

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 approximately £5.6m or 51% over the year. Commissions that are earned from loan and mortgage brokerage in particular have reduced significantly relative to last year as a result of the difficult market conditions and accordingly the Group materially reduced headcount in this area in the first half of 2009.



Financial and Business Review *continued*

Insurance

The Insurance vertical offers 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:

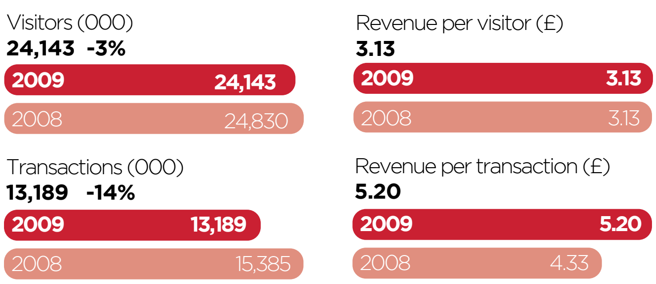
	31 December 2009	31 December 2008	Change
Visitors (000)[1]	**24,143**	24,830	-3%
Transactions (000)	**13,189**	15,385	-14%
Revenue (£000)			
– click based revenue	**68,599**	66,614	3%
Revenue (£000) – other	**7,070**	11,125	-36%
Revenue (£000) – total	**75,669**	77,739	-3%
RPV	**£3.13**	£3.13	
RPT	**£5.20**	£4.33	

Revenue in the Insurance vertical declined by 3% from £77.7m to £75.7m. Transaction revenue increased by 3% from £66.6m to £68.6m.

Revenue in the second half of the year increased by 2% over the same period last year having been 6% lower in the first half of 2009 relative to 2008. The improvement in trading in the second half was driven by increased visitor volumes helped in part by the television advertising campaign featuring Peter Jones launched in June 2009.

The motor insurance comparison market remains the most competitive market in which the Group currently operates. Revenue was approximately 5% lower in the motor insurance channel for the year as a whole although revenue in the second half grew marginally over the same period last year reflecting the increased visitor volumes referred to above. The Group concentrated on the profitable online and offline acquisition and retention of customers during the year rather than focusing exclusively on market share. Revenues in the other insurance channels, including home insurance, travel insurance and life insurance, were all ahead of last year.

Other revenue declined by approximately £4.0m. Other revenue fell in the year driven by lower advertising revenue from a deliberate reduction in the advertising real estate made available to advertisers coupled with the cessation of revenue generated from telephone based leads which generated £2.5m in 2008. Both measures were taken to improve the long term customer experience of using the website in line with our brand building strategy.



Travel

The Travel vertical 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 2009	31 December 2008	Change
Visitors (000)[1]	**42,970**	48,924	-12%
Transactions (000)	**28,904**	38,149	-24%
Revenue (£000)			
– click based revenue	**14,768**	16,818	-12%
Revenue (£000) – other	**1,537**	2,271	-32%
Revenue (£000) – total	**16,305**	19,089	-15%
RPV	**£0.38**	£0.39	
RPT	**£0.51**	£0.44	

Revenue in the Travel vertical fell by 15% from £19.1m to £16.3m. Transaction revenue declined by 12% from £16.8m to £14.8m. Visitor levels declined by 12% compared to the same period last year whilst RPV remained broadly flat.

Revenue in the Travel vertical was impacted as customers reduced discretionary expenditure in response to the increasing economic uncertainty. Package holiday revenue did, however, grow fractionally over the same period last year. The Group's travel website, travelsupermarket.com, was redesigned during the second quarter of 2009 which improved the usability of the website. A cruises channel was added in June 2009.

Non click revenue representing impression based advertising fell by 32% due to a reduced number of visitors compared to the same period last year together with weaker demand from providers for advertising real estate.

Home Services

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

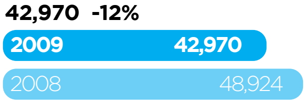
The KPIs for the Home Services vertical are shown below:

	31 December 2009	31 December 2008	Change
Visitors (000)[1]	**18,216**	11,245	62%
Transactions (000)	**5,177**	2,891	79%
Revenue (£000)			
– click based revenue	**5,322**	7,297	-27%
Revenue (£000) – other	**217**	119	82%
Revenue (£000) – total	**5,539**	7,416	-25%
RPV	**£0.30**	£0.66	
RPT	**£1.03**	£2.52	

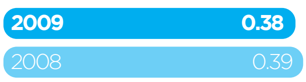
Revenue in the Home Services vertical decreased by 25% from £7.4m to £5.5m in the year. Revenue from utilities, which represents the largest channel in which the Group operates in the Home Services vertical, declined by approximately one third against a strong comparator period, with the first half of 2008 benefiting significantly from the rising price of gas and electricity. Utilities prices have been more stable in 2009 and there has therefore been less demand for switching services, although trading improved markedly in the second half of 2009 relative to the first half of the year.

During the fourth quarter of 2008 the Group launched its own shopping comparison service. A new vouchers channel was launched in November 2009 enabling customers to obtain discounts across a wide range of products and services. This has enabled the Group to grow visitors to this vertical by 62% over last year. Transaction values are typically very low relative to the other channels in the vertical and the increase in visitors and transaction volumes has reduced the RPV for the Home Services vertical measured against the same period last year.

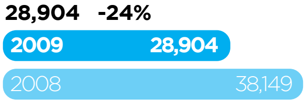
Visitors (000)
42,970 -12%



Revenue per visitor (£)
0.38

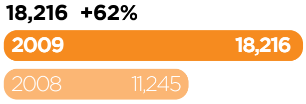


Transactions (000)
28,904 -24%



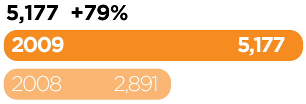
Revenue per transaction (£)
0.51

Visitors (000)
18,216 +62%



Revenue per visitor (£)
0.30

Transactions (000)
5,177 +79%



Revenue per transaction (£)
1.03

Financial and Business Review *continued*

Germany
Following a review of its business in Germany, the Group has decided to wind down its test operation. The volume of business has been lower than originally anticipated by the Group. Customers require more offline support than those in the UK which would require the Group to have significant call centre support. The Group generated losses of £2.1m in Germany in 2009 (2008: losses of £1.2m). The cost of winding down the operation in Germany is expected to be approximately £0.8m in 2010.

Cash balance and dividend
As at 31 December 2009 the Group had a cash balance of £53.8m. The Group continued to strengthen its cash position throughout the year after payment of dividends. Having reviewed the cash required by the business, the Board is recommending a final dividend, subject to shareholder approval, in respect of the year ended 31 December 2009 of 7.11p per ordinary share, comprising a dividend of 2.2p per ordinary share equivalent to the final dividend paid in respect of the 2008 financial year and a special dividend of approximately £25.0m equivalent to 4.91p per ordinary share, reflecting the Board's confidence in the ability of the business to generate cash on an ongoing basis.

Together with the interim dividend of 1.3p per ordinary share and special dividend of 4.93p per ordinary share paid on 16 October 2009, this gives a total dividend for the year of 13.34p per ordinary share. Subject to shareholder approval, the total cost of the dividends for the financial year will be £67.8m.

The ex-dividend date for the final dividend is 3 March 2010, with a record date of 5 March 2010 and a payment date of 1 April 2010. 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 £1.3m in the Consolidated Statement of Comprehensive Income represents an effective tax rate of 40% (2008: -16%). This is higher than the prevailing rate of 28%. The current year has been impacted by losses from its German operation of £2.1m for which a deferred tax asset cannot be recognised. During 2008, the Group had disallowable expenses in the year of £76.0m (including £70.0m of goodwill impairment) and a further £1.2m of losses from its German operation for which a deferred tax asset was not recognised. In addition in 2008 the Group also recognised a deferred tax charge of £2.7m representing a revaluation of a deferred tax asset held in relation to share options. In future, the Group expects the underlying effective rate of tax to be close to the standard UK corporation tax rate of 28%.

Earnings per ordinary share
Basic statutory earnings per ordinary share for the year to 31 December 2009 was 0.4p (2008: loss per share of 11.8p). Adjusted basic earnings per ordinary share decreased from 6.9p to 4.6p per share. The adjusted earnings per ordinary share is based on profit before tax after adding back intangible amortisation and share-based payment charges arising from pre-listing share options. A tax rate of 28% (2008: 28.5%) has been applied to calculate adjusted profit after tax.

Key contractual arrangements
Moneysupermarket.com Limited, a subsidiary of the Company, is party to contracts and other arrangements which the Directors judge are essential to the Group's business.

As with any internet business the Group is dependent upon its ability to attract customers to its website either directly or through paid search or portal partners, and revenue generated from commercial arrangements with its providers.

The Group uses television advertising to attract customers to its website directly. The Group incurred costs of £15.6m (2008: £19.0m) relating to television advertising in 2009. The Group has contracts with a number of media agencies to acquire advertising inventory from commercial television companies. The Group typically has a commitment of between 6 and 10 weeks expenditure at any one time. Television costs represent 85% (2008: 88%) of distribution costs.

The Group uses search engines to acquire traffic via paid search. The Group spent £30.8m (2008: £38.3m) on paid search in 2009. Although there are a number of search engines that operate in the UK, Google is the dominant search engine and accounts for the majority of the Group's spend in this area. The Group has had contracts with a number of media agencies in the year to manage search engine marketing. The Group has no forward commitment to search engines and manages its spend on a real time basis.

The Group does not consider any of the contracts it has with portal partners to be material.

The Group has a number of contracts with providers which are based either on a cost per click basis or a cost per action basis or a hybrid of the two. It also has a number of commercial arrangements based on the number of page impressions served in the case of banner advertising. The Group does not consider it has any material contracts with providers in any one channel. The Group does however frequently deal with providers across a range of different channels managed under different contracts, often to different parts of the same organisation, and occasionally through third party media agencies. At this consolidated channel level, the largest individual provider represented approximately 4% (2008: 4%) of Group internet revenue.

During 2009 there was consolidation in the financial marketplace and the number of independent organisations reduced. The brands under these group umbrellas are usually run independently and the marketing budget managed separately. The largest group represented approximately 4% (2008: 9%) of Group internet revenue.

Notes:

1. 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 early in July 2008 which resolved the issue.

Principal Risks and Uncertainties

The tables below summarise the material financial and operational risks to the Group and how the Group seeks to mitigate them in the day-to-day running of the business.

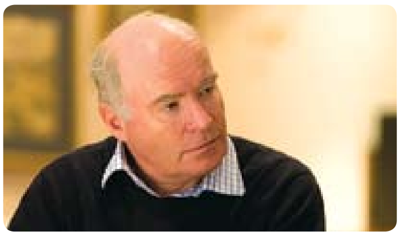
Financial risks

Risk area	Potential impact	Mitigation
Significant worsening in credit markets	Financial institutions may reduce the quantum of lending and tighten their acceptance criteria for customers seeking to obtain credit. This may reduce Group revenue. Providers may increase their focus on customer retention rather than acquisition. This may reduce commissions available to price comparison websites.	The Group continues to focus on building strong relationships with providers to ensure the Group is able to provide solutions to the needs of providers and to maximise the opportunities for providers to acquire customers in a cost effective manner.
Significant consolidation of providers	Consolidation of providers may continue in response to the poor credit markets. This may reduce competition for business with customers having less choice and may reduce commissions available to price comparison websites.	The Group will continue to improve its search functionality and deliver new relevant customers to providers at demonstrably lower acquisition costs compared with other media. The diversification of the Group both in the number of verticals that it operates in and the range of products and services it provides in each vertical should lessen the impact of any consolidation of providers.
Reduction of providers	Providers may decide to withdraw their products from price comparison websites or reduce their customer acquisition activity via price comparison websites. This may reduce Group revenue and the customer proposition of price comparison websites.	The Group continues to focus on building strong relationships with providers to ensure the Group is able to provide solutions to the needs of providers and to maximise the opportunities for providers to acquire customers in a cost effective manner.
Security of cash balances	The Group holds significant cash balances. A failure of a major financial institution with whom the Group places significant deposits may result in a material loss to the Group.	The Group has continued to diversify its cash holdings across a number of financial institutions in accordance with it's approved treasury policy. At the end of 2009, the Group held cash balances with five financial institutions with a maximum balance of £18.0m with any one institution.
Revenue assurance	Significant reduction of or a failure to recognise revenue from contracted providers where the Group is remunerated on a cost per action basis.	The Group will continue to perform independent reviews using third parties to gain assurance that the Group is being correctly remunerated for the sales it introduces to contracted providers.
Investment in new areas	Significant capital invested in new products and services or new geographies fails to make a return.	Investments in new areas typically leverage existing expertise and experience built up over many years. Capital requirements are relatively low and investment is managed in stages such that it is not finally committed until there is good visibility of a return.
Financial services and other markets regulation and taxation	The business model in financial services or other lines of business may be compromised by changes to existing regulation or the introduction of new regulation, or changes to the tax legislation, particularly value added tax.	The Group has a team of regulatory specialists who work with the business to ensure that it remains compliant with existing regulation and informed of impending regulation. The Group has embraced regulation to date and shares the vision of the regulators generally to make the market more transparent to the end customer. The Group continues to monitor ongoing European Union developments in respect of the review of the provision of financial intermediary services with regard to value added tax and any relevant case law in this area as it emerges.

Operational risks

Risk area	Potential impact	Mitigation
Competitive environment	Loss of market share and erosion of margins from increased competition.	The Group continues to focus on building market leading products to improve its proposition to customers. This includes investment in customer retention tools and technology including CRM initiatives which deliver additional features and functionality to customers.
Brand perception	Reduction in customer loyalty with existing customers and an inability to attract new customers if the business fails to maintain its position as a leading price comparison website or if its reputation is negatively impacted by any event.	Continued investment in television advertising reinforced through press activity will maintain the Group in customers' minds. Rigorous checking of the website through audit and review will maintain the accuracy of the information displayed. Rigorous use of internal controls and testing of the Group's systems will ensure the integrity and robustness of the Group's systems. Additional investment in initiatives increases transparency to the customer helping to protect brand values.
Capacity and functionality of IT and systems infrastructure	Failure to provide adequate service levels to customers or maintain revenue generating services.	The Group maintains two separate data centres with n + 1 redundancy in relation to its core infrastructure to ensure that service is maintained in the event of a disaster at the primary data centre. Developed software is rigorously tested and the Group operates a robust release process which mitigates the likelihood of software being released into a live environment without being fully tested.
Loss of key management	Loss of key management resulting in a lack of necessary expertise or continuity to execute strategy.	Existing key management and new hires are tied in through attractive equity incentive packages and rewarding career structures. In addition, succession plans have been developed for key members of the management team which are regularly reviewed.
Reliance on search engine paid search and natural listings	Reduction in gross margin through reduction in revenue derived from search engine optimisation or failure to manage search engine marketing campaigns appropriately.	The Group will continue to invest in sustainable search engine optimisation activities which adhere to search engine guidelines. The Group will continue to use a software solution to assist in managing the profitability of search engine marketing campaigns.
Economic environment	Reduction in visitors and revenue from a recession as customers seek to reduce levels of discretionary expenditure.	The Group continues to focus on building a wide range of market leading products to meet customers needs. Customers seeking to reduce levels of discretionary expenditure will also be looking to obtain 'best' value from compulsory products and services. The diversification of the Group both in the number of verticals that it operates in and the range of products and services it provides in each vertical should lessen the impact of a recession upon the Group although it cannot entirely mitigate against it.

Board of Directors and Company Secretary



Gerald Corbett (a,b,c)
Chairman of the Board and Chairman of the Nomination Committee

Gerald was appointed Chairman of the Board in June 2007. He has been chairman of SSL International plc since August 2005 and chairman of Britvic plc since November 2005. Gerald is also a non-executive director of Numis Corporation Plc and is chairman of the board of trustees of the Royal National Institute for the Deaf. Gerald was a non-executive director of Greencore Group plc from 2004 to 2010, chairman of Woolworths Group plc from 2001 to 2007, chief executive of Railtrack plc from 1997 to 2000 and group finance director of Grand Metropolitan plc from 1994 to 1997.

Simon Nixon
Deputy Chairman

Simon co-founded the Group's business in 1993 and since then has been involved in the management and development of the business including the launch of moneysupermarket.com in 1999 and travelsupermarket.com in 2004. Simon was appointed to the Board as Chief Executive Officer in April 2007 and became Executive Deputy Chairman in February 2009.

Peter Plumb
Chief Executive Officer

Peter was appointed an Executive Director in January 2009 and became Chief Executive Officer of the Group in February 2009. Prior to joining the Group, Peter was the UK managing director of dunnhumby Limited between 2006 and 2008 and was previously general manager of Europe Disney Consumer Products, international director of Dyson Appliances Limited and held commercial roles at PepsiCo International.

Paul Doughty
Chief Financial Officer

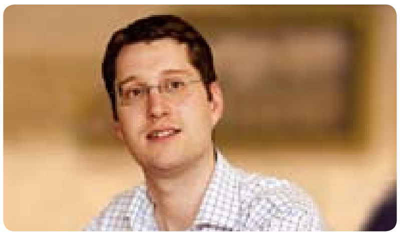
Paul joined the Group in 2004 as Chief Financial Officer. He previously had commercial finance experience with Motorola Limited, National Power plc and Morse plc. He is a qualified Chartered Accountant having trained and qualified at Price Waterhouse. Paul was appointed to the Board in April 2007.

David Osborne
Marketing Director
David was appointed an Executive Director in February 2009. Between 2005 and 2009, David was UK regional general manager at easyJet. He previously worked in senior marketing roles at ING Direct, Orange, Amazon.co.uk and Diageo.

Graham Donoghue
Managing Director, Insurance, Home Services and Travel
Graham joined the Group in 2008 as Managing Director, Travel and was appointed an Executive Director in February 2009. He was appointed Managing Director, Insurance, Home Services and Travel in June 2009. Prior to joining the Group, Graham was new media director of TUI Travel plc between 2006 and 2008.

Michael Wemms (a,b,c)
Senior Independent Non-Executive Director and Chairman of the Remuneration Committee
Michael was appointed a Non-Executive Director in July 2007. Michael has been a non-executive director of Galiform plc since 2006 and Inchcape plc since 2004. He was formerly chairman of the British Retail Consortium between 2004 and 2006, chairman of House of Fraser plc between 2001 and 2006 and a non-executive director of A&D Pharma Holdings N.V. between 2006 and 2008. Michael was previously an executive director of Tesco plc between 1989 and 2000.

Rob Rowley (a,b,c)
Independent Non-Executive Director and Chairman of the Audit Committee
Rob was appointed a Non-Executive Director in September 2007. Rob has been a non-executive director of Liberty International plc since 2004 and is chair of its audit committee and senior independent director. Rob was appointed a non-executive director of Taylor Wimpey plc in January 2010. He was formerly deputy chairman of Cable & Wireless plc between 2003 and 2006 and a non-executive director of Prudential plc between 1999 and 2006 where he chaired its audit committee. Rob was previously at Reuters plc from 1978 to 2001 where he was a director between 1990 and 2001.



Darren Drabble
Company Secretary and General Counsel
Darren joined the Group as Company Secretary and General Counsel in May 2007. Darren has a corporate and commercial law background originally qualifying as a solicitor with Addleshaw Goddard before working as a senior legal counsel at United Utilities Group PLC.

a Member of the Audit Committee
b Member of the Remuneration Committee
c Member of the Nomination Committee

Corporate Responsibility Report

The Group operates with an underlying awareness of its wider responsibilities to society.

Communities and charities

The Group's .Community initiative was launched in 2008 and has continued to develop throughout 2009. The initiative is focused on providing support to charities located within a few miles of the Group's offices in Ewloe and so support is targeted primarily in Flintshire and Cheshire.

A volunteer group of employees meet each month to review requests for donations from charities and to allocate funds according to agreed donation guidelines. Employees are also active in researching and seeking out local good causes that the Group can help support. The initiative has been effective at harnessing the energy and enthusiasm of the Group's employees to benefit the communities in which it operates.

In 2009 the Group made £2,000 per month available for the .Community initiative. This funding has been channelled via the Charities Aid Foundation, enabling the Group to make gross donations to registered charities.

Over the course of the year the Group has supported the following 17 charities:

Hawarden Air Cadets
The Money Advice Trust
Blacon Children's Centre
Jolly Tots
Daffodils
Highway Playdays
Save The Family
Blacon Community Trust
Clatterbridge Centre for Oncology
Age Concern (Cheshire)
North West Air Ambulance
Bryn Gwallia
Macmillan Cancer Support (Cheshire)
Chester Youth Club
Domestic Abuse Safety Unit Deeside
C-Saw
Deafness Support Network

The Group also works with local organisations to promote financial inclusion and awareness. The Group is involved in the North Wales Financial Capability Forum and over the course of the year has worked with Flintshire Trading Standards to hold surgeries for consumers on loans and debt, and with Deeside Citizens Advice to help people in fuel poverty.

In addition to the .Community initiative, the Group and its employees continues to select and support a charity on an annual basis. The 2008/9 Charity of the Year was the Hospice of the Good Shepherd. The Hospice, which is on the outskirts of Chester, exists to provide highly specialised palliative care for people living with advanced diseases from the communities of Chester, Deeside, Ellesmere Port and rural Cheshire. Over the course of the year the Group's employees raised £6,003 for the Hospice through a wide variety of fundraising events. The Group made a donation of £6,020 bringing the total donated to the Hospice during the year to £12,023.

Employees have selected Hope House Childrens' Hospice as its 2009/10 Charity of the Year. The charity runs two centres, in Shropshire and Conwy, serving the North West of England and North Wales. The Hospice provides free care to terminally ill children and their families. Over the course of the year the Group's employees raised £522 for Hope House with the Group donating £3,624, bringing the total donated to Hope House during the year to £4,146.

Environment

The Group strives to reduce energy and raw material usage to support environmental and financial performance.

The Group has chosen not to set environmental key performance indicators due to its relative size and the limited impact it has on the environment. The Group does however participate in the Carbon Disclosure Project.

Employees

The Group actively encourages employee involvement and consultation and places considerable emphasis on keeping its employees informed of the Group's activities via formal half yearly business performance updates, regular update briefings, regular team meetings, the Group's intranet site which enables easy access to the latest Group information as well as Group policies, and the circulation to employees of relevant information including corporate announcements. This also helps to achieve a common awareness amongst employees of the financial and economic factors affecting the performance of the Group.

The Group has established an employee forum through which nominated representatives ensure that employees' views are taken into account regarding issues that are likely to affect them. A robust employee engagement survey process is also in place to ensure that employees are given a voice in the organisation and that the Group can take action based on employee feedback.

The Group is committed to an equal opportunities policy. The Group aims to ensure that no employee is discriminated against, directly or indirectly, on the grounds of colour, race, ethnic and national origins, sexual orientation or gender, marital status, disability, religion or belief, being part time or on the grounds of age.

The Group recognises the importance of health and safety and the positive benefits to the Group. Therefore the Group's commitment to health and safety makes good business sense. The Group has a health and safety policy which is communicated to all employees through a health and safety handbook, which is regularly reviewed and updated.

Supporting students

In order to build links between the Group and local schools and colleges, work experience and placements are offered to a number of students. In doing so, the Group strives to make work placements positive, challenging and relevant to participants' current studies and their future job prospects.

Customers

The Group is committed to providing a high quality price comparison service to its customers, enabling them to compare a wide range of products in the money, insurance, travel and home services markets, and to find the product most suited to their needs.

To maintain high levels of customer satisfaction, the Group is constantly assessing the views of its customers and undertaking customer testing of its websites and any new developments it makes. The Group provides customers with information from a wide variety of sources such as editorial content, customer and expert reviews, forums and community features to enrich their experience and to help them find the product most suited to their needs.

Directors' Report

The Directors present their report and the Group and Company Financial Statements of Moneysupermarket.com Group PLC (the 'Company') and its subsidiaries (together the 'Group') for the financial year ended 31 December 2009.

Principal activities

The Company is a public limited company incorporated in England, registered number 6160943, with its registered office at Moneysupermarket House, St David's Park, Ewloe, Chester, CH5 3UZ.

The principal activity of the Group is the introduction of business to financial, insurance, travel, home services and other product providers through its websites, moneysupermarket.com and travelsupermarket.com. The principal activity of the Company is that of a holding company.

A fuller description of business activities is contained within the Financial and Business Review on pages 14 to 21.

Business review

The Chairman's Statement on page 8, the Chief Executive's Report on pages 10 to 13, the Financial and Business Review on pages 14 to 21 and the Principal Risks and Uncertainties on pages 22 and 23 provide a detailed review of the Group's activities, likely future developments and principal risks and uncertainties. All the information detailed in those pages is incorporated by reference into this report and is deemed to form part of this report.

As at the date of this report, there have been no important events affecting the business of the Group which have occurred since 31 December 2009.

Corporate governance

The Corporate Governance Report, the Audit Committee Report, the Nomination Committee Report and the Directors' Remuneration Report on pages 33 to 48 are incorporated by reference into this report and are deemed to form part of this report.

Results and dividends

The Group's and Company's audited Financial Statements for the financial year ended 31 December 2009 are set out on pages 50 to 77.

An interim dividend of 1.3p (2008: 1.3p) per ordinary share together with a special dividend of 4.93p per ordinary share was paid to shareholders on 16 October 2009.

The Directors recommend a final dividend of 7.11p (2008: 2.2p) per ordinary share, comprising a dividend of 2.2p per ordinary share equivalent to the final dividend paid in respect of the 2008 financial year and a special dividend of 4.91p per ordinary share. If approved by shareholders at the forthcoming Annual General Meeting, this will be paid on 1 April 2010 to shareholders on the register at the close of business on 5 March 2010.

The final dividend, together with the interim and special dividend paid on 16 October 2009, makes a total dividend for the year of 13.34p (2008: 3.5p) per ordinary share.

Major shareholders

As at the date of this report, the Company had been notified of the following significant holdings of voting rights in its ordinary shares in accordance with the Financial Services Authority's Disclosure and Transparency Rules:

Shareholder	Number of ordinary shares/voting rights notified	Percentage of ordinary share capital notified
Simon Nixon	267,257,021	52.76
Coatue Management LLC	45,959,122	9.10
BlackRock Inc	33,669,000	6.63
Lloyds Banking Group plc	30,353,502	5.98
FIL Limited	25,452,692	5.01
Capital Research & Management Company	24,480,000	4.93
State Street Nominees Limited	20,581,165	4.14

Share capital and control

As at 31 December 2009, the issued share capital of the Company comprised a single class of shares referred to as ordinary shares of 0.02p each. As at 31 December 2009, the authorised share capital of the Company was £250,000 comprising 1,154,705,882 ordinary shares of 0.02p each and 95,294,118 deferred shares of 0.02p each, and the issued share capital was £101,506 comprising 507,532,724 ordinary shares of 0.02p each. Full details of the share capital of the Company and changes to the share capital during the year are set out in note 15 to the Group Financial Statements on pages 67 and 68. All the information detailed on this page is incorporated by reference into this report and is deemed to form part of this report.

At the Annual General Meeting of the Company held on 16 April 2009, shareholders authorised the Directors to allot up to 336,230,000 ordinary shares in the capital of the Company. Directors will seek authority from shareholders at the forthcoming Annual General Meeting to allot up to 338,010,000 ordinary shares.

On a show of hands at a general meeting of the Company, every holder of ordinary shares present in person or by proxy, and entitled to vote, shall have one vote and, on a poll, every holder of ordinary shares present in person or by proxy, and entitled to vote, shall have one vote for every ordinary share held. Except in very limited circumstances, the holders of deferred shares are not entitled to attend or vote at a general meeting of the Company. There are no issued shares in the Company with special rights with regard to control of the Company.

The notice of the Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the Annual General Meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the Annual General Meeting and published on the Company's website after the meeting.

There are no restrictions on the transfer of ordinary shares in the Company other than:

- Certain restrictions may from time to time be imposed by laws and regulations (for example, insider trading laws).
- Pursuant to the Listing Rules of the Financial Services Authority whereby certain Directors, officers and employees of the Group require the approval of the Company to deal in ordinary shares of the Company.
- Pursuant to an underwriting agreement entered into on 11 July 2007 ('Underwriting Agreement') in connection with the listing of the Company on 31 July 2007 ('Listing'), each of Simon Nixon and Paul Doughty have agreed that, subject to certain exceptions, they will not, without the prior written consent of Credit Suisse Securities (Europe) Limited, directly or indirectly, sell or otherwise dispose of, any ordinary shares in the capital of the Company in excess of the numbers specified below:
  - In the period between 1 August 2008 and 31 July 2009, up to one third of the number of ordinary shares owned by them as at Listing (assuming for these purposes that any options held by them over ordinary shares had been exercised at Listing).
  - In the period between 1 August 2009 and 31 July 2010, up to two thirds of the number of ordinary shares owned by them as at Listing, less any ordinary shares previously disposed of in accordance with the Underwriting Agreement as set out above (assuming for these purposes that any options held by them over ordinary shares had been exercised at Listing).
- Pursuant to lock-up deeds in favour of the Company, certain of the senior managers of the Group have agreed that, subject to certain exceptions, they will not, without the prior written consent of the Company, directly or indirectly, sell or otherwise dispose of, any ordinary shares in the capital of the Company in excess of the numbers specified below:
  - In the period between 1 August 2008 and 31 July 2009, up to one third of the number of ordinary shares owned by them as at Listing (assuming for these purposes that any options held by them over ordinary shares had been exercised at Listing).
  - In the period between 1 August 2009 and 31 July 2010, up to two thirds of the number of ordinary shares owned by them as at Listing less any ordinary shares previously disposed of in accordance with the lock-up deeds as set out above (assuming for these purposes that any options held by them over ordinary shares had been exercised at Listing).

Under the rules of the Moneysupermarket.com Group PLC Share Incentive Plan ('Plan'), eligible employees were provided with the opportunity to receive 'free' shares on Listing with a value as at the date of Listing of £3,000, and all employees are entitled to purchase ordinary shares in the Company using money deducted from their pre-tax salary. Plan shares are held in trust for participants by Capita IRG Trustees Limited ('Trustees'). Voting rights are exercised by the Trustees on receipt of participants' instructions. If a participant does not submit an instruction to the Trustees, no vote is registered. In addition, the Trustees do not vote on any unawarded or forfeit shares held under the Plan as surplus assets. As at the date of this report, the Trustees held 0.18% of the issued ordinary share capital of the Company.

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

The Company and Simon Nixon entered into a relationship agreement on 11 July 2007 to regulate the ongoing relationship between them ('Relationship Agreement'). The Company and Simon Nixon have agreed in the Relationship Agreement that Simon Nixon is entitled to appoint (such number including himself) one Non-Executive Director for as long as he holds the beneficial interest in at least 15% of the ordinary shares of the Company, two Non-Executive Directors for as long as he holds the beneficial interest in at least 30% of the ordinary shares of the Company and three Non-Executive Directors for as long as he holds the beneficial interest in at least 50% of the ordinary shares of the Company. The Relationship Agreement will terminate if Simon Nixon holds less than 15% of the ordinary shares of the Company. As at the date of this report, Simon Nixon had not appointed any Non-Executive Directors pursuant to his rights in the Relationship Agreement.

Save in respect of Peter Plumb's service agreement (details of which are set out on page 45) and provisions of the Company's share schemes which may cause options and awards granted to employees under such schemes to vest on a takeover, there are no agreements between the Company and its Directors or employees

Directors' Report *continued*

providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Save in respect of the Company's share schemes, there are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control following a takeover bid.

The Company's Articles of Association may only be amended by a special resolution at a general meeting of shareholders. At the forthcoming Annual General Meeting a special resolution will be put to shareholders proposing amendments to the Company's existing Articles of Association as described in the notice of meeting.

Authority to purchase own shares

At the Annual General Meeting of the Company held on 16 April 2009, shareholders authorised the Company to purchase, in the market, up to 50,485,606 of its own ordinary shares either to be cancelled or retained as treasury shares. As at the date of this report, the Company had not purchased any of its own ordinary shares in the market.

Directors will seek authority from shareholders at the forthcoming Annual General Meeting for the Company to purchase, in the market, up to 50,753,272 of its own ordinary shares either to be cancelled or retained as treasury shares. The Directors will only use this power after careful consideration, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. The Directors will only purchase such shares after taking into account the effects on earnings per share and the interests of shareholders generally.

Research and development

Innovation is important to the future success of the Group and to the delivery of long term value to shareholders. The Group's research and development expenditure is predominantly associated with computer and internet software systems. Successfully developed software is used to develop new products and to improve and extend the functionality and scope of the Group's internet operations.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Company, and the Group as a whole, have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Financial Statements have been prepared on a going concern basis.

Directors

The following persons were Directors of the Company during the financial year ended 31 December 2009: Gerald Corbett, Simon Nixon, Peter Plumb (appointed 1 January 2009), Paul Doughty, David Osborne (appointed 23 February 2009), Graham Donoghue (appointed 23 February 2009), Michael Wemms and Rob Rowley. Their biographical details are set out on pages 24 and 25.

Subject to law and the Company's Articles of Association, the Directors may exercise all of the powers of the Company and may delegate their power and discretion to committees.

The Company's Articles of Association give the Directors power to appoint and replace Directors. Under the terms of reference of the Nomination Committee, any appointment to the Board of the Company must be recommended by the Nomination Committee for approval by the Board. The Articles of Association also require Directors to retire and submit themselves for re-election at the first Annual General Meeting following their appointment and to stand for re-election at least every three years following their election or last re-election.

In accordance with the Company's Articles of Association, Simon Nixon, Michael Wemms and Rob Rowley will retire at the forthcoming Annual General Meeting and, being eligible, will offer themselves for re-election.

Directors' remuneration

The Remuneration Committee, on behalf of the Board, has adopted a policy that aims to attract and retain the Directors needed to run the Group successfully. Details of the Directors' remuneration is set out in the Directors' Remuneration Report on pages 41 to 48.

Directors' interests

Details of the Directors' and their connected persons' interests in the ordinary shares of the Company are set out in the Directors' Remuneration Report on pages 41 to 48. No Director has any other interest in any shares or loan stock of any Group company.

The details of transactions with Directors of the Company and related party transactions in the financial year ended 31 December 2009 are set out in note 20 to the Group Financial Statements on pages 71 and 72 and the Corporate Governance Report on pages 33 to 37. During the year, no Director had any material interest in any contract of significance to the Group's business.

Directors' and officers' insurance and indemnities

During the financial year ended 31 December 2009 and up to the date of this report, the Company has maintained liability insurance for its Directors and officers.

The Company has granted indemnities to each of its Directors and the Company Secretary to the extent permitted by law and its Articles of Association. Qualifying third party indemnity provisions and qualifying pension scheme indemnity provisions were in force with effect from 14 December 2009 and remain in force as at the date of this report in relation to certain losses and liabilities which the Directors or Company Secretary may incur in the course of acting as Directors, Company Secretary or employees of the Company or of any associated company.

Statement of Directors' responsibilities in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. Under that law they are required to prepare the Group Financial Statements in accordance with IFRSs as adopted by the EU and applicable law and have elected to prepare the Company Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of their profit or loss for that period. In preparing each of the Group and Company Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- For the Group Financial Statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU.
- For the Company Financial Statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Company Financial Statements.
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report, Directors' Remuneration Report and Corporate Governance Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Directors' responsibilities pursuant to Disclosure and Transparency Rules 4.1.12

Each of the Directors whose names and functions are set out on pages 24 and 25 confirm that, to the best of their knowledge:

- The Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.
- The Business Review includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Internal control

The Corporate Governance Report and Audit Committee Report on pages 33 to 39 includes the Board's assessment of the Group's system of internal controls and consideration of the guidance issued by the Turnbull Committee of the Institute of Chartered Accountants of England and Wales.

Employees

The Group places considerable value on the involvement of its employees and uses a number of ways to engage with employees on matters that impact them and the performance of the Group. These include formal half yearly business performance updates by members of the executive management team for all employees, regular update briefings for all employees, regular team meetings, the Group's intranet site which enables easy access to the latest Group information as well as Group policies, and the circulation to employees of results announcements and other corporate announcements. This also helps to achieve a common awareness amongst employees of the financial and economic factors affecting the performance of the Group.

Directors' Report *continued*

The Group has established an employee forum through which nominated representatives ensure that employees' views are taken into account regarding issues that are likely to affect them. A robust employee engagement survey process is also in place to ensure that employees are given a voice in the organisation and that the Group can take action based on employee feedback.

All employees are able to participate in the Moneysupermarket.com Group PLC Share Incentive Plan which gives employees the opportunity to purchase ordinary shares in the Company using money deducted from their pre-tax salary on a monthly basis. This helps to encourage employee interest in the performance of the Group.

Equal opportunities
The Group is committed to providing equality of opportunity to all employees without discrimination and applies fair and equitable employment policies which seek to promote entry into and progression within the Group. Appointments are determined solely by application of job criteria, personal ability, behaviour and competency.

Disabled persons
Disabled persons have equal opportunities when applying for vacancies, with due regard to their skills and abilities. Procedures ensure that disabled employees are fairly treated in respect of training and career development. For those employees becoming disabled during the course of their employment, the Group is supportive so as to provide an opportunity for them to remain with the Group, wherever reasonably practicable.

In the opinion of the Directors, all employee policies are deemed to be effective and in accordance with their intended aims.

Borrowings
The Group did not have any borrowings during the financial year ended 31 December 2009 (2008: £nil).

Financial risk management
It is the Group's objective to manage its financial risk so as to minimise the adverse fluctuations in the financial markets on the Group's profitability and cash flow. The specific policies for managing each of the Group's main financial risk areas are set out in note 16 to the Group Financial Statements on page 68.

Political and charitable donations
During the financial year ended 31 December 2009, the Group did not make any political donations (2008: £nil) and made charitable donations of £33,379 (2008: £24,482).

Creditor payment policy
It is Group policy to agree terms and conditions for its business transactions with suppliers. Payment is made in accordance with these terms provided the supplier meets its obligations. The average number of trade creditor days outstanding for the Group at 31 December 2009 was 58.4 (2008: 49.5) days. The Company is a holding company and therefore had no trade creditors at 31 December 2009 (2008: nil).

Disclosure of information to auditors
The Directors who held office at the date of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each such Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information, and to establish that the Company's auditors are aware of that information.

Auditors
KPMG Audit Plc have indicated their willingness to accept reappointment as auditors of the Company. A resolution proposing their reappointment is contained in the notice of the forthcoming Annual General Meeting and will be proposed to shareholders at that meeting.

Annual General Meeting
The forthcoming Annual General Meeting of the Company will be held at De Vere Carden Park Hotel, near Chester, Cheshire, CH3 9DQ on Wednesday 31 March 2010 at 10.30am.

The notice convening the forthcoming Annual General Meeting of the Company, with details of the business to be transacted at the meeting and explanatory notes, is set out in a separate circular which has been sent to all shareholders at the same time as this report.

By order of the Board

Darren Drabble

Darren Drabble
Company Secretary
23 February 2010

Corporate Governance Report

The Board of Directors ('Board') of Moneysupermarket.com Group PLC ('Company') is committed to high standards of corporate governance and supports the principles laid down in the revised Combined Code on Corporate Governance published in June 2008 by the Financial Reporting Council ('Combined Code'). This Corporate Governance Report describes how the principles of the Combined Code are applied by the Company and reports on the Company's compliance with the Combined Code's provisions.

Compliance

The Board considers that the Company has complied with the provisions of the Combined Code throughout the year ended 31 December 2009 and to the date of this report except as set out below.

Board of Directors

The Board currently has eight members, comprising the Non-Executive Chairman, Gerald Corbett, two Independent Non-Executive Directors, Michael Wemms and Rob Rowley, and five Executive Directors, Simon Nixon, Paul Doughty, Peter Plumb, Graham Donoghue and David Osborne. Michael Wemms has been designated as the Senior Independent Non-Executive Director.

The Board normally meets on at least eight occasions in each financial year including a two day strategy conference. To enable the Non-Executive Directors to more freely discuss the performance of the Group's management, the Chairman meets with the Non-Executive Directors at least once each year without the Executive Directors present.

The Board considers that all the Directors are able to devote sufficient time to their duties as Directors. Biographies of the Board are set out on pages 24 and 25 including details of the significant commitments of the Chairman. The Board is satisfied that these appointments do not conflict with the Chairman's ability to carry out his duties and responsibilities effectively for the Group.

Independence/Non-Executive Directors

The Chairman and the Non-Executive Directors bring wide and varied commercial experience to Board and Committee deliberations. The practice of the Company is to appoint Non-Executive Directors for specified terms of three years, subject to a maximum of up to 12 months' notice within that period and also subject to re-election and to Companies Act provisions relating to the removal of a Director. Each of the Non-Executive Directors, including the Chairman, currently holds a letter of appointment reflecting this.

The Board considers that Gerald Corbett was independent on appointment as Chairman and considers Michael Wemms and Rob Rowley to be independent, being independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgement.

When determining the Chairman's independence on appointment, the Board had regard to his share award ('Share Award'). Under the Share Award, Gerald Corbett purchased ordinary shares in the Company on the listing of the Company on 31 July 2007 ('Listing') at £1.70 per ordinary share to the value of £200,000 and provided he completes three years service as Chairman of the Company from Listing and retains the ordinary shares he purchased on Listing during that three year period, he will be entitled to subscribe at nominal value for two times the number of ordinary shares he purchased on Listing. The Board believes that the number of ordinary shares subject to the Share Award is not sufficient to have an impact on his independence and thus concludes that the Chairman was independent on appointment. Shareholder approval was obtained prior to the entry by the Company into the Share Award.

Conflicts of interest

The Company's Articles of Association were amended at the 2008 Annual General Meeting, in line with the Companies Act 2006, to allow the Board to authorise potential conflicts of interest that may arise and to impose limits or conditions, as appropriate, when giving any authorisation. Any decision of the Board to authorise a conflict of interest is only effective if it is agreed without the conflicted Directors voting or without their votes being counted and in making such a decision, the Directors must act in a way they consider in good faith will be most likely to promote the success of the Company. The Company has established a procedure for the appropriate authorisation to be sought prior to appointment of any new Director or prior to a new conflict arising and for the regular review of actual or potential conflicts of interest. During the year, this procedure was adhered to and operated effectively.

Relationship Agreement

The majority shareholder of the Company is Simon Nixon. The Company and Simon Nixon entered into a relationship agreement on 11 July 2007 to regulate the ongoing relationship between them ('Relationship Agreement'). The principal purpose of the Relationship Agreement is to ensure that the Company is capable of carrying on its business independently of Simon Nixon, and that transactions and relationships with Simon Nixon are at arm's length and on normal commercial terms.

Corporate Governance Report *continued*

The Company and Simon Nixon have agreed in the Relationship Agreement that Simon Nixon is entitled to appoint (such number including himself as a Director) one Non-Executive Director for as long as he holds the beneficial interest in at least 15% of the ordinary shares of the Company, two Non-Executive Directors for as long as he holds the beneficial interest in at least 30% of the ordinary shares of the Company and three Non-Executive Directors for as long as he holds the beneficial interest in at least 50% of the ordinary shares of the Company. The Relationship Agreement will terminate if Simon Nixon holds less than 15% of the ordinary shares of the Company.

The Relationship Agreement also includes a protocol to be observed in relation to any Non-Executive Director appointed by Simon Nixon to deal with potential conflicts of interest and the provision of confidential information.

As at the date of this report, Simon Nixon had not appointed any Non-Executive Directors pursuant to his rights in the Relationship Agreement.

Division of responsibilities

The positions of Chairman and Chief Executive Officer are not combined, ensuring a clear division of responsibility at the head of the Company. The division of roles and responsibilities between the Chairman and Chief Executive Officer is clearly established, set out in writing and has been approved by the Board. The Chairman is responsible for leadership of the Board, setting its agenda and monitoring its effectiveness. He ensures effective communication with shareholders and that the Board is aware of the views of major shareholders. He facilitates both the contribution of the Non-Executive Directors and constructive relations between the Executive and Non-Executive Directors.

The Chief Executive Officer is responsible for the day to day running of the Group, carrying out agreed strategy and implementing specific Board decisions.

Role of the Board

The Board is collectively responsible for the Group's performance and meets regularly to review the operation and performance of the Group. The Board has a formal schedule of matters reserved to it for decision making and matters delegated to Committees of the Board which are available on the Group's website at www.moneysupermarket.com. These include the Group's strategy; business plan and annual budget; acquisitions and disposals and other major investments and capital projects.

There is an established procedure for the preparation and approval each year by the Board of business plans and the annual budget. The Board receives reports on performance against the business plan and budget and reviews any significant variances each time it meets. This information enables business performance to be monitored, evaluated, discussed and challenged where necessary and enables informed, sound decisions to be made.

Board Committees

The Board has three principal Committees (Audit, Nomination and Remuneration) to which various matters are delegated. The Committees all have formal written terms of reference that have been approved by the Board and are published on the Group's website at www.moneysupermarket.com. They are also available in hard copy form on application to the Company Secretary.

Details of the work of the Audit, Nomination and Remuneration Committees are given in the reports of those Committees on pages 38 to 48.

The Directors who served on each of the Committees during the year are set out below:

Committee	Chairman	Member	Member
Audit	Rob Rowley	Gerald Corbett	Michael Wemms
Nomination	Gerald Corbett	Michael Wemms	Rob Rowley
Remuneration	Michael Wemms	Gerald Corbett	Rob Rowley

Board and Committee attendance

The attendance record of the Directors at scheduled Board and Committee meetings during the year is set out in the following table. The Board scheduled 10 meetings during the year and ad hoc conference calls were also convened to deal with specific matters which required attention between scheduled meetings.

	Board	Audit Committee	Nomination Committee	Remuneration Committee
Executive Directors				
Simon Nixon	9	–	–	–
Peter Plumb	10	–	–	–
Paul Doughty	10	–	–	–
Graham Donoghue	8	–	–	–
David Osborne	9	–	–	–
Non-Executive Directors				
Gerald Corbett	10	4	2	5
Michael Wemms	9	4	2	5
Rob Rowley	10	4	2	5
Total number of scheduled meetings held	**10**	**4**	**2**	**5**

The Executive Directors of the Company may attend meetings of the Committees at the invitation of the Chairman of the respective Committee.

Directors

The Company's Articles of Association require that new Directors appointed by the Board must retire and submit themselves for re-election by shareholders at the next Annual General Meeting following their appointment. The Company's Articles of Association further require that all Directors must retire and submit themselves for re-election at least every three years.

The Company provides Directors' and officers' insurance cover for the benefit of Directors in respect of claims arising in the performance of their duties. With effect from 14 December 2009, the Company has also granted indemnities to each of its Directors and the Company Secretary to the extent permitted by law and its Articles of Association.

Board evaluation

The Board has established a formal process for the annual evaluation of the performance of the Board, its Committees and individual Directors. Questionnaires were prepared which provided the framework for the evaluation process. Each Director completed the questionnaires commenting on the performance of the other Directors, the Board and each Committee and submitted the completed questionnaires for collation. Utilising the responses to the questionnaires, the Chairman has conducted interviews with each Director and assessed their individual performance. The Chairman has carried out an evaluation of the performance of the Board as a whole and of each Committee and, led by the Senior Independent Non-Executive Director, the Non-Executive Directors have met and assessed the performance of the Chairman taking into account the views of the Executive Directors. The conclusions of those evaluations have been presented to the Board by the Chairman and the Senior Independent Non-Executive Director. The evaluation process is designed to cover Board processes, the structure and capability of the Board, strategic alignment, Board dynamics and the skills brought to the Board by each Director. The Board evaluation process confirmed that the Board and its Committees were operating effectively.

Development

The Chairman and Company Secretary are responsible for preparing and implementing an induction programme for Directors, including guidance as to their duties, responsibilities and liabilities as a Director of the Company and business familiarisation. Business familiarisation involves Directors visiting the Company's offices and giving the Directors the opportunity to meet the executive management team and other senior managers in the business. They also have the opportunity to discuss organisational, operational and administrative matters. Every Director has access to appropriate training as required following their appointment.

Information

Board members are given appropriate documentation in a timely manner in advance of each Board or Committee meeting. This normally includes a detailed report on current trading and full papers on matters where the Board or Committee will be required to make a decision or give its approval. Specific business related presentations are given when appropriate.

The Directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for ensuring that Board procedures are followed and providing advice to the Board on corporate governance. Both the appointment and removal of the Company Secretary are matters for the Board as a whole.

Corporate Governance Report *continued*

Directors can, where they judge it necessary to discharge their responsibilities as Directors, obtain independent professional advice at the Company's expense. Directors have the right to require that any concerns they may have are recorded in the appropriate Board or Committee minutes.

Shareholder relations
The Board is committed to establishing and maintaining good communications with shareholders. Senior executives, including the Chairman, Chief Executive Officer and Chief Financial Officer regularly meet with analysts and institutional shareholders to keep them informed of significant developments and to develop an understanding of their views which are reported back to the Board. Formal presentations are given to analysts and shareholders covering the full year and half year results. The Company Secretary deals with questions from individual shareholders.

The results and results presentations, together with all information reported to the market via the regulatory information service, press releases and other shareholder information, are published on the Group's website at www.moneysupermarket.com to be viewed and accessed by all shareholders.

The Senior Independent Non-Executive Director, Michael Wemms, is available to shareholders if they have concerns which contact through the normal channels of Chairman, Chief Executive Officer or Chief Financial Officer has failed to resolve, or for which such contact is inappropriate.

All shareholders will have the opportunity to ask questions at the forthcoming Annual General Meeting. The Chairmen of the Audit, Nomination and Remuneration Committees will be available to answer questions at that meeting. Shareholders may also contact the Chairman, the Chief Executive Officer or, if more appropriate, the Senior Independent Non-Executive Director to raise any issue with one or all of the Non-Executive Directors of the Company.

The Company will prepare separate resolutions on each substantially separate issue at the forthcoming Annual General Meeting. The result of the vote on each resolution will be published on the Group's website after the Annual General Meeting and will be announced via the regulatory information service.

Internal control and risk management
The Board is responsible for the Group's system of internal control and risk management and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The key features of the Group's system of internal control and risk management are:

- A comprehensive annual business planning and budgeting process, requiring Board approval, against which the Group's actual performance and any significant variances are regularly reviewed by the Board.
- A schedule of matters reserved for the Board's approval to ensure it maintains control over appropriate strategic, financial, organisational, compliance and capital investment issues.
- An organisation structure with clearly defined lines of responsibility and delegation of authority.
- Regular reviews by management and the Audit Committee of the key risks facing the Group and the actions being taken to mitigate and manage them.
- An annual two day strategy conference to discuss and approve the Group's strategic direction, plans and objectives and the risks to achieving them.

In addition, the Audit Committee receives:

- Reports from the external auditors in relation to the Financial Statements and the material financial reporting judgements contained in them.
- Reports from the external auditors in relation to the system of internal control and the reviews by the external auditors of that system.

The Audit Committee has conducted a review of the effectiveness of the Group's system of internal control and risk management during the financial year ended 31 December 2009. The Board considers that in the context of the control environment described above, the Group's system of internal control and risk management is effective and satisfactory.

Compliance with the Combined Code
The Directors consider that during the financial year ended 31 December 2009 and to the date of this report, the Company complied with the Combined Code except as follows:

A.3.2 – During the year at least half the Board, excluding the Chairman, did not comprise Independent Non-Executive Directors. The Company is continuing the process, with the assistance of an external search company, to appoint additional Independent Non-Executive Directors.

B.2.1 – The Remuneration Committee does not currently comprise at least three Independent Non-Executive Directors. The Company is continuing the process, with the assistance of an external search company, to appoint additional Independent Non-Executive Directors. It is currently anticipated that at least one of the appointees will become a member of the Remuneration Committee.

C.3.1 – The Audit Committee does not currently comprise at least three Independent Non-Executive Directors. The Company is continuing the process, with the assistance of an external search company, to appoint additional Independent Non-Executive Directors. It is currently anticipated that at least one of the appointees will become a member of the Audit Committee.

D.1.1 – As a result of regular feedback provided to the Board by the Chairman, Chief Executive Officer and Chief Financial Officer following their dialogue with major shareholders, the Senior Independent Non-Executive Director believes he is aware of the views of major shareholders. Unless requested by major shareholders, the Senior Independent Non-Executive Director does not attend meetings with them.

This report was approved by the Board and signed on its behalf by:

Darren Drabble

Darren Drabble
Company Secretary
23 February 2010

Audit Committee Report

The Audit Committee presents a separate report in relation to the financial year ended 31 December 2009.

Composition of the Audit Committee

The Audit Committee comprises the three Non-Executive Directors, Rob Rowley (Chairman of the Audit Committee), Gerald Corbett and Michael Wemms. Rob Rowley and Michael Wemms are considered by the Board to be independent. Gerald Corbett was considered by the Board to be independent on appointment. Biographies of the members of the Audit Committee are set out on pages 24 and 25. Rob Rowley is a qualified accountant and was formerly finance director of Reuters plc and chairman of the audit committee at Prudential plc. He is currently chairman of the audit committee at Liberty International plc. The Board is satisfied that Rob Rowley has recent and relevant financial experience.

Operation of the Audit Committee

The Audit Committee met on four occasions during the year. Details of the attendance at Audit Committee meetings are set out in the Corporate Governance Report on page 35.

The Chief Executive Officer and Chief Financial Officer, together with the external auditors, will normally attend meetings at the invitation of the Chairman of the Audit Committee. The external auditors are regularly invited by the Audit Committee to advise them of any matters which they consider should be brought to the Audit Committee's attention without the Executive Directors present. The external auditors may also request a meeting with the Audit Committee if they consider it necessary.

The Company Secretary acts as secretary to the Audit Committee. The members of the Audit Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Audit Committee's duties include:

- Monitoring the financial reporting process.
- Monitoring the statutory audit of the Group's Financial Statements.
- Reviewing the Group's Financial Statements and the material financial reporting judgements contained in them.
- Monitoring the effectiveness of the Group's internal control and risk management systems.
- Reviewing and monitoring the independence of the external auditors and the provision of additional services to the Group.
- Advising the Board on the appointment and removal of the external auditors and the remuneration and terms of engagement of the external auditors.
- Reviewing the Group's whistle blowing procedures.

The Audit Committee undertakes its activities in line with an annual work plan. The Audit Committee agrees the scope of the audit work and discusses the results of the full year audit and half year review each year.

The terms of reference of the Audit Committee are published on the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary.

During the year, the Audit Committee reviewed the Group's whistle blowing procedures to ensure arrangements are in place to enable employees to raise concerns about possible malpractice or wrongdoing by the Group or any of its employees on a confidential basis. This includes arrangements to proportionately and independently investigate such matters and for appropriate follow-up action.

Internal control and risk management

The Board is responsible for the Group's system of internal control and risk management and for reviewing its effectiveness. The Audit Committee monitors and undertakes an annual review of the effectiveness of, and the framework for, the Group's system of internal control and risk management. This includes annual consideration as to whether there is a need to establish an internal audit function.

The Audit Committee undertook a review of the effectiveness of, and the framework for, the Group's system of internal control and risk management, including financial, operational and compliance controls during the year. In addition to this review, the external auditors provided the Audit Committee with comprehensive reports of the results of their controls testing as part of the external audit. On a half yearly basis, the Audit Committee also reviewed the key risks facing the Group and the actions being taken by management to mitigate and manage them.

During the year the Audit Committee considered the need to establish an internal audit function and concluded that the control systems are sufficient for the size and complexity of the Group such that an internal audit function is not required at this time. This will be reviewed in 2010.

Review of the work of the external auditors

Subject to the annual appointment of the external auditors by shareholders, the Audit Committee regularly reviews the relationship between the Group and the external auditors. This review includes an assessment of their performance, cost-effectiveness, objectivity and independence.

The Audit Committee is responsible for ensuring that an appropriate relationship is maintained between the Group and the external auditors. The Group has implemented a policy of controlling the provision of non-audit services by the external auditors in order to ensure that their objectivity and independence is safeguarded. This control is exercised by ensuring that all non-audit services are subject to the prior approval of the Audit Committee. During the year, the Audit Committee continued with the appointment of other accountancy firms to provide non-audit services to the Group and anticipates that this will continue in 2010.

The Audit Committee, having considered the external auditors' performance during their period in office, recommends their reappointment. A full breakdown of the audit and non-audit related fees is set out in note 4 to the Group Financial Statements on page 60. The Audit Committee discussed the level of fees and considered them appropriate given the current size of the Group. The Audit Committee is satisfied that the level and scope of non-audit services undertaken by the external auditors does not impair their independence and objectivity.

This report was approved by the Board and signed on its behalf by:

R. Rowley.

Rob Rowley
Chairman of the Audit Committee
23 February 2010

Nomination Committee Report

The Nomination Committee presents a separate report in relation to the financial year ended 31 December 2009.

Composition of the Nomination Committee
The Nomination Committee comprises the three Non-Executive Directors, Gerald Corbett (Chairman of the Nomination Committee), Michael Wemms and Rob Rowley. Rob Rowley and Michael Wemms are considered by the Board to be independent. Gerald Corbett was considered by the Board to be independent on appointment. Biographies of the members of the Nomination Committee are set out on pages 24 and 25.

Operation of the Nomination Committee
The Nomination Committee met on two occasions during the year. Details of the attendance at Nomination Committee meetings are set out in the Corporate Governance Report on page 35.

The Nomination Committee's duties include:

- Evaluating the balance of skills, knowledge and experience of the Board.
- Considering the size, structure and composition of the Board.
- Where necessary, considering and recommending to the Board persons who are appropriate for appointment as Directors.
- Ensuring that succession planning for the Board is in place.

The Nomination Committee has a formal, rigorous and transparent procedure for the appointment of new Directors to the Board. The process involves the Nomination Committee interviewing suitable candidates who are proposed by either existing Board members or by an external search company. Careful consideration is given to ensure appointees have enough time available to devote to the role and that the balance of skills, knowledge and experience on the Board is maintained. When the Nomination Committee has identified a suitable candidate, the Chairman of the Nomination Committee will make a recommendation to the Board with the Board making the final decision.

When dealing with the appointment of a successor to the Chairman, the Senior Independent Non-Executive Director will chair the Nomination Committee instead of the Chairman.

During the year, the Nomination Committee reviewed the balance of skills, knowledge and experience of the Board together with the size, structure and composition of the Board, and reviewed the succession plans for the Board. The Nomination Committee has also continued the process, with the assistance of an external search company, to appoint additional Independent Non-Executive Directors.

At the invitation of the Chairman of the Nomination Committee, the Chief Executive Officer, Chief Financial Officer and Human Resources Director may attend meetings of the Nomination Committee. The Company Secretary acts as secretary to the Nomination Committee. The members of the Nomination Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The terms of reference of the Nomination Committee are published on the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary.

This report was approved by the Board and signed on its behalf by:

G. Corbett

Gerald Corbett
Chairman of the Nomination Committee
23 February 2010

Directors' Remuneration Report

This Directors' Remuneration Report has been prepared by the Remuneration Committee and approved by the Board for the financial year ended 31 December 2009. It has been prepared in accordance with the Companies Act 2006. This report provides the Company's statement of how it has applied the principles of good governance relating to Directors' remuneration and is intended to communicate the Company's policies and practices on executive remuneration.

This report will be subject to an advisory shareholder vote at the forthcoming Annual General Meeting. KPMG Audit Plc have audited the content of the report described as 'Audited Information' to the extent required by law.

Remuneration Committee

The Remuneration Committee comprises the three Non-Executive Directors, Michael Wemms (Chairman of the Remuneration Committee), Gerald Corbett and Rob Rowley. Each of Michael Wemms and Rob Rowley are considered by the Board to be independent. Gerald Corbett was considered by the Board to be independent on appointment. Biographies of the members of the Remuneration Committee are set out on pages 24 and 25.

At the invitation of the Chairman of the Remuneration Committee, the Chief Executive Officer, Chief Financial Officer and Human Resources Director may attend meetings of the Remuneration Committee, except when their own remuneration is under consideration. No Director is involved in determining his or her own remuneration. The Company Secretary acts as secretary to the Remuneration Committee. The members of the Remuneration Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Remuneration Committee's duties include:

- Determining and agreeing with the Board the framework and policy for the remuneration of the Chairman, Executive Directors, Company Secretary and executive management team.
- Determining the remuneration package of the Chairman, Executive Directors, Company Secretary and executive management team, including, where appropriate, bonuses, incentive payments and pension arrangements within the terms of the agreed framework and policy.
- Determining awards under the Company's long term incentive schemes.

The Remuneration Committee met on five occasions during the year. Details of the attendance at Remuneration Committee meetings are set out in the Corporate Governance Report on page 35.

The Remuneration Committee's terms of reference are published on the Group's website at www.moneysupermarket.com and are available in hard copy form on application to the Company Secretary.

Advisors

During the year, the Remuneration Committee received advice from MM&K Limited, who are independent remuneration consultants, in connection with remuneration matters including market comparison salary benchmarking data and best practice, and the development of the Group's performance related remuneration policy. MM&K Limited has no other connection or relationship with the Group. MM&K Limited provided no other services to the Group during the financial year ended 31 December 2009.

Remuneration policy and objectives

The remuneration policy with respect to the Executive Directors has been designed to provide market competitive remuneration relative to a peer group of UK listed companies of similar size and scope to the Group.

The principal objective of the remuneration policy is to provide market competitive levels of remuneration in a form and amount necessary to attract, retain and motivate Executive Directors of appropriate calibre and experience which is essential to the future success of the Group. The importance of aligning the interests of the Executive Directors with the creation of shareholder value together with the incentivisation of performance at the highest level is key to this objective. The Remuneration Committee believes that this requires:

- The provision of mid-market base salaries with appropriate leverage to reward sustained exceptional performance provided stretching and demanding performance conditions are met.
- A reward structure that balances short term and long term performance.
- Competitive incentive arrangements that are underpinned by a balance of financial and operational performance metrics to provide both a focus on business performance and alignment with the interests of shareholders.

In determining the remuneration arrangements of the Executive Directors, the Remuneration Committee takes into consideration the performance of the Executive Directors and the pay and employment conditions elsewhere in the Group.

Directors' Remuneration Report *continued*

The Remuneration Committee believes that the remuneration of Executive Directors should provide an appropriate balance between fixed and variable (performance related) pay elements with a significant proportion of potential total remuneration being performance related elements. For target performance, it is anticipated that approximately 60% of total remuneration for Executive Directors will be performance related in 2010.

The Remuneration Committee will continue to review the remuneration policy to ensure it remains consistent with best remuneration practice and is aligned to shareholders' interests. The Remuneration Committee believes the policy described above, which applied in 2009, remains appropriate and that it will continue in 2010.

Components of remuneration
The main components of the remuneration packages of the Executive Directors consist of the following elements.

Base salary
Base salary for each Executive Director is determined by the Remuneration Committee, taking account of the Director's performance, experience and responsibilities. The Remuneration Committee considers salary levels from a peer group of UK listed companies. This approach ensures that the best available benchmark for the Director's specific position is obtained. When determining Executive Director's base salaries, the Remuneration Committee also has regard to economic factors, remuneration trends and the general level of salary increases awarded throughout the Group.

The Remuneration Committee has decided that due to the current economic climate there will be no base salary increases for Executive Directors in January 2010 with the exception of David Osborne whose salary has increased by £5,000 to £190,000 per annum reflecting his contributions during the year.

Performance related bonus
Targets were approved by the Remuneration Committee at the beginning of 2009 and were aligned to internal targets and business objectives for 2009. Up to 125% of base salary for the Chief Executive Officer and 100% of base salary for each of the other Executive Directors (excluding Simon Nixon) were payable for the achievement of target adjusted EBITDA set at appropriately stretching levels and certain business objectives relating to, inter alia, employees, customers and visitors on a 75% (target adjusted EBITDA)/25% (business objectives) basis. For the achievement of adjusted EBITDA performance greater than target, the bonus amounts increased by 35% for each 10% increase in adjusted EBITDA performance. No bonus was payable unless an adjusted EBITDA threshold measure was achieved.

In the financial year ended 31 December 2009, the Chief Executive Officer earned a bonus of 90% of base salary and each of the other Executive Directors (excluding Simon Nixon) earned a bonus of 78% of base salary. Simon Nixon did not participate in the Group's performance related bonus scheme in 2009. Details of adjusted EBITDA achieved in 2009 are shown on page 14.

Following a review of incentive arrangements, the Remuneration Committee has decided that the key short term operational drivers of the business remain appropriate and therefore the same overall structure as applied in 2009 should continue in 2010. Up to 125% of base salary for the Chief Executive Officer and 100% of base salary for each of the other Executive Directors (excluding Simon Nixon) will be payable for the achievement of target adjusted EBITDA set at appropriately stretching levels and certain business objectives on a 70% (target adjusted EBITDA)/30% (business objectives) basis in the case of Peter Plumb and Paul Doughty and a 60% (target adjusted EBITDA)/40% (business objectives) basis in the case of Graham Donoghue and David Osborne. For the achievement of adjusted EBITDA performance greater than target, the bonus amounts will increase according to a set formula up to a maximum of 175% of base salary for the Chief Executive Officer and 150% of base salary for each of the other Executive Directors (excluding Simon Nixon) if exceptional performance targets are met. No bonus is payable unless an adjusted EBITDA threshold measure is achieved. Simon Nixon will not participate in the Group's performance related bonus scheme in 2010.

Long Term Incentive Plan
Conditional nil cost share awards are made by Appleby Trust (Jersey) Limited, as trustee of the Company's Employee Benefit Trust, following recommendations made by the Board. The levels of award and the performance conditions are recommended and reviewed by the Remuneration Committee annually.

The awards normally vest at the end of the three year performance period, subject to the achievement of the performance conditions and continued employment. Awards lapse to the extent that the performance conditions are not achieved.

The maximum award that can be made to an employee in any financial year is the equivalent of 200% of an employee's annual base salary, calculated on the basis of the market price of the Company's shares at the date of grant.

In 2009, awards under the Long Term Incentive Plan were made to 46 employees of the Group and were made over shares worth between 7% and 200% of those employees' annual base salaries. For the awards made in 2009, as detailed below, vesting of 70% of the award Is subject to an adjusted EBITDA performance condition and vesting of the remaining 30% of the award is subject to a total shareholder return (TSR) performance condition. Both of these performance conditions are assessed over a three year performance period as detailed below.

The adjusted EBITDA target for each of the financial years 2009 to 2011 (inclusive) represents one third of the adjusted EBITDA element of the award. For the adjusted EBITDA element of the award to vest in full, the adjusted EBITDA performance conditions for each of the financial years 2009 to 2011 (inclusive) must be achieved. The adjusted EBITDA upper limit target together with the adjusted EBITDA threshold for vesting and the formula for determining vesting between the threshold and the upper limit target for each of the financial years 2009 to 2011 (inclusive) is set annually by the Remuneration Committee at the beginning of that financial year. No award will vest in relation to the adjusted EBITDA element for a financial year for performance below the threshold level of vesting in respect of that financial year. 30% of a financial year's element of the adjusted EBITDA award will vest at the threshold level of vesting in respect of that financial year.

For the TSR element of the award to vest in full, the Company's relative TSR must rank in the upper quartile of a selected peer group of companies over the period 2009 to 2011 (inclusive).

No award will vest in relation to the TSR element for performance below median, with 30% of the TSR element of the award vesting at median, rising to 100% at upper quartile on a straight-line basis. In order for the TSR element to vest, the Remuneration Committee must be satisfied that such vesting is justified when taking into account the underlying financial performance of the Company.

The Remuneration Committee chose the combination of annually set adjusted EBITDA and TSR as the performance targets for the 2009 award under the Long Term Incentive Plan to provide closer alignment with underlying Group performance and shareholder interests and to act as a strong retention tool for senior management. The Remuneration Committee further chose annually set adjusted EBITDA targets to ensure that the adjusted EBITDA target would remain relevant and stretching over the entire three years of the plan during a period when the Remuneration Committee had extremely limited visibility of potential future adjusted EBITDA of the Group as a result of the unprecedented global financial crisis prevailing at that time.

The Remuneration Committee will meet once the results for the three year plan period are available to determine whether, and the extent to which, the performance conditions have been met.

Dividends will accrue on any shares that vest in the form either of additional shares or a cash payment and will be made at the time of vesting.

The Remuneration Committee has determined that the performance targets for the 2010 award under the Long Term Incentive Plan will be based on a combination of comparative TSR and absolute TSR set at appropriately stretching levels. The Remuneration Committee has chosen this combination to ensure even closer alignment of management with shareholders interests and to incentivise management to generate long term sustainable returns for shareholders.

Share Option Scheme

Prior to the listing of the Company on 31 July 2007 ('Listing'), the Group operated the Moneysupermarket.com Financial Group Limited Share Option Scheme. All options under this scheme were granted prior to Listing and the Group does not intend to grant any further options under this scheme. The options vest over a three year period from the date of grant subject to continued employment and will lapse on the earlier of the tenth anniversary of the date of grant and the date the option holder ceases to be employed by the Group. There are no performance conditions applicable to this scheme as it is a historic scheme used prior to Listing principally as a means of retaining key employees.

In order to enable option holders to participate in the forthcoming special dividend proposed to be paid on 1 April 2010 and thereby prevent any reduction in the value of options held by the option holders arising from such special dividend, in February 2010, the Remuneration Committee approved the early vesting of all remaining options under this scheme. The Remuneration Committee has determined that prior to exercising any such options, the option holders are required to enter into a restricted share agreement with

Directors' Remuneration Report *continued*

the Company. As a result, until the third anniversary of the date of grant, any shares obtained following such exercise will be subject to clawback and any shares that would not have vested under the rules of the scheme will be forfeited for no consideration.

A resolution will be proposed at the forthcoming Annual General Meeting to authorise the payment of a sum to option holders representing the reduction in the value of options held by them following the payment of the special dividend of 4.93p per ordinary share on 16 October 2009. Further detail on this resolution is provided in the notice of Annual General Meeting sent to shareholders at the same time as this report.

Pension
The Company operates a contributory money purchase pension scheme for the benefit of the Executive Directors. In all cases, base salary only is pensionable. During the year, the Company matched pension contributions up to 8% of base salary for the benefit of the Executive Directors. From February 2010 the Company will match pension contributions up to 10% of base salary for the benefit of the Executive Directors. The Remuneration Committee increased the matched pension contributions limit to bring the scheme more into line with market standards.

Car allowance
The Company provides a car allowance of £14,000 per annum for each of the Executive Directors. The amount of the car allowance is reviewed annually.

Share Incentive Plan
The Company's HMRC approved all employee Share Incentive Plan provides all employees with the opportunity to purchase ordinary shares in the Company on a monthly basis using money deducted from their pre-tax salary.

Simon Nixon Scheme
As disclosed in the prospectus issued in connection with the Listing of the Company, Simon Nixon established in 2009 an additional incentive scheme under which he personally granted options over 1,413,199 ordinary shares held by him in favour of Paul Doughty. The options vested in 2009 subject to Paul Doughty's continued employment with the Group and the satisfaction of Group related performance targets and individual related performance targets for the financial year ended 31 December 2008 and for the first six months of 2009. On 4 August 2009, Paul Doughty exercised options over 1,120,813 ordinary shares held by Simon Nixon and the remaining 292,386 options lapsed as a result of a failure of the Group to meet the performance targets for 2008.

The purpose of this scheme was to further incentivise the achievement by Paul Doughty of exceptional performance and to align his interests with the interests of shareholders. Simon Nixon does not intend to grant any further options under this scheme.

Chairman's Share Award
Under a share award agreement between the Company and Gerald Corbett dated 31 July 2007 ('Share Award'), Gerald Corbett is entitled to subscribe at nominal value for 235,294 ordinary shares in the Company (representing twice the number of shares he purchased on Listing with an investment of £200,000), conditional upon completion of three years' service as Chairman of the Company from Listing and the continued retention for that three year period of the 117,647 ordinary shares he purchased on Listing. Shareholder approval was obtained prior to the entry by the Company into the Share Award.

Following the payment of the special dividend of 4.93p per ordinary share on 16 October 2009, the Remuneration Committee approved an adjustment to the Share Award in accordance with the rules of the Share Award. As a result of that adjustment, Gerald Corbett has become entitled to subscribe at nominal value for an additional 13,318 ordinary shares in the Company representing the reduction in the value of the Share Award arising from the payment of that special dividend.

In order to enable the Chairman to participate in the forthcoming special dividend proposed to be paid on 1 April 2010 and thereby prevent any reduction in the value of the Share Award arising from such special dividend, in February 2010, the Remuneration Committee approved, in accordance with the rules of the Share Award, the early subscription by the Chairman of the shares comprising the Share Award. The Remuneration Committee has determined that prior to such subscription, the Chairman is required to enter into a restricted share agreement with the Company. As a result, until the third anniversary of the Share Award, any shares obtained by the Chairman following such subscription will be subject to clawback and any shares that would not have been eligible for subscription under the rules of the Share Award will be forfeited for no consideration.

Service agreements

The current policy is for Executive Directors' service agreement notice periods to be normally no longer than 12 months. The service agreements of the current Executive Directors and the letters of appointment of the Non-Executive Directors include the following terms:

	Effective date of service agreement/ letter of appointment	Unexpired term (approximate months from 31 December 2009)[1]	Notice period from Director (months)	Notice period from Company (months)
Executive Directors				
Simon Nixon	25 February 2009	12	12	12
Peter Plumb	25 February 2009	12	12	12
Paul Doughty	31 July 2007	12	12	12
Graham Donoghue	23 February 2009	12	12	12
David Osborne	23 February 2009	12	12	12
Non-Executive Directors				
Gerald Corbett	28 June 2007	6	12	12
Michael Wemms	10 July 2007	7	12	12
Rob Rowley	19 September 2007	9	0	12

1. Executive Directors are appointed on 12 month rolling contracts.

Peter Plumb's service agreement contains a temporary provision which states that, if his employment is terminated by the Company as a result of a change in control, wrongful dismissal or redundancy before 1 November 2011, he will be entitled to the sum of £225,000 less the market value of any shares received or receivable by him pursuant to his participation in the Group's Long Term Incentive Plan and less any tax payable on such sum, in addition to his 12 month notice period. Thereafter, Peter Plumb's notice period will revert to the normal 12 months which reflects the Company's general policy on such matters.

Subject to the above, there are no special provisions for Executive Directors or Non-Executive Directors with regard to compensation in the event of loss of office. In the event of the employment of an Executive Director being terminated, the Remuneration Committee would, having regard to the individual's circumstances, pay due regard to best practice and take account of the individual's duty to mitigate their loss.

The service agreements and letters of appointment are available for inspection by shareholders at the forthcoming Annual General Meeting and during normal business hours at the Company's registered office address.

Other appointments

Executive Directors may only accept outside appointments on external boards or committees with the prior approval of the Board. In addition to his directorship of companies in the Group, Simon Nixon is a director of Simonseeks.com Limited in which Simon Nixon is, directly or indirectly, the majority shareholder. In addition to his directorship of companies in the Group, Peter Plumb is a director of The Naked Fruit Company Limited.

Non-Executive Directors

The Non-Executive Directors do not have service agreements but instead have letters of appointment for a three year term. The current policy is for Non-Executive Directors' letters of appointment notice periods to be normally no longer than 12 months. Each of the Non-Executive Directors currently has a letter of appointment reflecting this.

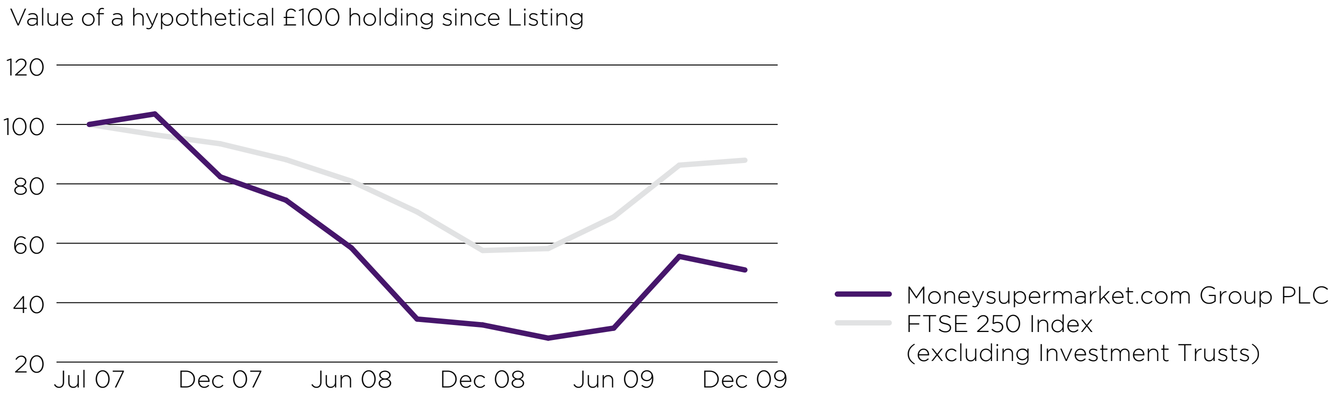
Save in respect of the Chairman's Share Award (details of which are set out on page 44), remuneration of Non-Executive Directors consists solely of fees. The remuneration of the Chairman is determined by the Remuneration Committee and the remuneration of the other Non-Executive Directors is determined by the Executive Directors. The Non-Executive Directors do not participate in any of the Group's bonus, pension, share option or other performance related incentive schemes. In line with the approach for Executive Directors, there will be no increases in the Non-Executive Directors' fees in January 2010.

Directors' Remuneration Report *continued*

Performance graph

The following graph shows the total shareholder return of the Company in comparison to an appropriate index for the period since Listing.

Total shareholder return: Moneysupermarket.com Group PLC and FTSE 250 Index (excluding Investment Trusts)



The Remuneration Committee considers the FTSE 250 Index (excluding Investment Trusts) to be an appropriate index for total shareholder return and comparison disclosure as it represents a broad equity market index in which the Company is a constituent member.

Directors' interests in shares

The beneficial interests of the Directors and their connected persons in the shares of the Company are shown below:

	Ordinary 31 December 2009	Ordinary 31 December 2008
Executive Directors		
Simon Nixon	267,257,021	270,050,932
Peter Plumb	–	–
Paul Doughty	2,317,346	699,539
Graham Donoghue	–	–
David Osborne	–	–
Non-Executive Directors		
Gerald Corbett	117,647	117,647
Michael Wemms	6,125	5,500
Rob Rowley	–	–

The Directors' shareholdings shown on the previous page are all beneficial interests and include the interests of their spouses, civil partners and infant children or step-children together with the interests in shares held on behalf of the Executive Directors by the trustee of the Company's Share Incentive Plan which is detailed on page 44. No Director held a non-beneficial interest in any shares.

In the period 31 December 2009 to the date of this report, there has been no change in the Directors' interests in shares in the Company other than through the monthly purchases in January and February 2010 of ordinary shares under the Company's Share Incentive Plan by Paul Doughty. This has resulted in an increase in the interests held by Paul Doughty of 329 ordinary shares during this period.

The Remuneration Committee's intention is to introduce a policy under which the Executive Directors will be required to build up a meaningful shareholding in the Company.

Audited information

The following information has been audited by the Company's auditors, as required by the Companies Act 2006.

Directors' remuneration

Details of individual Directors' remuneration received during the year are as follows:

	Basic salary/ fees £000[1]	Taxable benefits £000[2]	Performance related bonus £000[3]	Pension contributions £000	Total 2009 £000	Total 2008 £000
Executive Directors						
Simon Nixon	142	2	–	–	144	463
Peter Plumb	329	17	315	25	686	–
Paul Doughty	250	14	196	18	478	323
Graham Donoghue	183	12	170	15	380	–
David Osborne	154	28	121	12	315	–
Non-Executive Directors						
Gerald Corbett	190	25	–	–	215	215
Michael Wemms	75	–	–	–	75	75
Rob Rowley	60	–	–	–	60	60
Total	**1,383**	**98**	**802**	**70**	**2,353**	**1,136**

1. Gerald Corbett receives a basic annual fee of £190,000. Michael Wemms and Rob Rowley each receive a basic annual fee of £50,000. An additional fee of £15,000 per annum is paid to Michael Wemms as the Senior Independent Non-Executive Director and an additional fee of £10,000 per annum is paid to each of Rob Rowley and Michael Wemms as the Chairmen of the Audit and Remuneration Committees respectively. The basic annual salaries of the Executive Directors in 2010 are as follows: Simon Nixon (£100,000), Peter Plumb (£350,000), Paul Doughty (£250,000), Graham Donoghue (£220,000) and David Osborne (£190,000). The figures for Graham Donoghue and David Osborne relate to the period from their appointment as Directors on 23 February 2009 to 31 December 2009.
2. Benefits for the Executive Directors incorporate all benefits and expense allowances arising from employment which principally relate to the provision of a car allowance. Benefits for Gerald Corbett relate to an annual allowance of £25,000 for a motor vehicle and associated costs.
3. Includes performance related bonuses earned in the period under review but paid following the end of the financial year.

Directors' interests in Share Options

Full details of the options over ordinary shares in the Company held by the Executive Directors under the Share Option Scheme during the year are shown below:

	Date of grant	Options held at start of year	Options granted during year	Options exercised during year	Options lapsed during year	Options held at end of year	Option exercise price (p)	Market price of shares at date of exercise (p)	Date from which option exercisable[1]	Expiry date
Paul Doughty	18 June 2007	2,500,000	–	1,250,000	–	1,250,000	6	49.85	18 June 2008	18 June 2017
Total		**2,500,000**	**–**	**1,250,000**	**–**	**1,250,000**				

1. The options granted to Paul Doughty on 18 June 2007 vest in three equal tranches after the first, second and third anniversary of the date of grant. In February 2010 the Remuneration Committee approved the early vesting and exercise of the remaining options held by Paul Doughty. Further information is provided on pages 43 and 44.
2. Aggregate gains made by Paul Doughty on the exercise of options over 1,250,000 ordinary shares in the year were £548,125.

Directors' Remuneration Report *continued*

Directors' interests in the Long Term Incentive Plan

Full details of the conditional awards made to the Executive Directors under the Long Term Incentive Plan during the year are shown below:

	Date of award	At start of year/date of appointment	Awards made during year	Awards vested during year	Awards lapsed during year	At end of year	Market price of shares at date of award (p)	Vesting date
Peter Plumb	8 April 2009	–	1,145,288	–	–	1,145,288	53.5	8 April 2012
Total		**–**	**1,145,288**	**–**	**–**	**1,145,288**		
Paul Doughty	8 April 2009	–	1,308,901	–	–	1,308,901	53.5	8 April 2012
Total		**–**	**1,308,901**	**–**	**–**	**1,308,901**		
Graham Donoghue	8 April 2009	–	863,874	–	–	863,874	53.5	8 April 2012
Total		**–**	**863,874**	**–**	**–**	**863,874**		
David Osborne	8 April 2009	–	484,293	–	–	484,293	53.5	8 April 2012
Total		**–**	**484,293**	**–**	**–**	**484,293**		

1. The performance conditions attaching to the award are adjusted EBITDA and total shareholder return. Further information is provided on pages 42 and 43.
2. Conditional awards under the Long Term Incentive Plan are made at nil cost. The exercise price is nil.

In the period from 1 January 2009 to 31 December 2009, the highest mid-market price of the Company's share was 90p and the lowest mid-market price was 34p, and at 31 December 2009 it was 74p.

This report was approved by the Board and signed on its behalf by:

M Wemms

Michael Wemms
Chairman of the Remuneration Committee
23 February 2010

Independent Auditor's Report to the Members of Moneysupermarket.com Group PLC

We have audited the Group and Company Financial Statements (the 'Financial Statements') of Moneysupermarket.com Group PLC (the 'Company') for the year ended 31 December 2009 set out on pages 50 to 77. The financial reporting framework that has been applied in the preparation of the Group Financial Statements is applicable law and International Financial Reporting Standards ('IFRSs') as adopted by the EU. The financial reporting framework that has been applied in the preparation of the Company Financial Statements is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 31, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

A description of the scope of an audit of Financial Statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKP.

Opinion on Financial Statements

In our opinion:

- the Financial Statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2009 and of the Group's profit for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with IFRSs as adopted by the EU;
- the Company Financial Statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the Group Financial Statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the Directors' statement, set out on page 30, in relation to going concern; and
- the part of the Corporate Governance Report in the Directors' Report relating to the Company's compliance with the nine provisions of the June 2008 Combined Code specified for our review.

John Costello (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
St James' Square
Manchester
M2 6DS

23 February 2010

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2009

	Note	**Year ended 31 December 2009 £000**	Year ended 31 December 2008 £000
Revenue		**136,874**	178,800
Cost of sales		**(42,627)**	(62,063)
Gross profit		**94,247**	116,737
Distribution expenses		**(18,446)**	(21,618)
Administrative expenses – other		**(73,495)**	(79,635)
Administrative expenses – impairment of goodwill	11	**–**	(70,000)
Administrative expenses		**(73,495)**	(149,635)
Results from operating activities	4	**2,306**	(54,516)
Finance income	6	**877**	3,504
Profit/(loss) before income tax		**3,183**	(51,012)
Income tax charge	7	**(1,267)**	(8,094)
Profit/(loss) for the year		**1,916**	(59,106)
Other comprehensive income:			
Foreign currency translation		**(121)**	(6)
Deferred tax on share-based payments		**(49)**	(209)
Other comprehensive income for the year		**(170)**	(215)
Total comprehensive income for the year		**1,746**	(59,321)
Profit/(loss) attributable to:			
Equity holders of the Company		**2,068**	(58,987)
Minority interest	20	**(152)**	(119)
Profit/(loss) for the year		**1,916**	(59,106)
Total comprehensive income attributable to:			
Equity holders of the Company		**1,907**	(59,201)
Minority interest	20	**(161)**	(120)
Total comprehensive income for the year		**1,746**	(59,321)
Earnings/(loss) per share:			
Basic earnings/(loss) per ordinary share (p)	8	**0.4**	(11.8)
Diluted earnings/(loss) per ordinary share (p)	8	**0.4**	(11.8)

Consolidated Statement of Financial Position

at 31 December 2009

	Note	**31 December 2009 £000**	31 December 2008 £000
Assets			
Non-current assets			
Property, plant and equipment	10	**12,135**	13,596
Intangible assets	11	**198,453**	223,653
Deferred tax asset	14	**–**	362
Total non-current assets		**210,588**	237,611
Current assets			
Trade and other receivables	12	**14,375**	16,074
Prepayments		**1,793**	2,059
Cash and cash equivalents	16	**53,805**	73,465
Total current assets		**69,973**	91,598
Total assets		**280,561**	329,209
Liabilities			
Non-current liabilities			
Deferred tax liability	14	**39,011**	47,259
Current liabilities			
Trade and other payables	13	**18,756**	20,710
Current tax liabilities		**2,126**	3,394
Total current liabilities		**20,882**	24,104
Total liabilities		**59,893**	71,363
Equity			
Share capital	15	**102**	101
Share premium		**171,207**	171,047
Retained earnings		**(45,920)**	(20,042)
Other reserves		**95,279**	106,740
Total equity attributable to equity holders of the Company		**220,668**	257,846
Minority interest		**–**	–
Total equity		**220,668**	257,846
Total equity and liabilities		**280,561**	329,209

The Financial Statements were approved by the Board of Directors and authorised for issue on 23 February 2010. They were signed on its behalf by:

P Plumb

Peter Plumb

Paul Doughty

Paul Doughty

Consolidated Statement of Changes in Equity

for the year ended 31 December 2009

	Note	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
At 1 January 2008		**118**	**170,565**	**143,018**	**13,285**	**–**	**9**	**326,995**
Foreign currency translation[1]		–	–	–	–	–	(6)	(6)
Deferred tax recognised on share based payments[1]		–	–	–	(209)	–	–	(209)
Loss for the year		–	–	–	(59,106)	–	–	(59,106)
Total income and expense for the year		–	–	–	(59,315)	–	(6)	(59,321)
Share options exercised		2	482	–	–	–	–	484
Purchase and cancellation of deferred shares		(19)	–	19	–	–	–	–
Equity dividends	9	–	–	–	(14,637)	–	–	(14,637)
Share-based payment	17	–	–	–	4,325	–	–	4,325
Reserves transfer		–	–	(36,300)	36,300	–	–	–
At 31 December 2008		**101**	**171,047**	**106,737**	**(20,042)**	**–**	**3**	**257,846**
Foreign currency translation[1]		–	–	–	–	–	(121)	(121)
Deferred tax recognised on share based payments[1]		–	–	–	(49)	–	–	(49)
Profit for the year		–	–	–	1,916	–	–	1,916
Total income and expense for the year		–	–	–	1,867	–	(121)	1,746
Share options exercised		1	160	–	–	–	–	161
Equity dividends	9	–	–	–	(42,730)	–	–	(42,730)
Share based payment	17	–	–	–	3,645	–	–	3,645
Reserves transfer		–	–	(11,340)	11,340	–	–	–
At 31 December 2009		**102**	**171,207**	**95,397**	**(45,920)**	**–**	**(118)**	**220,668**

1. Foreign currency translation and deferred tax recognised on share based payments represent the only income or expense for the current and prior years recognised directly in equity.

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, as discussed below, 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.

Upon the acquisition of Moneysupermarket.com Financial Group Limited, a merger reserve of £60,750,000 for 15% of the fair value of assets acquired, a merger reserve of £16,923,000 for 45% of the book value transferred from a company under common control, and a revaluation reserve of £65,345,000 representing 45% of the fair value of the intangible assets transferred from a company under common control, were recognised. Amounts are transferred from these reserves to retained earnings as the goodwill and other intangibles balances are impaired and amortised.

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's ordinary shares held by the Group. At 31 December 2009, the Group held 698,011 ordinary shares at a cost of 0.02p per share through a trust for the benefit of the Group's employees.

Consolidated Statement of Cash Flows

for the year ended 31 December 2009

	Note	Year ended 31 December 2009 £000	Year ended 31 December 2008 £000
Operating activities			
Profit/(loss) for the year		**1,916**	(59,106)
Adjustments to reconcile Group net profit/(loss) to net cash flows:			
Depreciation	10	**4,436**	3,543
Amortisation of intangible assets	11	**25,200**	25,200
Impairment of goodwill	11	**–**	70,000
Loss on disposal of property, plant and equipment		**–**	78
Net finance income	6	**(877)**	(3,504)
Equity-settled share-based payment transactions	17	**3,645**	4,325
Effects of foreign exchange differences		**(116)**	–
Income tax charge	7	**1,267**	8,094
Change in trade and other receivables		**1,920**	2,890
Change in trade and other payables		**(1,954)**	(4,971)
Income tax paid		**(10,467)**	(11,894)
Net cash flow from operating activities		**24,970**	34,655
Investing activities			
Acquisition of minority interest in icero GmbH		**(2)**	–
Interest received		**922**	3,581
Acquisition of property, plant and equipment	10	**(2,982)**	(4,618)
Net cash flow from investing activities		**(2,062)**	(1,037)
Financing activities			
Proceeds from share issue		**161**	484
Dividends paid	9	**(42,730)**	(14,637)
Net cash flow from financing activities		**(42,569)**	(14,153)
Net (decrease)/increase in cash and cash equivalents		**(19,661)**	19,465
Cash and cash equivalents at start of year		**73,465**	54,015
Effect of exchange rate fluctuations on cash held		**1**	(15)
Cash and cash equivalents at end of year	16	**53,805**	73,465

Notes to the Consolidated Financial Statements

1 Corporate information

The Consolidated Financial Statements of Moneysupermarket.com Group PLC ('Company'), a company incorporated in England, and its subsidiaries for the year ended 31 December 2009 were authorised for issue in accordance with a resolution of the Directors on 23 February 2010. The Consolidated Financial Statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ('Adopted IFRSs'). The Company has elected to prepare its Company Financial Statements in accordance with UK GAAP; these are presented on pages 73 to 77.

2 Summary of significant accounting policies

Basis of preparation

The Financial Statements are prepared on the historical cost basis. Comparative figures presented in the Financial Statements represent the year ended 31 December 2008. The Financial Statements are prepared on a going concern basis, which the Directors deem appropriate, given the Group's positive cash position and lack of debt.

Use of estimates and judgements

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation uncertainty, and areas where critical judgements are made in applying accounting policies that have a material effect on the Financial Statements, are listed below. The uncertainties encountered, and judgements made, are described in more detail in the relevant accounting policies and accompanying notes:

- Note 11 goodwill and other intangibles, including their amortisation and impairment
- Note 12 revenue recognition
- Note 12 provision for doubtful debts
- Note 13 accruals
- Note 17 share-based payments

Basis of consolidation

These Consolidated Financial Statements incorporate the Financial Statements of the Company and its subsidiaries.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

The Group was established via a series of transactions that occurred concurrently on 22 June 2007. These comprised the incorporation of the Company with Simon Nixon as sole shareholder, the acquisition by the Company using a share for share exchange of Simon Nixon's 45% interest in Moneysupermarket.com Financial Group Limited and the acquisition by the Company of all other shares in Moneysupermarket.com Financial Group Limited from third parties. The acquisition of Simon Nixon's shares was between two parties, being Simon Nixon and the Company, who were under common control at the time of the transaction. The acquisition was of an interest in a company which gave the investor a significant influence in the company and it was concluded that this arrangement was a common control transaction and not within the scope of IFRS 3 Business Combinations. As a result the Company accounted for this 45% interest in Moneysupermarket.com Financial Group Limited at original carrying value rather than fair value at the date of the acquisition. The acquisition of the remaining shares in Moneysupermarket.com Financial Group Limited was accounted for in accordance with IFRS 3 Business Combinations applying the accounting guidance for a business combination achieved in stages. This resulted in the fair value of the identifiable assets, liabilities and contingent liabilities of Moneysupermarket.com Financial Group Limited being recognised in full and the goodwill in respect of the acquisition from third parties being recognised.

2 Summary of significant accounting policies *continued*

Foreign currency

The Consolidated Financial Statements are presented in sterling, which is the Company's functional and presentation currency. The functional currency of the foreign operation icero GmbH is the euro. The income and expenses of the foreign operation are translated into sterling at an average exchange rate for the period in which the activity occurred. The assets and liabilities of the foreign operation are translated into sterling using exchange rates ruling as at the balance sheet date. The exchange difference arising upon translation is taken directly to a separate component of equity.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognised as a profit or loss.

Revenue

Internet business

The Group generates fees from internet lead generation (click based revenue), commissions from brokerage sales and advertising through a variety of contractual arrangements. The Group recognises click based revenues and associated costs in the period that the lead is generated. Brokerage commissions are recognised at the point of completion of the transaction with the customer. Advertising revenue is recognised in the period when an advertisement is delivered to the end user.

Intermediary business

Commissions are recognised on completed transactions in the period that a transaction completes.

Revenue is recognised net of value added tax.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. Land is not depreciated. Assets under construction are not depreciated until brought into use. The estimated useful lives are as follows:

Buildings	50 years
Plant and equipment (including IT equipment)	3 years
Fixtures and fittings	5 years
Office equipment	5 years

The useful lives and depreciation rates are reassessed at each reporting date.

Intangible assets

Goodwill

Business combinations are accounted for using the acquisition accounting method. The excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities, is recognised in the balance sheet as goodwill and is not amortised.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually, and whenever there is an indication that the carrying value may be impaired.

Notes to the Consolidated Financial Statements *continued*

2 Summary of significant accounting policies *continued*

Other intangible assets

The cost of other intangible assets acquired in a business combination is fair value as at the date of acquisition. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. All the Group's intangible assets (other than goodwill) have been identified as having finite useful lives. As such, they are amortised on a straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income in the expense category consistent with the function of the intangible asset. The estimated useful lives are as follows:

Market-related	10 years
Customer relationships	7 years
Customer lists	3 years
Technology	3 years

Market-related intangible assets are defined as those that are primarily used in the marketing or promotion of products and services, for example trademarks, trade names and internet domain names.

Customer-related intangible assets consist of customer lists, customer contracts and relationships, and non-contractual customer relationships. For accounting purposes, customer relationships and customer lists have been identified separately. Relationships with high-profile customers provide the Group with prominence in the marketplace, create volume and traffic on the website, and enhance the reputation of the brand. Customer lists allow the Group to undertake targeted marketing activities.

Technology-based intangible assets relate to innovations and technical advances such as computer software, patented and unpatented technology, databases and trade secrets.

Impairment

The carrying amounts of the Group's assets are reviewed annually to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

For the purposes of impairment reviews, the recoverable amount of the Group's assets is taken to be the higher of their fair value less costs to sell and their value in use.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining technical knowledge and understanding, is charged to the Statement of Comprehensive Income when incurred. Development expenditure is capitalised when it meets the criteria outlined in SIC 32. Expenditure that does not meet the criteria is expensed directly to the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose only of the Statement of Cash Flows.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income as incurred.

2 Summary of significant accounting policies *continued*

Share-based payment transactions
The Group's share schemes allow certain Group employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of the share awards made is measured using the Black-Scholes model, taking into account the terms and conditions upon which the awards were made. The amount recognised as an expense is adjusted to reflect the number of share awards expected to vest.

Short term employee benefits
Short term employee benefit obligations are measured on an undiscounted basis and are recognised in the Statement of Comprehensive Income as the related service is provided.

A provision is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Advertising costs
The Group incurs costs from advertising via a number of different media. Costs associated with the production of adverts are recognised as an expense in the Statement of Comprehensive Income only once the advert is delivered to the Group in a format ready for use, having been approved for airing or displaying. The cost of airing or displaying the advert is taken as an expense in the period in which the advert is aired or displayed.

Net finance income
Net finance income comprises interest payable and interest receivable, which are recognised in the Statement of Comprehensive Income as they accrue using the effective interest method.

Dividends
Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

A deferred tax liability was recognised in the prior year as 28% of the value of the intangible assets with finite lives which were generated upon the acquisition of Moneysupermarket.com Financial Group Limited, representing the tax effect of the amortisation of these assets in future periods. At the prior year end, this liability was remeasured at the enacted corporation tax rate of 28%, this being the rate at which the liability will unwind. This liability will decrease in line with the amortisation of the related intangible assets, with the deferred tax credit recognised in the Statement of Comprehensive Income in accordance with IAS 12.

Notes to the Consolidated Financial Statements *continued*

2 Summary of significant accounting policies *continued*

Group management of capital

The Group's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In assessing the level of capital all components of equity are taken into account, i.e. share capital, retained earnings and reserves (where applicable).

The Group manages its cash balances by depositing them with a number of financial institutions to reduce credit risk. The Group had no debt as at 31 December 2009 and is not subject to externally imposed capital requirements; management of capital therefore focuses around its ability to generate cash from its operations. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to raise funds. The Group believes it is meeting its objectives for managing capital as funds are available for reinvestment where necessary as well as being in a position to make returns to shareholders where this is felt appropriate.

Accounting standards issued but not yet effective

A number of new standards, amendments to standards and interpretations have been issued during the year ended 31 December 2009 but are not yet effective, and therefore have not yet been adopted by the Group:

IAS 27 (Amended 2008) Consolidated and Separate Financial Statements – is effective for reporting periods beginning on or after 1 July 2009 and applies prospectively. The standard deals with changes to the accounting for non-controlling (minority) interest and deals primarily with the accounting for changes in ownership interests in subsidiaries after control is obtained, the accounting for the loss of control of subsidiaries, and the allocation of profit or loss to controlling and non-controlling interests in a subsidiary.

IFRS 3 Business Combinations (Revised 2008) – is effective for reporting periods beginning on or after 1 July 2009 and applies prospectively. Key changes are that transaction costs are expensed other than debt/equity income costs (previously all costs were capitalised), goodwill is fixed at the date of acquisition, subsequent adjustments go through the income statement, contingent payments which require future services (such as an earn out) that are forfeited if employment ceases are treated, in full, as post acquisition remuneration.

The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed by the European Union and require adoption by the Group in future reporting periods.

3 Segmental information

Business segments

In adopting IFRS 8 – Operating Segments for the first time, the Group has disclosed four reportable segments, being Money, Insurance, Travel and Home. This disclosure correlates with the information which is presented to the Group's Chief Operating Decision Maker, the Company Board, which reviews revenue by segment. The Group's costs, finance income, tax charges and net assets are only reviewed by the Chief Operating Decision Maker at a consolidated level, and therefore have not been allocated between segments in the analysis below. Previously, under IAS 14, the Group reported Internet and Intermediary segments. Of the Group revenue of £136.9m (2008: £178.8m) reported in 2009, £134.9m (2008: £176.3m) was generated in the UK.

	Money £000	Insurance £000	Travel £000	Home £000	Other £000	**Total £000**
Year ended 31 December 2009						
Revenue						
Segment revenue	38,132	75,669	16,305	5,539	1,229	**136,874**
Results						
Operating expenses						**(134,568)**
Profit from operating activities						**2,306**
Net finance income						**877**
Profit before tax						**3,183**
Income tax charge						**(1,267)**
Profit for the year						**1,916**
At 31 December 2009						
Assets and liabilities						
Intangible assets						**143,488**
Goodwill						**54,965**
Other unallocated assets						**82,108**
Total assets						**280,561**
Deferred tax liability						**39,011**
Other unallocated liabilities						**20,882**
Total liabilities						**59,893**
Other segment information						
Capital expenditure						
Property, plant and equipment						**2,982**
Intangible fixed assets						**–**
Total capital expenditure						**2,982**
Depreciation						**4,436**
Amortisation						**25,200**

Notes to the Consolidated Financial Statements *continued*

3 Segmental information *continued*

	Money £000	Insurance £000	Travel £000	Home £000	Other £000	Total £000
Year ended 31 December 2008						
Revenue						
Segment revenue	68,265	77,739	19,089	7,416	6,291	178,800
Results						
Operating expenses						(233,316)
Loss from operating activities						(54,516)
Net finance income						3,504
Loss before tax						(51,012)
Income tax charge						(8,094)
Loss for the year						(59,106)
At 31 December 2008						
Assets and liabilities						
Intangible assets						168,688
Goodwill						54,965
Other unallocated assets						105,556
Total assets						329,209
Deferred tax liability						47,259
Other unallocated liabilities						24,104
Total liabilities						71,363
Other segment information						
Capital expenditure						
Property, plant and equipment						4,618
Intangible fixed assets						–
Total capital expenditure						4,618
Depreciation						3,543
Amortisation						25,200
Impairment of goodwill						70,000

4 Results from operating activities

	31 December 2009 £000	31 December 2008 £000
Profit/(loss) on ordinary activities before taxation is stated after charging		
Depreciation	**4,436**	3,543
Amortisation of intangible assets	**25,200**	25,200
Impairment of goodwill	**–**	70,000
Research and development costs	**–**	915
Auditors' remuneration:		
Audit of these Financial Statements	**65**	60
Audit of subsidiaries' Financial Statements	**50**	45
Review of interim Financial Statements	**25**	25
Services relating to direct and indirect taxation	**146**	150
Services relating to IT advisory	**–**	34
Services relating to a review of processes and controls	**–**	182
Other services	**61**	99

5 Staff numbers and cost

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	Number of employees 31 December 2009	Number of employees 31 December 2008
IT operations	**187**	264
Administration	**295**	363
	482	627

The aggregate payroll costs of these persons were as follows:

	31 December 2009 £000	31 December 2008 £000
Wages and salaries	**19,236**	25,155
Compulsory social security contributions	**2,867**	2,389
Contributions to defined contribution plans	**738**	24
Equity-settled share-based payment transactions	**3,645**	4,325
	26,486	31,893

6 Finance income

	31 December 2009 £000	31 December 2008 £000
Financial income		
Interest received on bank deposits	**877**	3,504

7 Income tax

Income tax charged in the Statement of Comprehensive Income

	31 December 2009 £000	31 December 2008 £000
Current tax		
Current tax on income for the year	**9,202**	13,936
Current tax on equity-settled share awards	**–**	(1,405)
	9,202	12,531
Deferred tax		
Origination and reversal of temporary differences	**(7,541)**	(6,984)
Deferred tax on unapproved equity-settled share awards	**(394)**	2,547
	(7,935)	(4,437)
Tax on profit/(loss) on ordinary activities	**1,267**	8,094

Notes to the Consolidated Financial Statements *continued*

7 Income tax *continued*

Reconciliation of the effective tax rate

The tax charge for the year is higher (2008: higher) than the standard rate of corporation tax in the UK in 2009 of 28% (2008: 28%). The differences are explained below.

	31 December 2009 £000	31 December 2008 £000
Profit/(loss) for the year	**3,183**	(51,012)
Standard rate of tax at 28% (2008: 28.5%)	**891**	(14,538)
Effects of:		
Expenses not deductible for tax purposes	**1,182**	1,720
Impairment charge against goodwill	**–**	19,950
Deferred tax not recognised at 28% (2008: 28.5%)	**513**	338
Impact on deferred tax of reduction in corporation tax rate to 28%	**–**	125
Movement on deferred tax related to share-based payments	**(1,319)**	1,143
Utilisation of losses on which no deferred tax asset previously recognised	**–**	(644)
Tax on profit/(loss) on ordinary activities (see above)	**1,267**	8,094

The standard rate of corporation tax in the UK reduced from 30% to 28% with effect from 1 April 2008. The effective tax rate for 2008 was therefore estimated at 28.5%.

Unrecognised tax losses

The Group has tax losses arising from the results of a foreign subsidiary of £1,830,000 (2008: £1,185,000). A deferred tax asset has not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group and they have arisen in a foreign subsidiary that may not make a profit in the immediate future.

8 Earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year 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 earnings/(loss) per share has been calculated on the following basis:

	2009 £000	2008 £000
Profit/(loss) after taxation attributable to ordinary equity holders	**2,068**	(58,987)
Basic weighted average ordinary shares in issue (millions)	**506.2**	498.9
Dilutive effect of share based instruments (millions)	**9.5**	–
Diluted weighted average ordinary shares in issue (millions)	**515.7**	498.9
Basic earnings/(loss) per ordinary share (pence)	**0.4**	(11.8)
Diluted earnings/(loss) per ordinary share (pence)	**0.4**	(11.8)

9 Dividends

	2009 £000	2008 £000
Declared and paid during the year:		
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
Final dividend for 2008: 2.2p per share	**11,110**	–
Interim dividend for 2009: 1.3p per share	**6,598**	–
Special dividend for 2009: 4.93p per share	**25,022**	–
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2009: 2.2p per share	**11,199**	–
Special dividend for 2009: 4.91p per share	**25,006**	–

10 Property, plant and equipment

	Land and buildings £000	Under construction £000	Plant and equipment £000	Office equipment £000	Fixtures and fittings £000	Total £000
Cost:						
At 1 January 2008	4,576	5,064	3,470	171	142	13,423
Additions	245	890	3,283	80	120	4,618
Transfers	1,520	(5,064)	3,544	–	–	–
Disposals	(11)	–	(131)	(9)	(18)	(169)
Foreign exchange adjustments	–	–	28	–	4	32
At 31 December 2008	6,330	890	10,194	242	248	17,904
Additions	5	–	2,785	66	126	2,982
Transfers	–	(886)	886	–	–	–
Disposals	–	–	(119)	(5)	–	(124)
Foreign exchange adjustments	–	–	(13)	(3)	(3)	(19)
At 31 December 2009	**6,335**	**4**	**13,733**	**300**	**371**	**20,743**
Depreciation:						
At 1 January 2008	48	–	731	23	36	838
Depreciation for the year	114	–	3,281	89	59	3,543
Disposals	(9)	–	(71)	(5)	(6)	(91)
Foreign exchange adjustments	–	–	18	–	–	18
At 31 December 2008	153	–	3,959	107	89	4,308
Depreciation for the year	123	–	4,190	53	70	4,436
Disposals	–	–	(119)	(5)	–	(124)
Foreign exchange adjustments	–	–	(11)	–	(1)	(12)
At 31 December 2009	**276**	**–**	**8,019**	**155**	**158**	**8,608**
Carrying amounts:						
At 31 December 2007	4,528	5,064	2,739	148	106	12,585
At 31 December 2008	6,177	890	6,235	135	159	13,596
At 31 December 2009	**6,059**	**4**	**5,714**	**145**	**213**	**12,135**

Notes to the Consolidated Financial Statements *continued*

11 Intangible assets

	Market related £000	Customer relationship £000	Customer list £000	Technology related £000	Goodwill £000	Total £000
Cost:						
At 1 January 2008, 31 December 2008 and 31 December 2009	**132,100**	**68,500**	**713**	**5,900**	**124,965**	**332,178**
Amortisation:						
At 1 January 2008	6,985	5,174	126	1,040	–	13,325
Charged during the year	13,210	9,786	238	1,966	–	25,200
Impairment losses	–	–	–	–	70,000	70,000
At 31 December 2008	20,195	14,960	364	3,006	70,000	108,525
Charged during the year	13,210	9,786	238	1,966	–	25,200
At 31 December 2009	**33,405**	**24,746**	**602**	**4,972**	**70,000**	**133,725**
Carrying amounts:						
At 31 December 2007	125,115	63,326	587	4,860	124,965	318,853
At 31 December 2008	111,905	53,540	349	2,894	54,965	223,653
At 31 December 2009	**98,695**	**43,754**	**111**	**928**	**54,965**	**198,453**

On an annual basis, or where an indication exists, the Group is required to assess its goodwill and intangible assets for impairment.

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. Following the impairment provision in 2008, the market capitalisation of the Group approximated to the total carrying value of the goodwill, intangible and other non-current assets of the Group. At 31 December 2009 the market capitalisation exceeded the carrying value of the goodwill, intangible and other non-current assets by 78%.

As disclosed in note 3, IFRS 8 has been adopted in the year with comparative disclosures made, and as a result revised operating segments are disclosed. On adoption of IFRS 8 the Group was required to allocate goodwill between its cash generating units (CGU) that represent the lowest level within the Group at which goodwill is monitored for internal management purposes, but are not larger than an operating segment as defined by IFRS 8. These CGUs are the four operating segments Insurance, Money, Travel and Home Services, and the Group has therefore performed impairment testing at this level. The goodwill has been allocated on 1 January 2009 based on estimates of the relative values of the operating segments at that date with £30.7m allocated to Insurance, £15.5m to Money, £6.6m to Travel and £2.2m to Home Services.

For the current year, the recoverable amount of the assets was taken to be their value in use and was calculated by reference to the forecast cash flows.

The present value of the future cash flows has been calculated with the following key assumptions:

- Cash flows for year 1 represent management's best estimate of future cash flows as at 31 December 2009, and are based upon the Group's approved budget for 2010. The main assumptions underlying the 2010 budget relate to visitor numbers and revenue per transaction/visitor. The forecast assumes some improvement during the course of 2010 driven by the new branding campaign and investments made in the core technology for the Group's key channels, as well as the more settled outlook in the wider economy. The Insurance and Money segments have been assumed to have similar rates of growth, and the Travel and Home Services segments have been assumed to return to close to the revenue levels achieved in 2008.
- Cash flows for subsequent years for all segments are consistent with those in year 1 and assume no growth. No reliable third party estimates of long term growth rates exist for the price comparison industry given it is a relatively new business model.
- Cash flows into perpetuity have been incorporated into the calculations.

- A pre-tax discount rate of 15% has been used in the forecast for all segments. A lower discount rate has been used compared with the rate used to test the Internet segment last year (16%) to reflect the reduction in the uncertainty in the economic climate since the start of the year.

When there are clear indications that the economy has begun to recover a different set of assumptions may be more appropriate.

The analysis performed calculates that the recoverable amount of the assets allocated to the Insurance, Money and Travel segments exceeds their carrying value by in excess of 100% and the recoverable amount of the assets allocated to the Home Services segment exceeds their carrying value by 20%, and as such, are not impaired. No reasonably possible change to a key assumption would result in an impairment.

As explained in note 3, whilst the Group is able to allocate revenues between the four operating segments, its cost base is reviewed by the Group's Chief Operating Decision Maker at a Group rather than segmental level, and a number of the significant costs which the Group incurs cannot be allocated either directly or on a reasonable and consistent basis to the CGUs that are each operating segment. Therefore the cash flows estimated above include all of the Group's forecast revenues, but only approximately 55% of the Group's cost base.

The Group has therefore also performed a further impairment test for the Group as a whole, in a manner consistent with that in 2008. In these calculations the Group is treated as one group of CGUs, and the test compared the carrying amount, including goodwill and other corporate assets, to the recoverable amount.

The recoverable amount has been estimated based on the present value of its future cash flows which has been calculated with a set of assumptions consistent with those set out above in relation to the individual operating segment calculations.

The analysis performed calculates that the recoverable amount of the Group's assets exceeds their carrying value by £44m, and as such, no impairment was identified.

With regard to the Group level impairment testing, an increase of 3% in the discount rate, with all other assumptions held constant, would give a value in use for the Group's assets equal to their carrying value. Similarly, a decrease in the annual cash flows of £6.0m, with all other assumptions held constant, would also give a value in use for the Group's assets equal to their carrying value.

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 lives.

Notes to the Consolidated Financial Statements *continued*

12 Trade and other receivables

	31 December 2009 £000	31 December 2008 £000
Trade receivables	**14,375**	16,074

All receivables fall due within one year.

As a result of click based revenue being recognised in the period that the lead is generated, a revenue accrual for approximately one month's revenue is recognised at the year end date.

At 31 December 2009, trade receivables are shown net of a provision for doubtful debts of £156,255 (2008: £348,194), which represents a judgement made by management of which receivable balances are unlikely to be recovered taking into consideration the aging of the debt, evidence of poor payment history or financial position of a particular debtor.

Movements in the provision for doubtful debts were as follows:

	2009 £000	2008 £000
At start of year	**348**	103
Charge for the year	**151**	264
Amounts written off	**(343)**	(19)
At 31 December	**156**	348

As at 31 December, the analysis of trade receivables that were past due but not impaired is as follows:

			Past due not impaired				
	Total £000	Neither past due nor impaired £000	0-30 days £000	30-60 days £000	60-90 days £000	90-120 days £000	>120 days £000
At 31 December 2008	16,074	10,409	3,466	1,529	242	330	98
At 31 December 2009	**14,375**	**8,266**	**5,353**	**429**	**212**	**38**	**77**

The Group's standard payment terms are 15 days.

13 Trade and other payables

	31 December 2009 £000	31 December 2008 £000
Trade payables due to related parties	**–**	5
Other trade payables	**13,126**	12,471
Non-trade payables and accrued expenses	**5,620**	8,217
Deferred income	**10**	17
	18,756	20,710

As a result of click based revenue being recognised in the period that the lead is generated, an accrual for the cost of sales relating to the revenue accrued at the year end date (see note 12) is included within other trade payables.

As at 31 December, the analysis of financial liabilities within trade payables, non-trade payables and accrued expenses is as follows:

	Total £000	Current £000	0-30 days £000	30-60 days £000	60-90 days £000	90-120 days £000	> 120 days £000
At 31 December 2008	19,693	12,801	1,334	774	167	122	4,495
At 31 December 2009	**18,746**	**13,665**	**798**	**472**	**408**	**151**	**3,252**

As at 31 December 2009, the Group did not hold any other financial liabilities requiring disclosure under IAS 32.

14 Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2009 £000	2008 £000	**2009 £000**	2008 £000
At start of year	**(362)**	(3,124)	**47,259**	54,243
Temporary differences	**(484)**	–	**(7,057)**	(6,984)
Revaluation of LTIP equity-settled share awards	**49**	–	**–**	–
Revaluation of Chairman's share award	**(29)**	–	**–**	–
Revaluation of unapproved share options at the balance sheet date	**5**	2,762	**–**	–
Issue of LTIP equity-settled share awards	**(370)**	–	**–**	–
Transfers	**1,191**	–	**(1,191)**	–
At 31 December	**–**	(362)	**39,011**	47,259

The deferred tax liability arises from the creation of the intangible assets upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company.

The deferred tax asset arises from the future deduction available upon the exercise of share options and share awards.

15 Capital

Authorised

	2009		2008	
	Thousands	**£**	Thousands	£
Ordinary shares of 0.02p each	**1,154,706**	**230,941**	1,154,706	230,941
Deferred shares of 0.02p each	**95,294**	**19,059**	95,294	19,059
	1,250,000	**250,000**	1,250,000	250,000

The following rights attached to the shares in issue during the year:

Ordinary shares

The owners of ordinary shares were entitled to returns of capital, receive a dividend and vote.

During the year the Company issued 2,676,662 (2008: 8,049,996) ordinary shares upon the exercising of unapproved share options by a number of senior management.

Issued and fully paid

Number of shares	Ordinary shares	Deferred shares	Total
At 1 January 2008	496,806,066	95,294,118	592,100,184
Purchase and cancellation of deferred shares	–	(95,294,118)	(95,294,118)
Issued on exercising of unapproved share options	8,049,996	–	8,049,996
At 31 December 2008	504,856,062	–	504,856,062
Issued on exercising of unapproved share options	2,676,662	–	2,676,662
At 31 December 2009	**507,532,724**	**–**	**507,532,724**

£	Ordinary shares	Deferred shares	Total
At 1 January 2008	99,361	19,059	118,420
Purchase and cancellation of deferred shares	–	(19,059)	(19,059)
Issued on exercising of unapproved share options	1,610	–	1,610
At 31 December 2008	100,971	–	100,971
Issued on exercising of unapproved share options	535	–	535
At 31 December 2009	**101,506**	**–**	**101,506**

Notes to the Consolidated Financial Statements *continued*

The Group has a number of share schemes under which options to subscribe for ordinary shares and conditional awards of ordinary shares in the Company have been made to certain Directors and employees (see note 17).

16 Financial instruments

Interest rate risk

There is no significant exposure to interest risk as the Group has no borrowings.

The Group invests its cash in a range of cash deposit accounts with UK banks. Interest earned therefore closely follows movements in Bank of England base rates. A movement of 1% in this rate would result in a difference in annual pre-tax profit of £538,000 based on Group cash, cash equivalents and financial instruments at 31 December 2009. At the balance sheet date, £18,010,000 was invested with Lloyds Banking Group, this being the most invested with any one bank.

Effective interest rates

In respect of interest-earning financial assets, the following table indicates their effective interest rates at the year end date.

	31 December 2009		31 December 2008	
	Effective interest rate	**£000**	Effective interest rate	£000
Cash and cash equivalents	**0.69%**	**53,805**	2.84%	73,465

Credit risk

Credit risk with respect to trade receivables is monitored on an ongoing basis by the credit control team and finance management. By value, over 90% (2008: 90%) of the Group's revenue comes from blue chip companies. Most of the remaining provider base is subject to payment terms of one week collected by direct debits. At the balance sheet date, the five largest trade receivables, by provider, accounted for 12% (2008: 19%) of the total trade receivables balance of £14,375,000 (2008: £16,074,000) and the largest individual balance was £585,211 (2008: £986,817).

Fair values

The Group's financial assets and liabilities are principally short term in nature, and therefore their fair value is not materially different from their carrying value.

17 Share-based payments

Unapproved share option scheme

Grant 1

On 22 May 2007 the holders of unapproved share options in Moneysupermarket.com Financial Group Limited agreed to have their unapproved share options replaced with share options in the Company on similar terms to those that operated under the original scheme. Options over 1,460 shares were originally exchanged. Following the share sub-division on 9 July 2007 where each ordinary share was converted to 5,000 ordinary shares, the shares under option were subject to a similar sub-division. Following this, there were therefore 7,300,000 share options in issue that related to the share options in Moneysupermarket.com Financial Group Limited, exchanged for share options in the Company.

These share options were originally granted by Moneysupermarket.com Financial Group Limited on 9 May 2005 and vested on the earlier of a trade sale or a flotation provided that in the event of a flotation the options had been held for three years from the date of grant. The exercise price is 6p per share.

Grant 2

On 18 and 22 June 2007 the Company granted further unapproved share options that entitled key management personnel and senior employees to acquire ordinary shares in the Company. Options were originally granted over 1,243 shares, which following the sub-division referred to above, became 6,215,000 shares. Options vest on the earlier of a trade sale or, subject to a flotation, equally over a three year period on subsequent anniversaries from the date of grant. The exercise price is 6p per share.

17 Share-based payments *continued*

Grant 3

Post the sub-division of shares referred to above, on 10 and 21 July 2007 the Company granted further unapproved share options that entitled key management personnel and senior employees to acquire shares in the Company. Options were originally granted over 105,000 shares. Options vest on the earlier of a trade sale or, subject to a flotation, equally over a three year period on subsequent anniversaries from the date of grant. The exercise price is 6p per share.

Subsequent to the year end, the Remuneration Committee has approved the early vesting of all remaining unapproved share options under the unapproved share option scheme.

Share Incentive Plan scheme (SIP)

Upon listing, the Company granted £3,000 of ordinary shares at the price of £1.70 per ordinary share to each eligible employee free of charge. If an employee leaves within one year of listing, all of these ordinary shares are forfeit; between one and two years of listing, 50% are forfeit; between two and three years of listing, 20% are forfeit; and after three years of listing, none are forfeit. 948,184 shares were issued under the Share Incentive Plan scheme in 2007.

Long Term Incentive Plan scheme (LTIP)

On 28 December 2007 and 4 March 2008, the Company made conditional awards over 1,242,201 ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2008 LTIPs'). Under this scheme, shares vest at the end of a three year period dependent upon the achievement of a cumulative adjusted EBITDA figure for the three financial years from 2008 to 2010. Based on the adjusted EBITDA figures achieved in 2008 and 2009, management do not expect any of these awards to vest.

During the year, conditional awards were made over 8,256,530 ordinary shares under the Moneysupermarket.com Group PLC Long Term Incentive Plan scheme to senior employees ('2009 LTIPs'). Under this scheme, up to 70% of the shares vest at the end of a three year period dependent upon the achievement of an adjusted EBITDA figure for each of the three financial years from 2009 to 2011, and up to 30% of the shares vest at the end of a three year period dependent upon the Total Shareholder Return (TSR) of the Company relative to a comparator group of defined companies.

Chairman's share award

Gerald Corbett, the Chairman of the Company, purchased 117,647 ordinary shares on the listing of the Company at the initial offer price of £1.70. Subject to him retaining these shares for three years and provided that he completes three years' service as Chairman he shall be entitled to subscribe at nominal value for a total of 235,294 ordinary shares in the Company.

Following the payment of the special dividend of 4.93p per ordinary share on 16 October 2009, the Remuneration Committee approved, subsequent to the year end, an adjustment to the Chairman's share award in accordance with the rules of the scheme. As a result of that adjustment, Gerald Corbett has become entitled to subscribe at nominal value for a total of 248,612 ordinary shares in the Company reflecting the reduction in the value of the Chairman's share award arising from the payment of that special dividend.

Subsequent to the year end, the Remuneration Committee has approved, in accordance with the rules of the Chairman's share award, the early subscription by Gerald Corbett of the shares comprising the Chairman's share award.

Simon Nixon Scheme

During 2008, Simon Nixon established an additional incentive scheme under which he personally granted options over 633,504 ordinary shares in the Company held by him in favour of one former employee of the Group. Options over 487,311 ordinary shares vested on 8 October 2008 and were exercised by the former employee on that date. Options over the remaining 146,193 ordinary shares were dependent on the satisfaction of Group related performance targets for the year ended 31 December 2008 and lapsed.

During 2009, similar arrangements were entered into by Simon Nixon in favour of Paul Doughty and certain other former employees, with options over a total of 3,378,683 ordinary shares held by Simon Nixon being granted personally by him to those persons. Options over 2,793,911 ordinary shares vested on 31 July 2009 and 4 August 2009 and were exercised by the participants on 4 August 2009. Options over the remaining 584,772 ordinary shares were dependent on the satisfaction of Group related performance targets for the year ended 31 December 2008 and lapsed.

Notes to the Consolidated Financial Statements *continued*

17 Share-based payments *continued*

Movements in the year

The following table illustrates the number and weighted average exercise price (WAEP) of, and movements in, share options and share awards during the year:

	Number	WAEP
Outstanding at 1 January 2008	15,000,509	£0.05
LTIP awards made during the year	36,643	£0.00
LTIP awards forfeit during the year	(254,872)	£0.00
Unapproved options exercised during the year (with a WAEP of £0.06)	(8,049,996)	£0.06
Unapproved options forfeit during the year	(1,198,334)	£0.06
Simon Nixon Scheme options granted during the year	633,504	£0.00
Simon Nixon Scheme options exercised during the year (with a WAEP of £0.00)	(487,311)	£0.00
Simon Nixon Scheme options lapsed during the year	(146,193)	£0.00
Outstanding at 31 December 2008	5,533,950	£0.04
LTIP awards made during the year	8,256,530	£0.00
LTIP awards forfeit during the year	(1,225,811)	£0.00
Unapproved options exercised during the year (with a WAEP of £0.06)	(2,676,662)	£0.06
Unapproved options forfeit during the year	(113,337)	£0.06
Simon Nixon Scheme options granted during the year	3,378,683	£0.00
Simon Nixon Scheme options exercised during the year (with a WAEP of £0.00)	(2,793,911)	£0.00
Simon Nixon Scheme options lapsed during the year	(584,772)	£0.00
Outstanding at 31 December 2009	**9,774,670**	**£0.01**

As at 31 December 2009, 10,000 unapproved share options had vested but not been exercised.

The following table lists the inputs to the Black-Scholes models used for the schemes for the year ended 31 December 2009:

	Unapproved	SIP/ Chairman's Award	2009 LTIP	2008 LTIP	Simon Nixon Scheme
Fair value at grant date (£)	1.57	1.55-1.65	0.53	1.26-1.34	0.56
Share price (£)	1.70	1.70	0.53	1.38	0.56
Exercise price (£)	0.06	0.00	0.00	0.00	0.00
Expected volatility (%)	30.0	n/a	n/a	n/a	n/a
Expected life of option/award (years)	3.0	3.0	3.0	3.0	0.0
Weighted average remaining contractual life (years)	0.7	0.6	2.3	1.0	n/a
Expected dividend yield (%)	3.0	3.0	0.0	0.0	6.3
Risk-free interest rate (%)	4.5	4.5	4.5	4.5	4.2

Expected volatility has been estimated by considering historic average share price volatility for similar companies. Staff attrition has been assessed based on historic retention rates.

The share option charge in the Statement of Comprehensive Income can be attributed to the following types of share option and share award:

	2009 £000	2008 £000
Unapproved share option scheme	**1,478**	3,520
Share Incentive Plan (SIP) scheme	**415**	249
Chairman's share award	**165**	121
Long Term Incentive Plan (LTIP) scheme	**286**	162
Simon Nixon scheme	**1,301**	273
	3,645	4,325

18 Pensions and other post-employment benefit plans

The Group operates a defined contribution pension scheme based on basic salary. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amounts charged to the Statement of Comprehensive Income represent the contributions payable to the scheme in respect of the accounting period. In the year ended 31 December 2009 £738,143 of contributions were charged to the Statement of Comprehensive Income (2008: £24,000). As at 31 December 2009 £70,458 (2008: £2,000) of contributions were outstanding on the balance sheet.

19 Commitments and contingencies

The Group is a defendant in a small number of disputes incidental to its operations which, in aggregate, are not expected to have a material adverse effect on the Group. Provision has been made for the expected settlement where the Group believes a payment will be made to settle the dispute.

20 Related party transactions

The Group has the following investments in subsidiaries:

	Country of incorporation	Ownership interest	Principal activity
Moneysupermarket.com Financial Group Limited	UK	100	Holding company
Moneysupermarket.com Limited	UK	100	Internet price comparison
Travelsupermarket.com Limited	UK	100	Dormant
Insuresupermarket.com Limited	UK	100	Dormant
Mortgage 2000 Limited	UK	100	Financial intermediary services
Making Millionaires Limited	UK	100	Holding company
Moneysupermarket Limited	UK	100	Dormant
icero GmbH	Germany	100	Internet price comparison
Betcompare.com Limited (formerly Inhoco 3429 Limited)	UK	100	Dormant

The Company is the ultimate parent entity of the Group. Intercompany transactions with wholly owned subsidiaries have been excluded from this note, as per the exemption offered in IAS 24.

Transactions with key management personnel

There were no outstanding amounts loaned to Directors by the Company at 31 December 2009.

In addition to their salaries, the Group also provides non-cash benefits to Directors and executive officers. Directors and executive officers also participate in the Group's unapproved share option and Long Term Incentive Plan schemes, see note 17.

Gerald Corbett, Michael Wemms, Simon Nixon and Paul Doughty received dividends from the Group totalling £7,897,281 in 2008 and £22,760,906 in 2009.

Key management personnel compensation

Key management, defined as the executive management team, received the following compensation during the year:

	31 December 2009 £000	31 December 2008 £000
Short term employee benefits	**1,787**	2,274
Share-based payments	**1,984**	2,820
Post employment benefits	**102**	9
	3,873	5,103

Other related party transactions

A number of Directors and key management personnel hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

Notes to the Consolidated Financial Statements *continued*

20 Related party transactions *continued*
A number of these entities transacted with the Group in the reporting period.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

Director	Company	**Transaction value Year ended 31 December 2009 £000**	Transaction value Year ended 31 December 2008 £000	**Balance outstanding as at 31 December 2009 £000**	Balance outstanding as at 31 December 2008 £000
S J Nixon	Abacus Permanent Limited	**(221)**	53	**–**	(221)
S J Nixon	Virtual Processing Limited	**216**	238	**–**	216

The Group provided office space and services to Abacus Permanent Limited and Virtual Processing Limited during the year, companies in which Simon Nixon controls over 90% of the voting shares. The Group recharged these two companies rent and associated services at the same levels as it recharged wholly owned subsidiary companies. These rates were based on notional open market rents for similar offices in the locality. In addition the Group provided payroll services for these related companies, fully recovering salaries paid. In the normal course of trade with these related companies the Group both charged and was charged for mortgage procuration fees. The level of these fees were at arm's length and mirrored the going rates in the open market.

On 2 July 2009, Rob Budden, a director of Foom.com Limited, acquired 160 ordinary shares of £1 each in the capital of Foom.com Limited from Making Millionaires Limited, representing all of the shares in Foom.com Limited owned by the Group in consideration for the future payment by Rob Budden of 5% of aggregate revenues of Foom.com Limited for each of the first five financial years that such aggregate revenues of Foom.com Limited are equal to or greater than £10,000.

On 18 September 2009, Moneysupermarket.com Financial Group Limited acquired from Tim Heidfeld, formerly a director of icero GmbH, all of the shares in icero GmbH owned by him in consideration for the payment by Moneysupermarket.com Financial Group Limited to Tim Heidfeld of €2,500.

21 Post balance sheet events
There have been no significant post balance sheet events requiring disclosure.

Company Balance Sheet

at 31 December 2009

	Note	**31 December 2009 £000**	31 December 2008 £000
Fixed assets			
Investments	4	**181,688**	181,688
Current assets			
Debtors	5	**55,738**	20,820
Cash at bank and in hand		**597**	27,994
Total current assets		**56,335**	48,814
Creditors: amounts due within one year	6	**(168)**	(15,168)
Net current assets		**56,167**	33,646
Net assets		**237,855**	215,334
Capital and reserves			
Share capital	8	**102**	101
Share premium	8	**171,207**	171,047
Other reserves	8	**16,942**	16,942
Profit and loss	8	**49,604**	27,244
		237,855	215,334

The Financial Statements were approved by the Board of Directors and authorised for issue on 23 February 2010. They were signed on its behalf by:

P Plumb

Peter Plumb

Paul Doughty

Paul Doughty

Notes to the Company Financial Statements

1 Accounting policies

Basis of preparation

The Financial Statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The profit after tax for the Company was £61,445,000.

The Company has taken the exemption in FRS 1 5(a) and consequently no cash flow statement is presented for the Company.

Investments

Investments are shown at cost less provision for impairment.

Share-based payment transactions

The Group's share schemes allow certain Group employees to acquire ordinary shares in the Company. The fair value of share awards made is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at award date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of the awards made is measured using an option valuation model, taking into account the terms and conditions upon which the awards were made. The amount recognised as an expense is adjusted to reflect the number of share awards expected to vest. Subsidiaries are recharged for the amount recognised as share based payments relating to awards to their employees. The fair value of the recharge is recognised over the vesting period.

Dividends

Dividends receivable are recognised when the Company's right to receive payment is established. Dividends payable to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

2 Share-based payments

The analysis and disclosures in relation to share-based payments are given in the Consolidated Financial Statements in note 17.

3 Staff numbers and cost

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

	Number of employees 31 December 2009	Number of employees 31 December 2008
Administration	**5**	2

The aggregate payroll costs of these persons were as follows:

	31 December 2009 £000	31 December 2008 £000
Wages and salaries	**1,166**	787
Social security costs	**601**	99
Other pension costs	**70**	–
Share based payments	**1,903**	1,947
	3,740	2,833

4 Investments

	Shares in subsidiary undertakings £000
Cost and net book value:	
At 31 December 2008 and 31 December 2009	181,688

The investment comprises £162,000,000 of cash consideration, £2,765,000 of costs and £16,923,000 arising from the transfer of net assets at book value from a company under common control, representing the acquisition of Moneysupermarket.com Financial Group Limited by the Company.

5 Debtors

	31 December 2009 £000	31 December 2008 £000
Amount due from subsidiary undertakings	**55,211**	20,812
Other debtors	**9**	8
Corporation tax	**518**	–
	55,738	20,820

6 Creditors: amounts falling due within one year

	31 December 2009 £000	31 December 2008 £000
Amount owed to subsidiary undertaking	**–**	15,040
Accruals	**168**	128
	168	15,168

Notes to the Company Financial Statements *continued*

7 Dividends

	31 December 2009 £000	31 December 2008 £000
Declared and paid during the year:		
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
Final dividend for 2008: 2.2p per share	**11,110**	–
Interim dividend for 2009: 1.3p per share	**6,598**	–
Special dividend for 2009: 4.93p per share	**25,022**	–
Proposed for approval (not recognised as a liability at 31 December):		
Equity dividends on ordinary shares:		
Final dividend for 2009: 2.2p per share	**11,199**	–
Special dividend for 2009: 4.91p per share	**25,006**	–

During 2009, the Company received dividends of £63,000,000 from Moneysupermarket.com Financial Group Limited.

8 Capital and reserves

Authorised

	2009		2008	
	Thousands	**£**	Thousands	£
Ordinary shares of 0.02p each	**1,154,706**	**230,941**	1,154,706	230,941
Deferred shares of 0.02p each	**95,294**	**19,059**	95,294	19,059
	1,250,000	**250,000**	1,250,000	250,000

The following rights attached to the shares in issue during the year:

Ordinary shares

The owners of ordinary shares were entitled to returns of capital, receive a dividend and vote.

During the year the Company issued 2,676,662 (2008: 8,049,996) ordinary shares upon the exercising of unapproved share options by a number of senior management.

Issued and fully paid

Number of shares	Ordinary shares	Deferred shares	Total
At 1 January 2008	496,806,066	95,294,118	592,100,184
Purchase and cancellation of deferred shares	–	(95,294,118)	(95,294,118)
Issued on exercising of unapproved share options	8,049,996	–	8,049,996
At 31 December 2008	504,856,062	–	504,856,062
Issued on exercising of unapproved share options	2,676,662	–	2,676,662
At 31 December 2009	**507,532,724**	**–**	**507,532,724**

8 Capital and reserves *continued*

£	Ordinary shares	Deferred shares	Total
At 1 January 2008	99,361	19,059	118,420
Purchase and cancellation of deferred shares	–	(19,059)	(19,059)
Issued on exercising of unapproved share options	1,610	–	1,610
At 31 December 2008	100,971	–	100,971
Issued on exercising of unapproved share options	535	–	535
At 31 December 2009	**101,506**	**–**	**101,506**

The Group has a number of share schemes under which options to subscribe for ordinary shares and conditional awards of ordinary shares in the Company have been made to certain Directors and employees of the Group (see note 17 of the Consolidated Financial Statements).

Other reserves

	Share premium £000	Other reserves £000	Profit and loss £000
At 1 January 2008	**170,565**	**16,923**	**35,366**
Shares issued	482	–	–
Total recognised profit in year	–	–	2,190
Equity dividends	–	–	(14,637)
Purchase and cancellation of deferred shares	–	19	–
Share based payment	–	–	4,325
At 31 December 2008	**171,047**	**16,942**	**27,244**
Shares issued	160	–	–
Total recognised profit in year	–	–	61,445
Equity dividends	–	–	(42,730)
Share based payment	–	–	3,645
At 31 December 2009	**171,207**	**16,942**	**49,604**

Other reserves represents the merger reserve for £16,923,000 generated upon the acquisition of Moneysupermarket.com Financial Group Limited by the Company, as discussed in the Consolidated Statement of Changes in Equity, 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.

9 Related party transactions

The Company has taken the exemption in FRS 8.3 not to disclose transactions with other Group companies.

General

Shareholder Information

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E-mail: moneysupermarket@capitaregistrars.com

Enquiring about your shareholding
If you want to ask, or need any information, about your shareholding, please contact our registrar (see contact details above). Alternatively, if you have internet access, you can access the Group's shareholder portal at www.moneysupermarket-shares.com where you can, amongst other things, view details of your shareholding, set up or amend a dividend mandate and update your address details.

Investor relations website
The investor relations section of our website, www.moneysupermarket.com, provides further information for anyone interested in the Group. In addition to the Annual Report and Accounts and share price, Company announcements including the half year and full year results announcements and associated presentations are also published there.

Dividend mandates
If you wish to have dividends paid directly into a bank or building society account, you should contact our registrar (see contact details on the left) for a dividend mandate form or visit the Group's shareholder portal at www.moneysupermarket-shares.com where you can set up or amend a dividend mandate. This method of payment removes the risk of delay or loss of dividend cheques in the post and ensures that your account is credited on the due date.

Dividend reinvestment plan (DRIP)
You can choose to reinvest dividends received to purchase further shares in the Company through a DRIP. A DRIP application form is available from our registrar (see contact details on the left).

Share dealing service
You can buy or sell the Company's shares in a simple and convenient way via the Capita share dealing service either online (www.capitadeal.com) or by telephone (0871 664 0445). Calls cost 10p per minute plus network extras. Lines are open 8.00am-4.30pm Monday-Friday.

Please note that the Directors of the Company are not seeking to encourage shareholders to either buy or sell shares in the Company. Shareholders in any doubt about what action to take are recommended to seek financial advice from an independent financial advisor authorised by the Financial Services and Markets Act 2000.

Electronic communications
You can elect to receive shareholder communications electronically by writing to our registrar, Capita Registrars, Freepost RLYX-GZTU-KRRG, SAS, The Registry, 34 Beckenham Road, Beckenham, BR3 9ZA. This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent a notification to say when shareholder communications are available on our website and you will be provided with a link to that information.

Cautionary note regarding forward looking statements
This Annual Report 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 Group 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, Disclosure and Transparency Rules and applicable law, the Company undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date of this Annual Report.

Financial Calendar

Declaration date of 2009 final dividend	24 February 2010
Announcement of 2009 full year results	24 February 2010
Ex-dividend date of 2009 final dividend	3 March 2010
Record date of 2009 final dividend	5 March 2010
Annual General Meeting	31 March 2010
Payment date of 2009 final dividend	1 April 2010
Interim management statement	*April 2010
Half year end	30 June 2010
Announcement of 2010 half year results	*August 2010
Interim management statement	*November 2010
Full year end	31 December 2010
Announcement of 2010 full year results	*February 2011

* Exact dates to be confirmed

Further copies of this Annual Report are available from the Company's registered office, or may be accessed through the Group's website, www.moneysupermarket.com.

Shareholder Notes

Shareholder Notes

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