UTV Media plc

(“UTV” or “the Company” or “the Group”)

Preliminary Results

for the year ended 31 December 2011

Financial highlights on continuing operations *

- Record pre-tax profits - up by 10% to £23.3m (2010: £21.3m)
- Group revenue up by 2% to £121.6m (2010: £118.9m)
- Group operating profit up by 3% to £26.8m (2010: £26.1m)
- 23% or £16.8m reduction in net debt over 12 months to £54.7m (2010: £71.5m)
- Net debt reduced by 49% over the last 3 years, a reduction of £52.9m
- Net finance costs down by 26% to £3.5m (2010: £4.7m)
- Impairment charge of £45.0m recognised on Republic of Ireland intangible assets with £19.0m due to higher Republic of Ireland sovereign debt risk
- Pension deficit of £8.6m (2010: £6.8m) despite significant movement in discount rate (2011: 4.80% versus 2010: 5.40%)
- Diluted adjusted earnings per share from continuing operations up by 12% to 18.96p (2010: 16.93p)
- Proposed final dividend of 4.50p (2010: 3.00p) resulting in a full year dividend up by 50% to 6.00p (2010: 4.00p)

* As appropriate, references to profit include associate income but exclude exceptional items

Operational highlights

- Continuing strong audience delivery across both Radio and Television
- Revenue growth of 6% in Radio GB despite the tough comparatives of the 2010 World Cup
- Irish Radio Revenues down by 4% - yet still represents significant market outperformance
- Television revenue up by 1% with net advertising revenue in line with the ITV Network
- Strong cash management has led to significant debt reduction and a Net Debt:EBITDA ratio of 1.88 times

John McCann, Group Chief Executive, UTV Media plc, said:

“I’m very pleased with the company’s performance against what has remained a testing economic background. The strength of these numbers firmly reflects UTV’s commitment to deliver innovative programming across platforms, driving audience share while at the same time effectively managing costs within the business and paying down our debt facilities. We remain committed to our strategy of delivering value through the development of a diversified portfolio of leading media assets. I am confident this foundation will see the business continue to perform into 2012.”

Key Dates

- 17 May 2012 – date of Annual General Meeting
- 25 May 2012 – record date for payment of dividends
- 16 July 2012 – payment of dividends

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Chairman's Statement

Introduction

I am pleased to report that the UTV Group again achieved record pre-tax profits, pre exceptional items, despite the difficult macro-economic environment. Strong cashflows continued to drive down net debt which has been reduced by almost 50% over the last three years. Good progress has been made toward the appointment of a new Chairman who is expected to provide independent and expert leadership of the Group, thus ensuring its continued commercial success. In the interim, it is business as usual for the Board in forging ahead with our strategy of delivering value through the development of market leading media assets.

Results *

The Group has performed robustly and remains resilient to the adverse economic conditions, as is evidenced by the strong performance and financial results of the Group in 2011.

Operating profit in our radio division was slightly up at £18.9m (2010: £18.7m) while television operating profit increased by 18% to £6.5m (2010: £5.5m). New media operating profit was £0.4m lower at £1.5m (2010: £1.9m). Group operating profit, therefore, was up by 3% to £26.8m (2010: 26.1m). After charging net interest of £3.5m (2010: £4.7m), group profit before tax and exceptional items was up by 10% to £23.3m (2010: £21.3m), a record for the business. The exceptional items after tax of £43.9m (2010: £24.8m) relate primarily to an accounting non-cash impairment charge in respect of Irish radio (2010: GB local radio) assets. Net debt has been reduced during the year by over 23% to £54.7m at 31 December 2011 with the key Net Debt/EBITDA ratio declining substantially to a healthy 1.88 times.

The financial results in the individual business divisions have demonstrated a strong performance in the different markets and trading conditions that they operate in. Over the last seven years, the Group has diversified its operation from being substantially a television business based in Northern Ireland to its current position as a leading multi-platform media company which encompasses television, radio and new media businesses. This is a result of the considerable expansion across Great Britain, Republic of Ireland and Northern Ireland. Our radio businesses now account for 70% of operating profit before exceptional items for the Group.

[* *As appropriate, references to operating profit include associate income but exclude discontinued operations and exceptional items.*]

Radio *

Our GB radio division, and particularly talkSPORT, winner of the Sony UK Radio Station of the Year Award, performed particularly well during the year delivering an operating profit of £12.4m representing a growth of over 6%, despite the absence of the 2010 Football World Cup. talkSPORT benefitted from its coverage of major sporting events such as securing the exclusive rights for the coverage of the IRB Rugby World Cup and the rights to broadcast live Premier League football action. This high quality sporting content will further drive audience delivery, and its ability to reach male demographic audiences is a proven key attraction to advertisers. The commercial trading environment experienced by our local radio stations remained challenging but they managed to increase revenue and benefitted from increased synergies.

The commercial trading environment experienced by our Ireland radio businesses was again extremely difficult due to macro-economic conditions. However, the ongoing attractiveness and success of our innovative Urban Access advertising package continued to provide a national advertising capability to major agencies and helped to offset much of the downturn. Operating profit fell by 8% to £6.4m but this result has significantly out-performed the Irish radio market. The market leading listenership of our stations provides much reassurance that the foundations are in place for strong and quick recovery once economic conditions improve.

Television

Our television business accounted for 24% of operating profit before exceptional items and delivered another good performance with an increase in operating profit of 18% to £6.5m. The national television advertising market largely maintained its recovery, benefitting from successful programming by the ITV network. Additionally, the strength of our local programming content also produced growth in our local advertising revenues despite the impact of the weakened Irish economy. This was further boosted by the growth in the online advertising medium through the UTV Player, (a watch on demand service) which was up, and traffic to the television website. The increase in operating profit included the impact of reduced operating costs, as the 2010 results included the operating costs of the Football World Cup.

New Media

New media is our smallest business division accounting for 6% of operating profit before exceptional items and is viewed as offering excellent opportunities for significant expansion through Tibus, our award winning web development and design company and our classified Portals products as well as providing additional services to the wider UTV group. During the year, as a result of the sales increase in these businesses in 2011 and the expectation of significant growth in 2012, there has been substantial investment in business development in Tibus and the Portals. This investment resulted in higher costs which reduced the operating profit to £1.5m. However, the increase in business development has created a firm platform upon which the businesses can swiftly expand.

Impairment Review

The 2011 impairment review identified a £45.0m impairment in Radio Ireland's intangible assets. This non-cash, charge has arisen from a combination of a downward revision of growth forecasts for that division together with the use of a higher country specific discount rate for the Republic of Ireland. This higher discount rate compared to that used for the UK, reflects a greater sovereign debt risk and accounts for £19.0m of the impairment charge. It has been used despite the fact that the Group is a UK funded plc. The net impairment cost of £26.0m occurring at this time despite the relative strength of our Radio Ireland assets which continue to significantly outperform our competitors and have reported a £6.4m operating profit in 2011, is driven by the longer than expected recovery of the Irish economy.

Pension

The results of the UTV pension scheme's IAS 19 valuation at 31 December 2011 indicate a pension deficit of £8.6m (2010: £6.8m). A key assumption in arriving at this is the discount rate. The rate used in 2011 was 4.80%; the comparable rate in 2010 was 5.40%. Such is the impact of this rate that if the 2010 discount rate had been unchanged, the deficit would have been reduced to approximately £1.0m.

Dividend

Our dividend policy over the past few years has been shaped by the need to be cautious in difficult times and by our stated objective to reduce debt. While continuing to drive down debt and remaining prudent during uncertain economic conditions, our improved profit and debt profile allows us to be in a position to pay a significantly increased dividend. Accordingly, the Board is recommending a final dividend of 4.5p making a total for the year of 6.0p, which represents an increase of 50% from 2010. The final dividend will be paid on 16 July 2012 to all shareholders on the Register at the close of business on 25 May 2012.

Prospects

The year 2012 has started well for the Group despite the prevailing economic uncertainty. Overall, we expect revenues in the first four months of 2012 to be in line with budget. It is expected that the major sporting events during the summer of 2012, the UEFA Euro championships and the London Olympics, will have a positive impact in attracting a large volume of both listeners and viewers to our radio and television output, generating an attractive prospect for advertisers.

Our GB Radio division revenue is expected to be up by 8% in the first four months of 2012. This represents outperformance of the UK radio market which is likely to be up by about 5% in the same period. Three new licenses for local radio were acquired in February 2012, underlining the Group's commitment to our local radio business.

A similarly strong outperformance by our Irish radio division, notwithstanding the depressed Irish market, is expected with radio advertising down by 4% in the four months to the end of April at the same level as last year against a radio market sector, which sales agencies are suggesting is likely to be down by about 10%.

We expect television revenues to be down by 5% in the first four months of 2012 compared with last year, which should be broadly in line with the market. A new Network Affiliate Agreement (NAA) has been agreed with ITV plc in March 2012 providing greater flexibility for Television to operate more effectively on all platforms and driving forward its digital strategy. Our digital strategy has already seen encouraging growth in the online advertising medium and this success is expected to continue as the year progresses.

Our new media division performance over the first four months is in line with last year. In March 2012, the Group acquired a leading social media agency, Simply Zesty, based in the Republic of Ireland. This collaboration is expected to richly contribute to our strategy to further create a diversified multi-media business with both domestic and international customers.

Despite this positive outlook, the fragility of consumer confidence and the slow economic recovery should not be underestimated as these factors can foster volatility in the advertising markets in which we operate. Nevertheless, the combination of the solid foundation of the first four months trading, strong audience delivery in each of our divisions and a continued focus on cost control and debt management, should provide a measure of confidence to our shareholders for 2012.

People

Finally, I wish to thank the Board, the Chief Executive and his team, and all the staff who have made such a significant contribution to the successful achievements of the Group over the course of 2011. Such success could not be achieved without the extraordinary skills and creative talents of the people in the Group, which is sincerely appreciated.

I also wish to thank my predecessor as Chairman, John B McGuckian. John B made an outstanding contribution to the group over his 40 years as a Director, the last 20 years as Chairman.

I look forward to 2012 with anticipation and expectation. Once the changes to the Board structure have been completed this should serve to further strengthen the team, consolidate our governance and promote effective performance - the outcome of which will be the overall continued success of the Group.

Helen Kirkpatrick
Interim Chairman
20 March 2012

Group Income Statement

For the year ended 31 December 2011

	Notes	***Results before Exceptional Items 2011 £000***	*Exceptional Items 2011 £000*	*Total 2011 £000*	***Results before Exceptional Items 2010 £000***	*Exceptional Items 2010 £000*	*Total 2010 £000*
Continuing operations							
Revenue	2	**121,551**	-	121,551	**118,860**	-	118,860
Operating costs		**(94,841)**	-	(94,841)	**(93,003)**	-	(93,003)
Operating profit from continuing operations before tax and finance costs		**26,710**	-	26,710	**25,857**	-	25,857
Impairment of intangible assets	3	**-**	(45,000)	(45,000)	**-**	(35,000)	(35,000)
Share of results of associates accounted for using the equity method		**136**	-	136	**216**	-	216
(Loss)/profit from continuing operations before tax and finance costs		**26,846**	(45,000)	(18,154)	**26,073**	(35,000)	(8,927)
Finance revenue		**165**	-	165	**76**	-	76
Finance costs		**(3,653)**	-	(3,653)	**(4,760)**	-	(4,760)
Foreign exchange loss		**(15)**	-	(15)	**(80)**	-	(80)
(Loss)/profit from continuing operations before tax	2	**23,343**	(45,000)	(21,657)	**21,309**	(35,000)	(13,691)
Taxation	4	**(4,743)**	1,142	(3,601)	**(4,666)**	10,235	5,569
(Loss)/profit from continuing operations after tax		**18,600**	(43,858)	(25,258)	**16,643**	(24,765)	(8,122)
Discontinued operations							
Loss from discontinued operations		**(213)**	-	(213)	**(214)**	-	(214)
(Loss)/profit for the year		**18,387**	(43,858)	(25,471)	**16,429**	(24,765)	(8,336)
Attributable to:							
Equity holders of the parent		**17,972**	(43,858)	(25,886)	**16,012**	(24,765)	(8,753)
Non-controlling interest		**415**	-	415	**417**	-	417
		18,387	(43,858)	(25,471)	**16,429**	(24,765)	(8,336)

Earnings per share		**2011**	**2010**
Continuing operations			
Basic & diluted	5	(26.94)p	(8.95)p
Adjusted	5	19.08p	17.01p
Diluted adjusted	5	18.96p	16.93p
Continuing and discontinued operations			
Basic & diluted	5	(27.16)p	(9.17)p
Adjusted	5	18.86p	16.78p
Diluted adjusted	5	18.74p	16.70p

Group Statement of Comprehensive Income

For the year ended 31 December 2011

	2011	*2010*
	£000	*£000*
Loss for the year	**(25,471)**	(8,336)
Other comprehensive income		
Exchange difference on translation of foreign operations	**(2,328)**	(2,933)
Actuarial (loss)/gain on defined benefit pension schemes	**(3,281)**	3,043
Cash flow hedges:		
Loss arising during the year	**(448)**	(1,167)
Less transfers to the income statement	**550**	1,471
Tax relating to other comprehensive income	**783**	(878)
Other comprehensive loss for the year, net of tax	**(4,724)**	(464)
Total comprehensive loss for the year, net of tax	**(30,195)**	(8,800)
Attributable to:		
Equity holders of the parent	**(30,610)**	(9,217)
Non-controlling interest	**415**	417
	(30,195)	(8,800)

Group Balance Sheet

At 31 December 2011

	Notes	2011 £000	2010 £000
ASSETS			
Non-current assets			
Property, plant and equipment		11,273	10,695
Intangible assets		173,776	221,856
Investments accounted for using the equity method		126	172
Deferred tax asset		6,511	9,876
		191,686	242,599
Current assets			
Inventories		1,533	1,741
Trade and other receivables		25,857	28,180
Cash and short term deposits	8	7,205	11,250
		34,595	41,171
TOTAL ASSETS		226,281	283,770
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Equity share capital		55,557	55,557
Capital redemption reserve		50	50
Treasury shares		(1,523)	(1,258)
Foreign currency reserve		7,171	9,499
Cash flow hedge reserve		(521)	(581)
Retained earnings		22,414	54,441
		83,148	117,708
Non-controlling interest		469	475
TOTAL EQUITY		83,617	118,183
Non-current liabilities			
Financial liabilities	7	53,752	74,490
Derivative financial liabilities		207	370
Pension liability	9	8,569	6,800
Provisions		766	970
Deferred tax liabilities		35,932	38,416
		99,226	121,046
Current liabilities			
Trade and other payables		31,948	32,363
Financial liabilities	7	8,167	8,254
Derivative financial liabilities		479	420
Tax payable		2,409	3,076
Provisions		435	428
		43,438	44,541
TOTAL LIABILITIES		142,664	165,587
TOTAL EQUITY AND LIABILITIES		226,281	283,770

Group Cash Flow Statement

For the year ended 31 December 2011

	Note	*2011* *£000*	*2010* *£000*
Operating activities			
Loss before tax [(i)]		(21,870)	(13,905)
Adjustments to reconcile loss before tax to net cash flows from operating activities			
Foreign exchange loss		15	80
Net finance costs		3,488	4,684
Share of results of associates		(136)	(216)
Non-operational exceptional costs		45,000	35,000
Depreciation of property, plant and equipment		1,597	1,636
Profit from sale of property, plant and equipment		(31)	(21)
Share based payments		605	418
Difference between pension contributions paid and amounts recognised in the income statement		(1,512)	(1,156)
Decrease/(increase) in inventories		208	(272)
Decrease in trade and other receivables		2,102	3,143
Decrease in trade and other payables		(415)	(3,584)
Increase/(decrease) in provisions		37	(24)
Cash generated from operations before exceptional costs		29,088	25,783
Exceptional costs		(19)	(549)
Tax paid		(2,288)	(226)
Net cash inflow from operating activities		26,781	25,008
Investing activities			
Interest received		165	76
Proceeds on disposal of property, plant and equipment		31	151
Purchase of property, plant and equipment		(2,155)	(1,159)
Dividends received from associates		182	181
Outflow on acquisition of subsidiary undertaking		-	(13)
Outflow on acquisition of joint ventures		-	(69)
Net cash flows from investing activities		(1,777)	(833)
Financing activities			
Borrowing costs		(3,032)	(3,021)
Swap cost		(550)	(1,471)
Dividends paid to equity shareholders		(4,279)	(2,851)
Dividends paid to non-controlling interests		(421)	(689)
Acquisition of treasury shares		(265)	-
Repayment of borrowings		(20,474)	(13,233)
Net cash flows used in financing activities		(29,021)	(21,265)
Net (decrease)/increase in cash and cash equivalents		(4,017)	2,910
Net foreign exchange differences		(28)	(94)
Cash and cash equivalents at 1 January		11,250	8,434
Cash and cash equivalents at 31 December	8	7,205	11,250

[(i)] Includes both continuing and discontinued operations.

Group Statement of Changes in Equity

For the year ended 31 December 2011

	Equity share capital £000	*Capital redemption reserve £000*	*Treasury shares £000*	*Foreign currency reserve £000*	*Cashflow hedge reserve £000*	*Retained earnings £000*	***Share holder equity £000***	*Non-controlling interest £000*	***Total £000***
At 1 January 2010	55,557	50	(1,258)	12,432	(821)	63,409	**129,369**	747	**130,116**
Loss for the year	-	-	-	-	-	(8,753)	**(8,753)**	417	**(8,336)**
Other comprehensive (loss)/income in the year	-	-	-	(2,933)	240	2,229	**(464)**	-	**(464)**
Total net comprehensive (loss)/income in the year	-	-	-	(2,933)	240	(6,524)	**(9,217)**	417	**(8,800)**
Share based payment	-	-	-	-	-	418	**418**	-	**418**
Equity dividends paid	-	-	-	-	-	(2,862)	**(2,862)**	(689)	**(3,551)**
At 31 December 2010	55,557	50	(1,258)	9,499	(581)	54,441	**117,708**	475	**118,183**
Loss for the year	-	-	-	-	-	(25,886)	**(25,886)**	415	**(25,471)**
Other comprehensive (loss)/income in the year	-	-	-	(2,328)	60	(2,456)	**(4,724)**	_	**(4,724)**
Total net comprehensive (loss)/income in the year	-	-	-	(2,328)	60	(28,342)	**(30,610)**	415	**(30,195)**
Share based payment	-	-	-	-	-	605	**605**	-	**605**
Acquisition of treasury shares	-	-	(265)	-	-	-	**(265)**	-	**(265)**
Equity dividends paid	-	-	-	-	-	(4,290)	**(4,290)**	(421)	**(4,711)**
At 31 December 2011	55,557	50	(1,523)	7,171	(521)	22,414	**83,148**	469	**83,617**

Notes to the accounts

For the year ended 31 December 2011

1. Basis of preparation

The Group's financial statements consolidate those of UTV Media plc, and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Group for the year ended 31 December 2011 and applied in accordance with the Companies Act 2006. The accounts are principally prepared on the historical cost basis except where other bases are applied under the Group's accounting policies.

The financial information set out in the preliminary announcement does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006 in respect of the accounts for the year ended 31 December 2011. The statutory accounts for the year ended 31 December 2010, upon which the Company's auditors have given a report which was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006, have been delivered to the Registrar of Companies. The statutory accounts for the year ended 31 December 2011 have yet to be signed. They will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies in due course.

2. Revenue and segmental analysis

The Group operates in four principal areas of activity – radio in GB, radio in Ireland, commercial television and new media. These four principal areas of activity also form the basis on which the Group is managed and reports are provided to the Chief Executive and the Board. Discontinued operations relate to an interactive television business which ceased to trade in February 2011.

Revenue represents the amounts derived from the provision of goods and services which fall within the Group's ordinary activities, stated net of value added tax. Revenue from Radio and Television activities is generated from advertising and sponsorship. Revenue from New Media is generated from the provision of internet services. The amount of revenue derived from the sale of goods or other activities is immaterial and therefore has not been separately disclosed. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

The following tables present revenue and segment result information regarding the Group's business segments for the years ended 31 December 2011 and 2010.

Revenue

Year ended 31 December 2011

	Radio GB	*Radio Ireland*	*Television*	*New Media*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
Sales to third parties	52,065	22,514	35,569	11,403	121,551
Intersegmental sales	787	1,250	2,625	-	4,662
	52,852	23,764	38,194	11,403	126,213

Year ended 31 December 2010

	Radio GB	*Radio Ireland*	*Television*	*New Media*	*Total*
	£000	*£000*	*£000*	*£000*	*£000*
Sales to third parties	48,944	23,359	35,316	11,241	118,860
Intersegmental sales	754	1,388	2,333	-	4,475
	49,698	24,747	37,649	11,241	123,335

Results

Year ended 31 December 2011

	Radio GB £000	*Radio Ireland £000*	*Television £000*	*New Media £000*	*Total £000*
Segment operating profit before exceptional costs	12,291	6,438	6,453	1,528	26,710
Associate income					136
Profit before exceptional costs, tax and finance costs					26,846
Exceptional costs					(45,000)
					(18,154)
Net finance cost					(3,488)
Foreign exchange loss					(15)
Loss before taxation					(21,657)

Year ended 31 December 2010

	Radio GB £000	*Radio Ireland £000*	*Television £000*	*New Media £000*	*Total £000*
Segment operating profit before exceptional costs	11,475	6,992	5,470	1,920	25,857
Associate income					216
Profit before exceptional costs, tax and finance costs					26,073
Exceptional costs					(35,000)
					(8,927)
Net finance cost					(4,684)
Foreign exchange loss					(80)
Loss before taxation					(13,691)

3. Exceptional items

	2011	2010
	£000	£000
Impairment of intangible assets	(45,000)	(35,000)
Taxation	1,142	10,235
	(43,858)	(24,765)

Impairment of intangible assets

Despite improving listenership to our Republic of Ireland radio stations and the significant cost savings and efficiencies achieved over the past 24 months, the significant impact of the difficulties being experienced by the Republic of Ireland economy has necessitated a downward revision of our growth forecast in this market.

While lower costs of financing and more stable equity environment has secured a reduction in the discount factor applied in valuing our UK operations (a pre-tax discount rate of 11.5% in 2011 versus 12.8% in 2010), the requirement to account for sovereign risk has resulted in an increase in the discount rates to be applied in valuing our Republic of Ireland operations (a pre-tax discount rate of 12.3% in 2011 versus 11.8% in 2010).

The resultant reduction in the future cash flow forecasts coupled with the impact of higher discount rates, applied thereto, has resulted in a non-cash impairment charge of £45.0m and hence a reduction in the carrying value of the intangible assets in the Republic of Ireland. The higher Republic of Ireland discount rate, compared to that used for the UK, accounted for £19.0m of this impairment charge.

Year ended 31 December 2010

The impairment in 2010 related entirely to Local Radio in GB and reflected the revision of the cash flow forecasts for this cash generating unit as a result of a downward estimation of the growth opportunities in this sector coupled with the impact of an increase in the discount rate (pre-tax discount rate of 12.8% in 2010 versus 11.4% in 2009) applied to the cash flows.

The requirement under IAS36 to treat The Wireless Group acquisition as two cash generating units, means that the robust performance of talkSPORT, which has resulted in its value far exceeding our original forecasts, cannot be considered in conjunction with that of Local Radio. It was noted at this time that if considered in totality, there would have been no requirement for an impairment charge against the cost of investment in UTV Radio GB.

Taxation

During the year, the corporation tax rate in the UK was revised from 27% to 25% (effective from April 2012). Accordingly all the deferred tax assets and liabilities in respect of the reporting segments subject to UK corporation tax were restated to recognise the future gains or charges thereon at this rate. This resulted in a net credit of £1,142,000 in the year.

In 2010, the corporation tax rate in the UK was revised from 28% to 27% (effective from April 2011). Accordingly all the deferred tax assets and liabilities in respect of the reporting segments subject to UK corporation tax were restated to recognise the future gains or charges thereon at this rate. This resulted in a net credit of £785,000 in 2010.

In addition, during the year £Nil (2010: £9,450,000) was released from the deferred tax liability on the recognition of the impairment of intangible assets.

4. Taxation

Tax on profit on ordinary activities

	2011 £000	2010 £000
Current income tax:		
UK corporation tax on profits for the year	(949)	(922)
Adjustments in respect of previous years	(92)	(128)
	(1,041)	(1,050)
Foreign tax:		
ROI corporation tax on profits for the year	(594)	(539)
Adjustments in respect of previous years	18	(60)
	(576)	(599)
Total current tax	(1,617)	(1,649)
Deferred tax:		
Origination and reversal of timing differences	(3,761)	(3,442)
Adjustments in respect of previous years	635	425
Tax charge in the income statement on operating activities	(4,743)	(4,666)
Tax credit arising on exceptional costs	-	9,450
Exceptional deferred tax credit	1,142	785
Total tax (charge)/credit	(3,601)	5,569
The tax (charge)/credit in the Income Statement is disclosed as:		
Tax (charge)/credit on continuing operations	(3,601)	5,569
Tax credit on discontinued operations	-	-
Tax (charge)/credit in the income statement	(3,601)	5,569
Tax relating to items in the Statement of Comprehensive Income		
Deferred tax:		
Actuarial loss/(gain) on pension schemes	820	(821)
Revaluation of cash flow hedges	(29)	(64)
Valuation of long term incentive plan	(8)	7
Tax credit/(charge) in the statement of comprehensive income	783	(878)

5. Earnings per share

Basic earnings per share are calculated based on the profit for the financial year attributable to equity holders of the parent and on the weighted average number of shares in issue during the period.

Adjusted earnings per share are calculated based on the profit for the financial year attributable to equity holders of the parent adjusted for the exceptional items. This calculation uses the weighted average number of shares in issue during the period.

Diluted adjusted earnings per share are calculated based on profit for the financial year attributable to equity holders of the parent adjusted for the exceptional items. The weighted average number of shares is adjusted to reflect the dilutive potential of the Long Term Incentive Plan.

The following reflects the income and share data used in the basic, adjusted, diluted and diluted adjusted earnings per share calculations:

Net profit attributable to equity holders

	2011			2010		
	Continuing Operations £000	*Discontinued Operations £000*	*Total £000*	*Continuing Operations £000*	*Discontinued Operations £000*	*Total £000*
Net loss attributable to equity holders	(25,673)	(213)	(25,886)	(8,539)	(214)	(8,753)
Exceptional items	43,858	-	43,858	24,765	-	24,765
Total adjusted and diluted profit attributable to equity holders	18,185	(213)	17,972	16,226	(214)	16,012

Weighted average number of shares

	2011 thousands	*2010 thousands*
Shares in issue	95,903	95,903
Weighted average number of treasury shares	(600)	(500)
Weighted average number of shares for basic and adjusted earnings per share (excluding treasury shares)	95,303	95,403
Effect of dilution of the Long Term Incentive Plan	609	456
	95,912	95,859

Earnings per share

	2011	*2010*
From continuing and discontinued operations		
Basic and diluted	(27.16)p	(9.17)p
Adjusted	18.86p	16.78p
Diluted adjusted	18.74p	16.70p

From continuing operations

Basic and diluted	(26.94)p	(8.95)p
Adjusted	19.08p	17.01p
Diluted adjusted	18.96p	16.93p

From discontinued operations

Basic and diluted	(0.22)p	(0.22)p
Adjusted and diluted adjusted	(0.22)p	(0.22)p

6. Dividends

	£000	*£000*
Equity dividends on ordinary shares		
Declared and paid during the year		
Final for 2010: 3.00p (2009: 2.00p)	2,862	1,908
Interim for 2011: 1.50p (2010: 1.00p)	1,428	954
Dividends paid	4,290	2,862
Proposed for approval at Annual General Meeting (not recognised as a liability at 31 December)		
Final dividend for 2011: 4.50p (2010: 3.00p)	4,284	2,862

7. Financial liabilities

	2011 *£000*	*2010* *£000*
Current		
Current instalments due on bank loans	8,167	8,254
Non-current		
Non-current instalments due on bank loans	53,752	74,490
	61,919	82,744

The financial liabilities at 31 December 2011 are stated net of £249,000 (2010: £419,000) of deferred financing costs.

8. Net Debt

	2011 *£000*	*2010* *£000*
Bank loans	(61,919)	(82,744)
Cash and short term deposits	7,205	11,250
	(54,714)	(71,494)

9. Pension schemes

The IAS 19 deficit at 31 December 2011 is £8,569,000 compared with a deficit of £6,800,000 at 31 December 2010. The increase in the deficit was primarily driven by a decline in the discount rate assumption arising from the reduction in corporate bond yields which increased the scheme's liabilities.

The Group funded a discretionary amount of £1,181,000 towards the actuarial deficit in 2011 (2010: £1,181,000) by means of a cash transfer and has agreed to make further payments of £1,181,000 in each year from 2012 to 2014.

10. Related party transactions

The nature of related parties disclosed in the consolidated financial statements for the Group as at and for the year ended 31 December 2010 has not changed. There have been no significant related party transactions in the year ended 31 December 2011.

This summary has been approved by our Directors for release to the Press today 20 March 2012 and the full printed Annual Report and Accounts will be posted to Shareholders and Stock Exchanges on 18 April 2012. Copies will be available to the public at the Company's registered office Ormeau Road, Belfast BT7 1EB from that date.