

Moneysupermarket.com Group PLC 2009 Interim Results Presentation





















4 August 2009



Agenda

£

Introduction:

Gerald Corbett



Financial Review:

Paul Doughty



Business Review and Marketing:

Peter Plumb/David Osborne



Questions and Answers:

moneysupermarket.com













Summary

£)

New team settled in well



Business reconfigured for the credit crunch



Trading stabilised



 Series of improvement programmes beginning to make a difference, especially marketing



Interim dividend maintained



Special dividend a sign of confidence in the future









Paul Doughty Chief Financial Officer























Summary financial highlights – H1 2009

Profitability has stabilised



H1 2009 managed margin



EBITDA and EBITDA margins ahead of H2 2008



Visitors 3% ahead of same period last year despite significantly lower marketing spend both on and offline



New creative launched mid June



Money Vertical traded consistently throughout H1 2009



RPV improving throughout 2009



Cash generation remains very strong



Special dividend of £25m to be paid in addition to the interim dividend



Adjusted income statement



	H1 2009	H1 2008	H1 2008	H2 2008	H2 2008
	£m	£m	Variance	£m	Variance
Revenue	68.5	99.4	(31%)	79.4	(14%)
Internet	67.8	95.3	(29%)	77.2	(12%)
Intermediary	0.7	4.1	(83%)	2.2	(68%)
Gross Profit	47.7	66.6	(28%)	50.1	(5%)
Gross Margin	69.6%	67.0%		63.1%	
Adjusted Administrative Costs	(21.8)	(26.2)	(17%)	(24.1)	(10%)
Impairment of Goodwill	_	_	-	(70.0)	(100%)
Amortisation of Intangibles	(12.6)	(12.6)	_	(12.6)	_
Distribution Costs	(9.3)	(11.8)	(21%)	(9.8)	(5%)
Adjusted Operating Profit	4.0	16.0	(75%)	(66.4)	(106%)
Reconciliation to adjusted EBITDA					
Adjusted Operating Profit	4.0	16.0	(75%)	(66.4)	(106%)
Impairment of Goodwill	_	_	-	70.0	(100%)
Amortisation of Intangibles	12.6	12.6	_	12.6	_
Depreciation	2.0	1.5	33%	2.0	_
Adjusted EBITDA	18.6	30.1	(38%)	18.2	2%
Adjusted EBITDA Margin	27.2%	30.3%		22.9%	

















See Appendix for explanation of differences between statutory and adjusted revenue and EBITDA

Adjusted cost base – H1 2009 v H1 2008









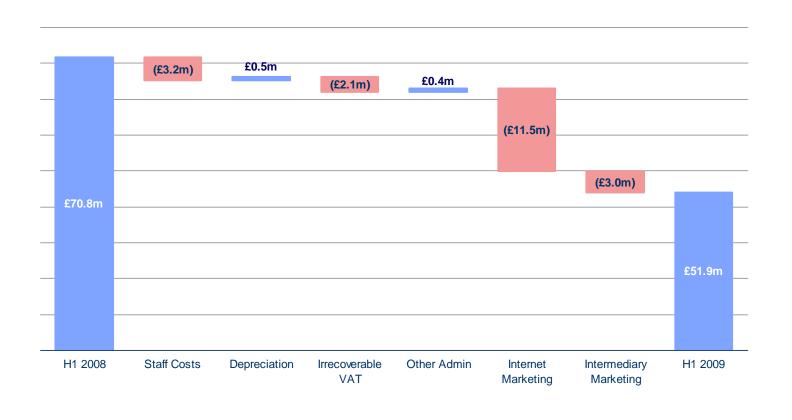












- (1) Excluding amortisation of intangibles, goodwill impairment, pre-IPO option charges, and option charges relating to the Simon Nixon scheme
- (2) Includes cost of sales
- (3) Detailed breakdown included in the appendix



The shape of revenues changed markedly H1 2009 v H1 2008

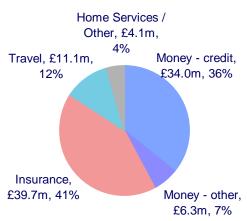


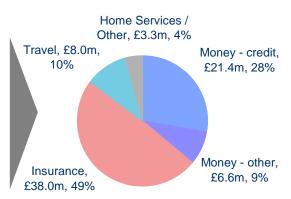
H1 2008 internet revenue

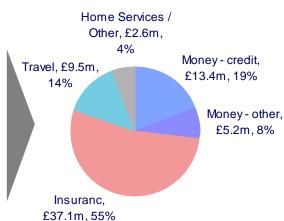
H2 2008 internet revenue

H1 2009 internet revenue























Source: Company data and audited accounts

Note: Credit includes revenues from loans, mortgages and credit cards



Insurance - Half year highlights Trading improving into Q2; higher RPT



- Revenues declined 6% against H1 last year and in line with H2
 - Q2 better than Q1
- Visitors declined 8% against H1 last year but increased 4% against H2
 - Actively managed margin rather than volume
 - New creative launched mid June
- Higher RPT through stronger commercial terms with providers and improved search functionality
- Decline in other revenues
 - Sales of Telephone leads which generated £2.5m in FY08 (£1.5m in H1 and £1.0m in H2) which were discontinued in 2009 to improve customer experience

			Variance	H2 2008	Variance
Insurance					
	12.1	13.2	(8%)	11.6	4%
	6.8	8.2	(17%)	7.2	(6%)
	33.7	34.2	(1%)	33.1	2%
	3.4	5.5	(38%)	5.0	(32%)
	37.1	39.7	(6%)	38.0	(2%)
	£3.06	£3.01	2%	£3.28	(7%)
	£4.97	£4.17	19%	£4.60	8%



















Money - Half year highlights Trading stabilised; visitors numbers ahead



Revenue declined by 54% against H1 2009 and 34% against H2 2008



Availability of credit product



Significantly down on 2008 but stabilising Q1/Q2 2009



Withdrawal from market of a number of providers in 2008



First Plus closed for new business in August 2008 having generated £9.2m revenues in H1 2008 and £4.0m in H2



Visitors grew 8% v H1 and 9% v H2



Declines in credit channels



Growth across all other areas of Money



0	Reduction in RPV against H1 and H2 2008 from changing sales mix but RPV has been
	stable throughout H1 2009



H1 2009	H1 2008	Variance	H2 2008	Variance
19.1	17.7	8%	17.5	9%
5.8	7.9	(26%)	7.1	(18%)
15.8	33.4	(53%)	24.0	(34%)
2.8	6.9	(59%)	4.0	(29%)
18.6	40.3	(54%)	28.0	(34%)
£0.97	£2.28	(57%)	£1.60	(39%)
£2.69	£4.22	(36%)	£3 38	(20%)





Travel - Half year highlights Trading in line with market; managed for margin (£)



- Revenue down 15% to £9.5m in H1
 - Weakness in demand for discretionary weekend type travel
 - Hotels and Flights channels impacted
 - Package holidays performing well
 - Passenger numbers down 15% leaving UK
- Visitors down 12% on H1 2008
 - Managed for margin
- RPV broadly consistent with H1 2008 but ahead of H2 2008
- New site launched April 2009
 - Cruise channel launched June 2009

	H1 2009	H1 2008	Variance	H2 2008	Variance
Travel					
	24.0	27.3	(12%)	21.6	11%
	17.0	22.7	(25%)	15.5	10%
	8.5	9.7	(13%)	7.1	21%
	1.0	1.4	(32%)	0.9	8%
	9.5	11.1	(15%)	8.0	19%
	£0.40	£0.41	(2%)	£0.37	8%
	£0.50	£0.43	16%	£0.46	9%













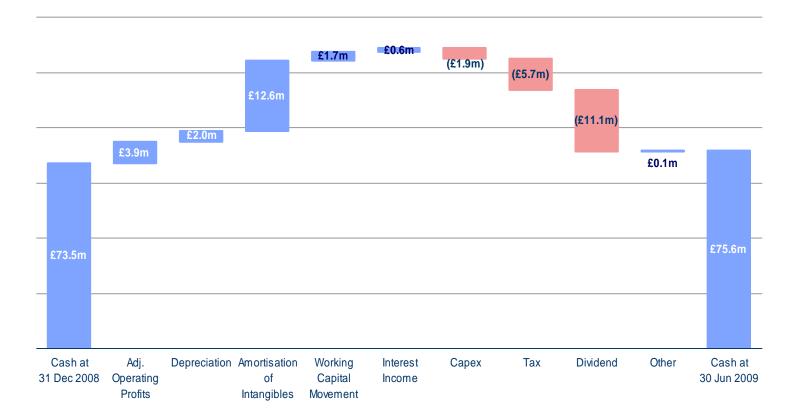






Cash

- Cash balances of £75.6m at 30 June 2009
- £19.1m of cash generated before tax and dividend payments
 - 100% of EBITDA converted to cash
 - Capital light business























Interim Dividend held; Special Dividend announced



The Board remains confident in the ability of the Group to continue to generate cash from operations



The Board proposes to pay an interim dividend equal to the interim dividend paid in 2008 equating to 1.3p per share



The Board proposes that in addition a special dividend of £25m equal to 4.93p per share be paid alongside the interim dividend with reference to the following dates



Ex Div Date16 September 2009



Payment Date 16 October 2009













Peter Plumb Chief Executive Officer





















Business Review

- 1. How is the business shaping up?
- 2. How is marketing working harder?
- 3. Future growth levers
- 4. Q3 outlook based on July trading



Moneysupermarket.com Saving customers money on their household bills



























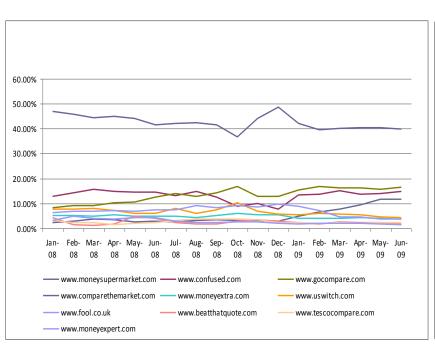




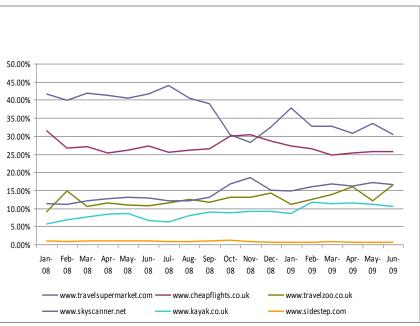
Our brands retained their leadership positions in an ever more competitive market (



moneysupermarket.com



travelsupermarket.com









We have done what we said we would do

Organisation now aligned to the new economic environment



Continued to build new management team



Headcount at 470 saving £180K/mth on salaries



More flexible IT resource



Re-engineered systems are on track



New Travel site launched – taste of things to come



'Re-engineered' base architecture on track



Customers and providers are at the heart of our business



Customers are looking for someone to trust, and rate Moneysupermarket.com highly



FMCG best practice working with providers



- Germany launched
 - Live Jan and enhanced service delivered July



Our marketing investment is now working much harder

£

2008 we spent £84* million on marketing 2009 we need more for less



Numbers Exclude Irrecoverable VAT			
Numbers Exclude incooverable VAT	H1 2009	H1 2008	Var %
Online spend (£m)	20.3	27.4	-26%
SEO Team Headcount	21	18	
Offline Spend (£m)	9.3	11.7	-21%
Visitors (m)	63.6	62.0	3%















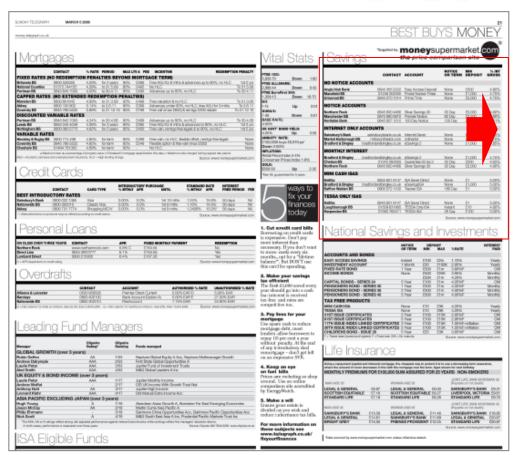


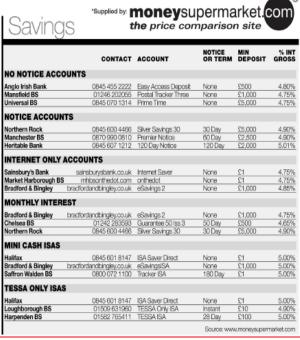
^{*} Includes irrecoverable VAT

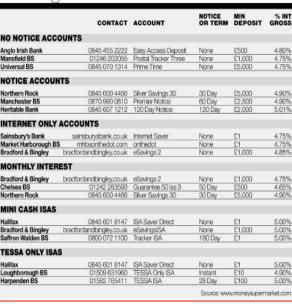
We have a great product!

The Daily Telegraph

The Sunday Telegraph

































Telegrapu.co.uk

TV is tip of an FY08 £84m spend!













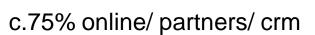








c.25% offline (TV, radio, print etc..)

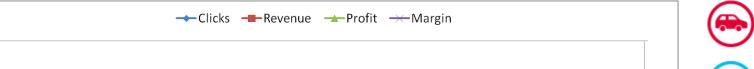




Online paid search is now better controlled

We bid on over 1.5m keywords











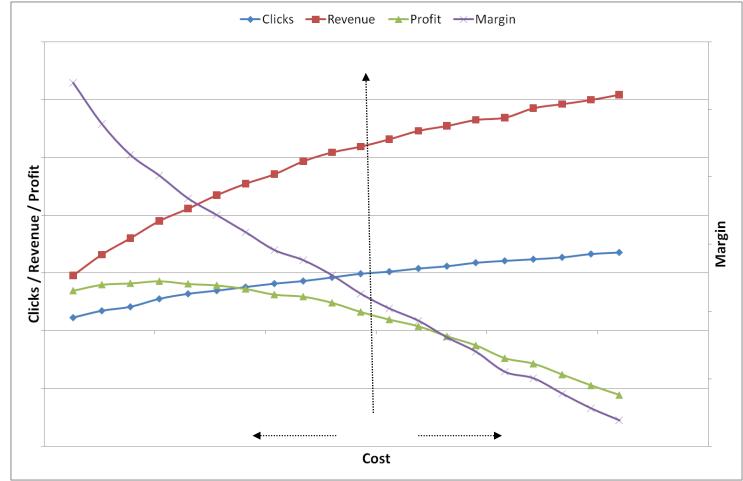
















In natural search we are best in class

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Insura	Insurance		Э у	Trave	el	Other	
Keyword	Position	Keyword	Position	Keyword	Position	Keyword	Position
car insurance	2	credit cards	1	flights	1	broadband	1
cheap car insurance	1	credit card	1	flights to Paris	2	cheap broadband	1
home insurance	1	loans	1	flights to Majorca	2	broadband internet	1
house insurance	1	cheap loans	1	UK breaks	1	gas suppliers	1
travel insurance	2	mortgages	1	cheap car hire	1	cheap gas	1
cheap travel insurance	1	savings	1	car hire in Paris	2	cheap electricity	1
life insurance	1	savings accounts	1	car hire in Portugal	1	electricity prices	1
pet insurance	1	bank accounts	1	Spain holidays	3	mobile deals	2

















Source: Google.co.uk Friday 17th July 2009

More efficient offline spend is delivering results





























Cross sell is demonstrating the value of our product range





















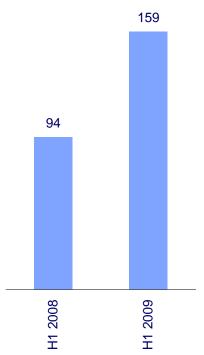




We see solid long term growth potential for insurance business

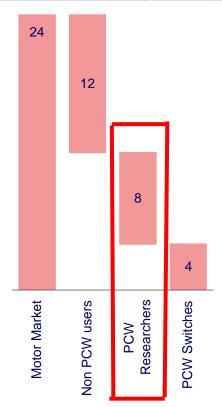






Source: Internal Data June 08 vs June 09

Motor Insurance market (Million policies by source)



Source: OC&C Strategy Consultants

Av saving per year per switch from a PCW (Motor £)





£111



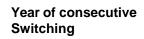


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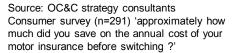
















In Money, despite a changed mix, product availability and transactions are stabilising



Credit availability has flattened

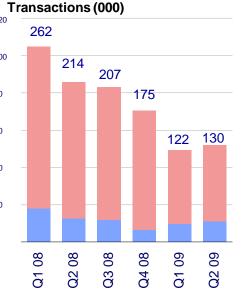


Overall CS indicator (RHS)

Total number of mortgage products

Source: Credit Suisse research estimates,

Money transactions have also stabilised



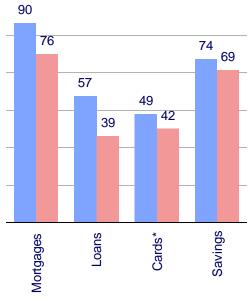
Cur Accs / Savings / Credit Cards Sales
Loans / Mortgage Sales

Source: Internal Mortgage, loans, savings and cards transactions

Moneysupermarket.com
has maintained a strong
product range throughout 08/09



Provider count















Source: Internal Data June 08 vs June 2009.

Jun-08

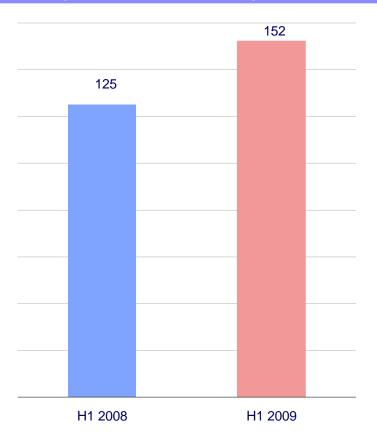


Jun-09

^{* 0%} balance transfer

Our travel business is well placed for a returning market with an increasing product offering and new site

Travel providers listed Travelsupermarket.com



Source: Internal Data June 08 vs June 2009

New Travel site launched H1





















Outlook and Current Trading

£

- Overall
 - Good start to 3rd quarter
 - ▶ H2 revenues 10% 15% ahead of H1run rate
 - July revenues circa 15% down against run rate Q3 revenues last year
 - H2 profitability single digit ahead of H1 run rate
 - July profitability circa 15% down against run rate Q3 profitability last year
 - Q4 typically is weakest quarter
- Home Services
 - Trading consistent with H1 run rate
- Travel
 - Market remains flat with trading in line H1 run rate
 - Revenues circa 20% down against last year continue managing margin
- Money
 - Evidence of stabilisation with current volumes ahead of H1 run rate
 - July revenues circa 40% down against same period last year Improvement over H1 performance
- Insurance
 - H2 revenues significantly ahead of H1run rate
 - July revenues increased circa 10% against same period last year



















Agenda H2 2009 and beyond





- Broadest range of products
- Right product not just the cheapest











- Flexible architecture
- Best intuitive customer journey





- Marketing
 - Long term relationship with customers
 - Maintaining our enviable brand position
 - Efficient communication strategy











Questions and Answers























Appendix



Additional Financial Materials



















Adjusted EBITDA



H1 2009	H1 2008	Var.	Var.%		H2 2008	Var.	Var.%	FY 2008	FY 2007
67.8	95.3	(27.5)	(29)%		77.2	(0.4)	(12)%	172.5	152.2
0.7	4.1	(3.4)	(83)%		2.2	(9.4) (1.5)	(68)%	6.3	10.7
68.5	99.4	(30.9)	-31%	-	79.4	(10.9)	(14)%	178.8	162.9
				=					
47.7	66.6	(18.9)	-28%		50.1	(2.4)	(5)%	116.7	108.6
70%	67%				63%			65%	67%
(37.0)	(42.1)	(5.1)	-12%		(107.5)	70.5	(66)%	(149.6)	(72.2)
(9.3)	(11.8)	(2.5)	-21%	_	(9.8)	0.5	(5)%	(21.6)	(19.6)
1.4	12.7	(26.5)	-89%	_	(67.2)	68.6	(102)%	(54.5)	16.7
4.4	40.7	(4.4.0)	(00)0/		(07.0)	00.0	(4.00)0/	(5.4.5)	40.7
1.4	12.7	(11.3)	(89)%		(67.2)	68.6	(102)%	(54.5)	16.7
2.6	3.3	(0.7)	(21)%		0.9	1.7	189%	4.2	4.4
12.6	12.6		0%		12.6		0%	25.2	25.2
2.0	1.5	0.5	33%		2.0		0%	3.5	1.6
		0.0	n/a		70.0	(70.0)	(100)%	70.0	-
18.6	30.1	(11.5)	-38%	-	18.3	0.3	2%	48.4	53.0
27%	30%				23%			27%	33%













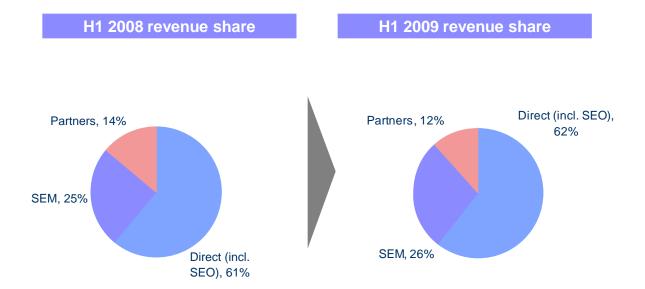






...and direct to site revenue maintained on significantly reduced TV expenditure



















Source: Company data

Direct to site revenue continues to be the largest part of the revenue mix



Adjusted cost base – H1 2009 v H2 2008

(£)

















	H1 2009	H1 2008			H2 2008	
	£m	£m	Variance	Variance %	£m	Variance
Adjusted Cost Base ⁽¹⁾						
Staff Costs (ex. Making Money)	13.0	14.8	-1.8	-12%	12.3	6%
IT Contractors	0.2	1.6	-1.4	-88%	1.7	-88%
Depreciation	2.0	1.5	0.5	33%	2.0	0%
Irrecoverable VAT	2.5	4.6	-2.1	-46%	3.8	-34%
Other Admin	4.2	3.8	0.4	11%	4.2	0%
Total Adjusted Admin	21.9	26.3	-4.4	-17%	24.0	-9%
TV Advertising	7.8	10.4	-2.6	-25%	8.6	-9%
Other Marketing/PR	1.5	1.3	0.2	15%	1.3	15%
- Total Distribution Costs per P and L	9.3	11.7	-2.4	-21%	9.9	-6%
Other Online Marketing Costs (2)	20.3	29.4	-9.1	-31%	27.4	-26%
Intermediary Marketing Costs (2)	0.4	3.4	-3.0	-88%	1.8	-78%
Total Marketing Costs	30.0	44.5	-14.5	-33%	39.1	-23%
Total Adjusted Cost Base						
Below Gross Margin	31.2	38.0	-6.8	-18%	33.9	-8%
Total Adjusted Cost Base	51.9	70.8	-18.9	-27%	63.1	-18%

- (1) Excluding amortisation of intangibles, goodwill impairment, pre-IPO option charges, and option charges relating to the Simon Nixon scheme
- (2) Includes cost of sales
- (3) Detailed breakdown included in the appendix



Home Services - Half year highlights Utilities revenues weaker; Visitor Growth



- Revenue decreased by 42% to £2.4m against H1 2008
 - Switching environment for utilities less favourable climate of stability/falling prices
- Visitors increased by 119% to 8.4m
 - Driven by launch of shopping channel in Oct 08
 - New vouchers channel launched
- Significant change in sales mix impacts RPV and RPT









_	H1 2009	H1 2008	Variance	H2 2008	Variance
Home Services					
Visitors ('m)	8.4	3.8	119%	7.4	14%
Transactions ('m)	1.9	0.9	120%	2.0	(4%)
Click Revenue (£m)	2.3	4.0	(42%)	3.3	(26%)
Other Revenue (£m)	0.1	0.1	_	_	_
Total Revenue (£m)	2.4	4.1	(42%)	3.3	(27%)
RPV	£0.29	£1.07	(73%)	£0.45	(36%)
RPT	£1.22	£4.62	(74%)	£1.65	(25%)











Statutory balance sheet



	June 2009 £m	June 2008 £m
Intangible assets	211.1	306.3
Other non-current assets	13.7	16.2
Net current assets / (liabilities)	68.6	60.2
Long term liabilities	(43.4)	(50.7)
Net assets	250.0	332.0
Capital and reserves	250.0	332.0













- Intangible assets include £55m of goodwill, and £156.1m of other intangibles associated with the acquisition of MSFG

- ▶ £70m Goodwill impairment charge in 2008
- Net current assets includes cash of £75.6m as at the end of June 2009
- The long term liability represents the deferred tax liability relating to the tax amortisation benefit of the intangibles assets recognised upon the acquisition of MSFG





Accounting information – share option charges (cont'd)



- Pre-IPO
 - ▶ 13.6m unapproved options issued 2007 to vest 2008 2010 with exercise price of 6p
 - 1.2m SIP/Chairman awards issued 2007 to vest 2010 with an exercise price of nil pence
 - 0.5m options under Simon Nixon scheme issued and vested during 2008 with an exercise price of nil pence
 - Black Scholes Model used to calculate charge and then adjusted based on number expected to vest



- Simon Nixon to make available up to 0.8% (4m shares) of issued share capital to senior management with scheme to be 'cash settled' by Simon Nixon
 - No share based payment charge anticipated at IPO in accordance with IFRS2
- IFRIC 11 issued in 2008 changes accounting treatment to provide consistency for cash settled schemes with equity settled schemes funded by individual shareholders
- 0.5m options under Simon Nixon scheme issued and vested during 2008 with an exercise price of nil pence
- No impact on Company
 - Backed out of adjusted EBITDA as pre IPO
 - No impact on distributable reserves
 - Charges based on share price of 47p (2009)

















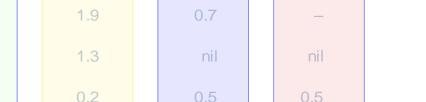


Accounting information (cont'd)

- Post-IPO
 - 1.2m LTIPs options issued Dec 2007 which vest in 2010 with an exercise price of nil
 - 7.4m LTIPs options issued in April 2009 which vest in 2012 with an exercise price of nil
 - Post IPO options are included as a charge against adjusted EBITDA

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Charge (£m)	2008	2009	2010	2011	
Pre IPO options / SIPs	3.9	1.9	0.7	_	
Simon Nixon Scheme	0.3	1.3	nil	nil	
Post IPO LTIPs	0.2	0.2	0.5	0.5	

















^{*} There will be also be a charge included in admin charge for PAYE and Ers NI incurred on settlement of the options of £0.8m which will be offset by an equal and opposite credit to corporation tax in 2009

Accounting information (cont'd)

Tax

Tax charge of £1.2m giving effective rate of 65%



Higher than statutory tax rate of 28% due to:

Trapped losses in Germany



• The level of disallowed share based payment charges versus the schedule 23 deduction.













Vertical KPIs by half year

H1

2009

9.5

8.4

1.9

2.3

2.4

£0.29

£1.22

£0.40

£0.50

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Money Visitors ('m) Transactions ('m) Revenue (£m) - Click-based Revenue (£m) - Total RPV RPT	19.1 5.8 15.8 18.6 £0.97 £2.69	17.7 7.9 33.4 40.3 £2.28 £4.22	8% (26)% (53)% (54)% (57)% (36)%	17.5 7.1 24.0 28.0 £1.60 £3.38	9% (18)% (34)% (34)% (39)% (20)%
Insurance Visitors ('m) Transactions ('m) Revenue (£m) - Click-based Revenue (£m) - Total RPV RPT	12.1 6.8 33.7 37.1 £3.06 £4.97	13.2 8.2 34.2 39.7 £3.01 £4.17	(8)% (17)% (1)% (7)% 2% 19%	11.6 7.2 33.1 38.0 £3.28 £4.60	4% (6)% 2% (2)% (7)% 8%
Travel Visitors ('m) Transactions ('m) Revenue (£m) - Click-based	24.0 17.0 8.5	27.3 22.7 9.7	(12)% (25)% (12)%	21.6 15.5 7.1	11% 10% 20%

11.1

£0.41

£0.43

3.8

0.9

4.0

4.1

£1.07

£4.62

H1

2008

Var

(15)%

(2)%

16%

119%

120%

(42)%

(42)%

(73)%

(74)%



Var



















Revenue (£m) - Click-based

Revenue (£m) - Total

Home Services Visitors ('m)

Transactions ('m)

Revenue (£m) - Total

RPV

RPT

RPV

RPT

19%

8%

10%

14%

(4)%

(28)%

(27)%

(36)%

(26)%

H2

2008

8.0

7.4

2.0

3.3

3.3

£0.45

£1.65

£0.37

£0.46

KPIs - Internet

2)	١
(I	J

	H1 2009	H1 2008	Growth
Group			
Visitors ('m)	63.6	62.0	3%
Transactions ('m)	31.6	39.6	(20%)
Click Revenue (£m)	60.5	81.3	(26%)
Other Revenue (£m)	7.3	13.8	(47%)
Total Revenue (£m)	67.8	95.2	(29%)
RPV	£1.06	£1.54	(31%)
RPT	£1.91	£2.05	(7%)





















Appendix

Market Data Unique visitors by month

















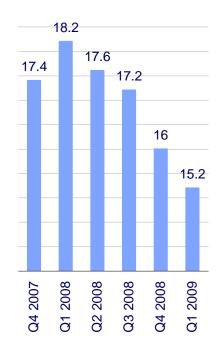




Markets we operate in

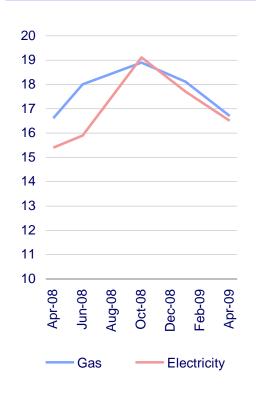


Travel market trends Visitors leaving UK to go abroad (M)



Source: ONT Overseas travel and tourism Quarterly report

Utilities Annualised Percentage Churn



Source: Datamonitor

Money Market Trends Annualised product purchase (M)

5.3

2.9

Mortgages

■ Jun-08







8.3

6.7











Source: GfK Financial Research Survey (FRS)

1.4

Loans

Savings

■ Jun-092