



Business Update

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Future plc

Business update

***TI Media integration progressing in line with expectations
Strong trading performance continues
Group on track for FY20 performance towards top end of expectations***

Future plc (LSE: FUTR, "Future", "the Group"), the global platform for specialist media, today provides an update on both the integration of TI Media, which completed on 20 April 2020, and Group trading.

The Group is pleased to report that the integration of TI Media is progressing in line with expectations. On 22 May 2020, the Group announced the first phase of the integration process which included: i) The launch of new websites in TI Media's content verticals; ii) Migrating TI Media's websites with the largest global opportunity onto Future's Vanilla website platform; and iii) Leveraging Future's proprietary technology platform on current TI Media digital properties. To date we have made good progress against these priorities, as outlined below:

Launch of new websites utilising TI Media expertise

- Gardeningetc.com launched in June, and Whattowatch.com and Fitandwell.com launched this month
- All brand launches have accessed the editorial expertise of TI Media and the content archive

Migrating TI Media websites

- Home&Gardens.com and Woman&Home.com both on track for migration onto our unique Vanilla website platform by the end of October
- New sales and marketing resource hired in US to help drive the launch of these brands, in line with strategy to expand US reach

Leveraging Future's proprietary technology platform

- Hawk - our price comparison technology that helps consumers find the best deals in the market - has been successfully deployed onto Cyclingweekly.com and Woman&Home.com, with the majority of the rest of the portfolio planned to be moved onto Hawk over the summer
- Hybrid - our leading advertising technology - is expected to be rolled out across the TI Media estate in August

Executive leadership team appointments

As previously announced, Rachel Addison was appointed as Chief Financial Officer of the Group, effective 1 June 2020. Andrea Davies, Angie O'Farrell and Adrian Hughes, also from TI Media, have all joined the leadership team at Future, following the completion of TUPE at the end of June, bringing their experience and expertise to the Group.

Synergies

On 30 October 2019, when the Group announced the acquisition of TI Media, it also stated that expected cost synergies of £15m per annum will be achieved within 24 months. The Group outlined that total restructuring costs of £9m across both back-office and front-office functions and other overhead costs will be incurred by the end of FY21 to deliver these cost savings. Progress on the delivery of these savings is well underway, with the original synergies being validated, and annual cost synergies of over £9m already secured, of which c.£3m will benefit FY20. As part of the next phase in the delivery of these synergies, the Group is commencing a consultation process with employee representatives in relation to a proposed reduction in workforce. The Group continues to expect that synergies will be delivered in line with the original cost-to-achieve ratio.

Group trading

The Group continues to benefit from the effect of its diversified revenue streams and operating leverage. With approximately two months of the current financial year remaining, as a result of the combined effect of strong digital audience numbers - helped by an increased consumer shift to digital media during the Covid-19 lockdown - strong cost control and the acceleration of synergies following the TI acquisition, FY20 trading is currently expected to be towards the top end of market expectations*. In recognition of the Group's continued strong performance, it is repaying the support previously received from the UK Government furlough scheme.

Zillah Byng-Thorne, CEO of Future, said:

"Building on our strong track record of successfully integrating acquisitions, we are pleased that the integration of TI Media is progressing in line with our expectations.

"We remain confident in the long-term opportunity to create value through integrating TI Media's brands into our unique portfolio and optimising their performance by leveraging our technology platform to build digital presence, introduce new revenue models and capitalise on the opportunity to expand our reach beyond the UK, particularly in the US. Furthermore, the strong Group performance we reported at our half-year results has continued and we remain confident of delivering another year of growth within our portfolio and further strategic progress."

** The current consensus range for adjusted EBITDA for the year ending 30 September 2020 (FY20) is £86.3m to £91.0m. Reported FY19 adjusted EBITDA was £54.5m.*

Enquiries

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About Future

Future is a global platform business for specialist media with diversified revenue streams. Its content reaches 1 in 3 adults in both the UK and the US.

The Media division is high-growth with three complementary revenue streams: eCommerce, events and digital advertising including advertising within newsletters. It operates in a number of sectors including technology, games, music, home interest, hobbies and B2B and its brands include Truly, TechRadar, PC Gamer, Tom's Guide, Android Central, Homebuilding & Renovating Show, GamesRadar+, The Photography Show, Top Ten Reviews, Live Science, Guitar World, MusicRadar, Space.com and Tom's Hardware.

The Magazine division focuses on publishing specialist content, with a combined global circulation of over 3 million delivered through more than 220 publications. The portfolio spans technology, games and entertainment, sports, music, creative and photography, hobbies, homes and garden, real life, country lifestyle, TV and film and B2B. Its titles include Country Life, Wallpaper*, Classic Rock, Guitar Player, FourFourTwo, Homebuilding & Renovating, Digital Camera, Guitarist, How It Works, woman&home, Total Film, What Hi-Fi? and Music Week.

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