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23 February 2016

The Vitec Group plc

2015 Full Year Results

Investing for growth in a focused Broadcast & Photographic business

The Vitec Group plc ("Vitec" or "the Group"), the international provider of products and services for the Broadcast and Photographic markets, announces its audited results for the year ended 31 December 2015.

Results	2015	2014	% Change	% Change *at constant exchange rates*
Revenue	£317.8m	£309.6m	+2.6%	+1.3%
Operating profit*	**£35.4m**	**£38.8m**	**-8.8%**	**-1.8%**
Profit before tax*	**£31.5m**	**£35.3m**	**-10.8%**	**-3.7%**
Adjusted earnings per share*	**49.4p**	**55.9p**	**-11.6%**	
Operating profit	£22.4m	£27.6m	-18.8%	
Profit before tax	£18.5m	£20.1m	-8.0%	
Basic earnings per share	29.3p	29.4p	-0.3%	
Free cash flow+	£16.2m	£18.2m		
Net debt	£76.3m	£70.9m		
Total dividend per share	24.6p	24.0p	+2.5%	

Key Points

- **Full year performance in line with the Board's expectations**
- **Benefits from new products, acquisitions and IMT exit offset by anticipated headwinds from FX and non-repeat of Sochi Winter Olympics and FIFA World Cup**
- **Growth in revenue and operating profit* at constant exchange rates excluding prior year impact of major sporting events**
- **Investments in higher technology products and related markets generating good growth**
- **Streamlining of activities with lower growth prospects on track and further actions planned**

** Before restructuring costs and charges associated with acquired businesses. Restructuring costs were £4.9 million (2014: £2.7 million) and charges associated with acquired businesses were £8.1 million (2014: £8.5 million). The charges associated with acquired businesses are described in Note 1 below.*
+ Free cash flow: cash generated from operations in the financial year after net capital expenditure, net interest and tax paid.

Commenting on the results, Stephen Bird, Group Chief Executive, said:

"We have continued to invest additional resources in driving new product sales in line with our strategy. As expected, the full year results reflect the non-repeat of the 2014 Sochi Winter Olympics and FIFA World Cup, and an anticipated negative impact from foreign exchange. There was growth in revenue and operating profit over the prior period excluding these items. The Group is making good progress in streamlining certain activities with lower growth prospects, with some further actions being taken to drive profitable growth.*

The Broadcast Division performed satisfactorily in variable market conditions. Our higher technology product businesses are performing well, including further strong growth of our wireless products. This partially offset lower sales of large camera supports, the non-repeat of major sporting events, and investments in the future growth of our higher technology businesses.

The Photographic Division continued to face challenging markets, particularly in the US, but there are some signs of stabilisation. The Division delivered broadly similar sales to the prior year at constant exchange rates, having benefitted from the launch of new products and expanding its distribution geographically and across online distribution channels.

Vitec remains in a sound financial position and the Board remains confident about the future growth prospects of the Group. Although challenging market conditions look likely to continue in 2016, we have taken actions to streamline our lower growth businesses while building a strong platform and making investments in higher technology products that will position us to grow sales and margins in the future."

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Notes

1. Charges associated with acquired businesses were £8.1 million (2014: £8.5 million). These consisted of £5.4 million for the amortisation of acquired intangible assets (2014: £3.4 million), £0.1 million of transaction costs relating to acquisitions (2014: £0.9 million), and £2.6 million fair value adjustment to contingent consideration since the date of acquisition (2014: £4.2 million).
2. This statement is based on information sourced from management estimates.
3. Current market exchange rates as at 19 February 2016: £1 = $1.43, £1 = €1.28, €1 = $1.11, £1 = Yen161.
4. 2015 average exchange rates: £1 = $1.53, £1 = €1.38, €1 = $1.11, £1 = Yen185.
5. 2014 average exchange rates: £1 = $1.65, £1 = €1.24, €1 = $1.33, £1 = Yen174.
6. The Company's Annual General Meeting ("AGM") will be held on Wednesday, 18 May 2016. The 2015 Annual Report and Accounts and Notice of AGM will be posted to shareholders and available on the Company's website from Tuesday, 15 March 2016.

2015 Performance Overview

Reported revenue increased by 2.6% to £317.8 million (2014: £309.6 million) and operating profit* decreased to £35.4 million (2014: £38.8 million). These results reflect the benefit from acquisitions, new product launches and the disposal of the IMT business in 2014, offset by an anticipated foreign exchange headwind, and the non-repeat of the 2014 Sochi Winter Olympics and FIFA World Cup.

The Broadcast Division performed satisfactorily in variable market conditions. The Division's results included strong sales of higher technology products including wireless transmitters and receivers, camera monitors, mobile power and LED lighting products. We have continued to invest in higher growth segments of the market resulting in higher revenue that has been partly offset by lower broadcast service revenue due to the non-repeat of major sporting events, and lower sales of large camera supports.

The Photographic Division delivered sales at a broadly similar level to the prior year at constant exchange rates in a challenging market. Sales benefitted from the launch of a number of new product ranges. Profit* was lower than the prior year reflecting investments to launch new products and to upgrade our online offering and in-store presence.

The Group gross margin* % was 80 bps lower than the prior period at 40.8% (2014: 41.6%). This reflects a 150 bps adverse impact from foreign exchange partly offset by the beneficial impact of acquisitions, a disposal, and increased sales of higher technology products.

Operating expenses* were £4.4 million higher than in 2014 at £94.4 million. This reflects a full year effect of acquisitions net of the IMT disposal, investments in new and higher technology products in the Broadcast Division, and investments to drive sales in the Photographic Division.

The reported results reflect a significant impact from foreign exchange. Revenue increased by £4.2 million year-on-year due to the benefit of translational exchange gains and therefore revenue at constant currency was 1.3% higher. There was a £2.7 million adverse year-on-year impact on operating profit* from foreign exchange, principally reflecting the unwinding of previous cash-flow hedges that are part of the Group's well established hedging policy. Operating profit* was 1.8% lower on a constant currency basis.

The operating profit* margin % at 11.1% was 140 bps lower than prior year (2014: 12.5%). This mainly reflects the negative effect of foreign exchange of 100 bps, the impact of acquisitions and a disposal, and targeted investments in research and development and sales and marketing initiatives. There was also a £0.5 million initial benefit from the 2015 restructuring actions that will further benefit the business in 2016.

The investment in new product development and innovation was higher than the prior year at 4.5% of Group product sales (2014: 4.1%). Research, development and engineering expenditure on a like-for-like basis was £12.9 million (2014: £11.3 million) after adjusting for capitalised development expenditure of £2.9 million (2014: £3.4 million) and £1.4 million of amortisation (2014: £0.8 million).

Profit before tax* of £31.5 million was £3.8 million lower than the prior year (2014: £35.3 million). Adjusted earnings per share* decreased by 11.6% to 49.4 pence per share (2014: 55.9 pence per share). Group profit before tax of £18.5 million (2014: £20.1 million) was after £4.9 million of restructuring costs (2014: £2.7 million) and £8.1 million charges associated with acquired businesses (2014: £8.5 million). 2014 also included a £4.0 million loss arising from the disposal of the IMT business.

Free cash flow+ of £16.2 million (2014: £18.2 million) is reported after £3.5 million of cash outflows on restructuring actions (2014: £3.2 million). The year-on-year decrease mainly reflects lower operating profit*, and higher net interest and tax payments, partly offset by a lower net investment in working capital. There was a total cash outflow of £3.3 million (2014: £7.3 million outflow) after investing £9.0 million in acquisitions (2014: £13.3 million), including £5.2 million of deferred consideration due to Teradek's performance in 2014, and £10.7 million of dividend payments (2014: £10.3 million).

Net debt at 31 December 2015 was £76.3 million (31 December 2014: £70.9 million) including a net adverse foreign exchange impact of £2.1 million. The Group's balance sheet remains strong with a year end net debt to EBITDA ratio (covenant definition) of 1.5 times (31 December 2014: 1.2 times).

The Board has recommended a final dividend of 15.1 pence per share (2014: 14.7 pence per share). The final dividend, if approved by our shareholders at the 2016 AGM to be held on Wednesday, 18 May 2016, will be paid on Friday, 20 May 2016. This will bring the total dividend for 2015 to 24.6 pence per share (2014: 24.0 pence per share).

** Before restructuring costs and charges associated with acquired businesses. Profit before tax and adjusted earnings per share are also before disposal of business. These are defined on page 1 of this announcement.*
+ Cash generated from operations after net capital expenditure, net interest and tax paid.

Driving profitable growth in a changing market

The Group is investing in its higher technology product businesses and streamlining those activities with lower growth prospects. The restructuring actions identified in our 2015 half year results announcement are underway and progressing to plan.

As a result of continuing challenging markets, we are supplementing our initial actions that were predominantly in the Broadcast Division with the streamlining of additional operations. This includes the restructuring of some back office operations within our Photographic Division and further actions within our Broadcast businesses. As a result, the one-off costs are anticipated to increase from the previously announced estimate of £6 million to approximately £10 million, the majority of which will be in cash. These overall actions, which principally relate to restructuring in the UK, US and Europe, will be completed by the end of 2016 and will deliver an approximate two year payback on an annualised basis.

Post year-end we have sold the main UK Broadcast manufacturing site in Bury St Edmunds for proceeds of £3.9 million. We plan to relocate the business to a smaller, more efficient, leased facility nearby, having transferred a significant proportion of the manufacturing to Costa Rica in recent years, and will use the net cash proceeds from the sale to reduce the Group's debt.

Delivering our strategy

The Group continued to implement its strategy of focusing on its core Broadcast and Photographic markets and investing and growing sales in new technologies and regions. Our core markets are showing some signs of stabilisation and are expected to grow in the medium-term. This growth is being driven by the increase in the capture and sharing of high quality images, and by the continued evolution of new technologies.

Our strategy is to grow the Group's core business by leveraging our premium brands and strong market positions supported by new product development. This includes launching new premium products and services, particularly for the growing number of independent content creators. These independent content creators provide video to a growing number of platforms including educational and religious establishments, corporate entities and governmental bodies.

In our Broadcast market we have launched a number of innovative products including: Teradek's VidiU Pro and COLR; the Paralinx Ace; and new ranges of SmallHD on-camera monitors. The Teradek VidiU Pro is an easy to use portable device that enables users to broadcast their events live to the internet. The Teradek COLR is a camera accessory that allows creative colour correction to be completed in real time on a cinema camera. The Paralinx Ace is a lightweight, portable device offering uncompressed real-time wireless monitoring ideal for UAVs and drones. The SmallHD 702 Bright is an on-camera field monitor offering very high brightness and reduced glare, allowing high resolution monitoring and accurate colour correction in outdoor daylight.

In our Photographic market we have launched the Manfrotto Digital Director – an Apple-certified electronic device that connects a camera and iPad and enables photographers to fully control the camera through the iPad. We have also launched a new range of LED lights specifically for photographers and two new ranges of Manfrotto branded bags and accessories for action cameras and drones.

Vitec has a broad geographic spread and a direct presence in 10 countries: the UK, the US, Costa Rica, France, Germany, Italy, the Netherlands, Japan, China and Singapore. In 2015, 47% of our revenues by destination came from North America, with the remainder split between Europe 30%, Asia-Pacific 18%, and Rest of World 5%. We believe that the Asia-Pacific region is a particularly important medium-term growth market with good opportunities. We have continued to make investments in this region including the introduction of a new direct distribution model in China for the Photographic Division.

The Group continues to identify and make appropriate, value-adding acquisitions. This year's acquisitions have met our pre-acquisition expectations and introduced a number of leading edge products. In 2015, Vitec acquired Paralinx, a leading provider of high quality wireless radio transmission systems, which has been fully integrated into the Teradek wireless business. In January 2016 we acquired Provak for a net consideration of £0.9 million. Provak is a photographic distribution business based in the Netherlands which will complement our owned distribution channels.

Broadcast Division

The Broadcast Division designs, manufactures and distributes premium branded products for broadcasting, film and video production for broadcasters and independent content creators. It also provides premium services including equipment rental and technical solutions to TV production teams and film crews. It offers a complete one-stop solution for producers globally, enabling customers to deliver the most demanding projects.

Broadcast Division **	2015	2014	% Change	% Change *at constant exchange rates*
Revenue	£189.0m	£171.1m	+10.5%	+7.0%
Operating Profit*	£20.3m	£21.2m	-4.2%	-1.3%
Operating Margin*	10.7%	12.4%	-170 bps	-100 bps

** Before restructuring costs and charges associated with acquired businesses as defined on page 1 of this announcement.*
*** 2014 results exclude sales of £7.6 million and operating loss* of £1.3 million from IMT which was disposed in 2014.*

The broadcast market has seen variability in demand in 2015, with a more positive US market offsetting more challenging conditions in EMEA. Despite the non-repeat of large sporting events, the Division has grown revenue at constant exchange rates. It has further expanded its offering of higher technology products to the independent content creator segment, which has shown continued strong growth. This has offset lower sales of large camera supports.

Revenue for 2015 was £189.0 million, an increase of 10.5% on the prior year after excluding the IMT business that Vitec exited in 2014. At constant exchange rates sales grew by 7.0% on the prior year. Underlying sales at constant currency increased by 11.7% after excluding the benefit of the Winter Olympics and FIFA World Cup in the prior year. Acquisitions contributed £13.4 million of the year-on-year underlying increase.

Operating profit* at £20.3 million was £0.9 million below 2014, reflecting the non-repeat of major sporting events and a £0.6 million adverse impact from foreign exchange, partially offset by the benefit of acquisitions and new product launches. At constant exchange rates and excluding the impact of the Olympics and World Cup, operating profit* increased by 15.0% and the operating margin* % improved by 30 bps. Acquisitions contributed £1.3 million of the year-on-year underlying increase.

We have continued to invest in new product development in line with the changing nature of the broadcast market. New products include two ranges of SmallHD camera monitors; wireless transmitters and receivers; several LED lights for broadcasters; and broadcast batteries.

While driving the development of sales of newer high technology products, we are streamlining certain activities with lower growth prospects. This includes simplifying and improving our systems and processes within the Division.

Teradek, our wireless products business, continues to grow strongly and benefitted from the integration of Paralinx acquired in February 2015. We continue to invest in product development and engineering resources to support the future development of the business.

SmallHD, the camera monitor business acquired in December 2014, is growing sales with two new series of monitors launched during 2015. As anticipated this investment in future growth is impacting margins in the short-term.

Our mobile power and LED lighting businesses grew following the launch of new product ranges at the end of 2014. In the camera supports business, sales decreased due to a lower level of investment in larger supports by studios.

Haigh-Farr, our conformal antennas business, benefitted from certain non-recurring revenues during 2015. We plan to make a number of cost investments in this business in 2016.

The equipment rental and services business saw a decrease in revenue as a result of the non-repeat of the Olympics and World Cup, partly offset by growth in premium technical solutions revenue. We continue to focus on driving sales and securing attractive pricing for our premium services. This business will benefit from supporting the Olympics in Rio de Janeiro in 2016.

Photographic Division

The Photographic Division designs, manufactures and distributes premium branded equipment for photographic and video cameras and provides dedicated solutions to professional and non-professional image takers. This consists primarily of camera supports, tripods, camera bags, lighting supports, LED lights, lighting controls and filters. We also supply an expanding range of premium accessories for action cameras, drones and smartphones.

Photographic Division	2015	2014	% Change	% Change *at constant exchange rates*
Revenue	£128.8m	£130.9m	-1.6%	-0.8%
Operating Profit*	£15.1m	£18.9m	-20.1%	-10.0%
Operating Margin*	11.7%	14.4%	-270 bps	-120 bps

** Before restructuring costs and charges associated with acquired businesses as defined on page 1 of this announcement.*

The Photographic Division has continued to face challenging markets, with data from the Camera & Imaging Products Association (CIPA) indicating a slowing in the rate of decrease in global shipments of interchangeable lens cameras after several years of double digit decline. There are some signs of stabilisation, including an increase in demand for high-end DSLRs and premium compact system cameras.

Revenue decreased by 1.6% to £128.8 million, and was 0.8% lower than prior year at constant exchange rates. In challenging markets, sales of our core camera supports performed well and we are pleased with the sales of new products. We increased revenue through our owned distribution channels outside the US, offset by lower sales through our third party distributors into the Russian and Middle East markets.

We have continued to launch new, innovative products across all of our product ranges including the Manfrotto Digital Director, LED lights, Off road accessories for action cameras, Aviator accessories for drones, and additions to the successful Manfrotto 190, BeFree and PIXI tripod ranges.

Our Manfrotto branded range of bags continued to gain market share following the consolidation of the portfolio under the Manfrotto brand, which was completed in the first half of the year. Sales have benefitted from four new ranges of bags launched in 2015. We are pleased with the performance in this segment, which has been the most affected by lower interchangeable lens camera sales over the last few years.

Operating profit* decreased by £3.8 million to £15.1 million including a £2.1 million adverse impact from currency. The underlying decrease in operating profit* reflects marketing investment in new product launches, the implementation of a worldwide premier dealership programme, and further investment in our online sales platform.

As part of our sales and marketing initiatives, we have changed our distribution model in China and moved to selling direct rather than through third parties. We have invested further in our owned distribution channels including the acquisition in January 2016 of Provak, formerly our distribution partner in the Netherlands.

We continue to take actions to improve profitability by strengthening and streamlining the Division, and investing in growth segments and geographies. During 2016 we will continue to drive savings by streamlining the Division and through the continued implementation of lean processes.

Financial Detail

Management's estimate of the main drivers that reconcile the 2015 to the 2014 operating profit* are summarised in the following table:

Operating profit * Bridge (£ million)		
2014 Operating profit*		38.8
Underlying gross profit*	0.1	
Restructuring savings	0.5	
Underlying operating expenses*	(3.9)	
		(3.3)
Acquisitions	1.3	
Disposals	1.3	
		2.6
Foreign exchange effects:		
- Translation	(0.5)	
- Transaction after hedging	(2.2)	
		(2.7)
2015 Operating profit*		35.4

** Before restructuring costs and charges associated with acquired businesses as defined on page 1 of this announcement.*

Net financial expense

Net financial expense totalled £3.9 million (2014: £3.5 million) mainly reflecting the benefit from a one-off receipt of £0.3 million interest on a repayment from the Costa Rica tax authorities in 2014. Interest payable was £4.0 million (2014: £3.6 million) and was covered 13 times (2014: 15 times) by earnings before interest, tax, depreciation and amortisation.

Profit before tax

Profit before tax* decreased by £3.8 million to £31.5 million (2014: £35.3 million). The reported profit before tax after restructuring costs, charges associated with acquired businesses and disposal of business decreased by 8.0% to £18.5 million (2014: £20.1 million).

Taxation

The effective taxation rate on profit before tax* was 30% in 2015 (2014: 30%). We anticipate that the tax rate will remain at 30% in 2016. The Group's tax charge is higher than the UK statutory rate because the majority of our profits arise in overseas jurisdictions with higher tax rates.

Earnings per share

Earnings per share before restructuring costs, charges associated with acquired businesses and disposal of a business was 49.4 pence per share (2014: 55.9 pence per share). The basic reported earnings per share was 29.3 pence per share (2014: 29.4 pence per share).

Acquisitions

In February 2015, the Group acquired the assets of Paralinx LLC, based in the US, for a net cash consideration of $6.2 million (£4.0 million). Paralinx is a leading provider of high quality wireless video transmission systems and has been fully integrated into the Teradek business.

In November 2015, the Group acquired the whole of the issued share capital of Panlight Limited, a private company based in the UK, for a consideration of £0.1 million. Panlight has developed a remote controlled lightweight pan and tilt device which gives directional control of speedlight flashes, LED lighting and Wi-Fi controlled mirrorless cameras. Panlight operates within the Photographic Division.

In January 2016, the Group acquired the whole of the issued share capital of Provak, incorporated as Provak Foto Film B.V., our former distribution partner in the Netherlands for a net consideration of £0.9 million.

We continue to review various acquisition opportunities. These will be assessed as to the strategic, commercial and financial benefits that they could provide against acceptable risk parameters.

Restructuring costs

In 2015 there was a restructuring charge of £4.9 million (2014: £2.7 million) relating to actions to streamline operations with lower growth prospects, which we commenced in the second half of 2015. These actions relate predominantly to redundancy costs and are progressing in line with our plans.

The total year-on-year benefit from these restructuring actions to our profitability was £0.5 million (2014: £4.0 million). Cash outflows relating to restructuring were £3.5 million in the year (2014: £3.2 million) and we estimate a further £8 million outflow during 2016.

Charges associated with acquired businesses

The 2015 charges relate to the Group's acquisition activities and amortisation of previously acquired intangibles.

The amortisation of acquired intangibles of £5.4 million (2014: £3.4 million) related to: Manfrotto Lighting (formerly Lastolite) acquired in March 2011; Haigh-Farr acquired in December 2011; Camera Corps acquired in April 2012; Teradek acquired in August 2013; SIS acquired in March 2014; Autocue acquired in October 2014; SmallHD acquired in December 2014; and Paralinx acquired in February 2015.

Transaction costs of £0.1 million were incurred in relation to the acquisitions of Paralinx and Panlight. (2014: £0.9 million in relation to the acquisitions of SIS, Autocue and SmallHD).

Contingent consideration of £2.6 million ($4.0 million) was accrued during the year to be paid to the previous owners of Teradek in 2016 in relation to the business's performance in 2015 and is subject to final agreement. The business has delivered strong growth in the year and has performed ahead of our pre-acquisition expectations.

Cash flow and net debt

Cash generated from operating activities was £41.7 million (2014: £42.0 million).

The Group uses a number of key performance indicators to manage cash including the percentage of operating cash flow‡ generated from operating profit*, the percentage of working capital to sales, inventory days, trade receivable days and trade payable days. Inventory, trade receivable and trade payable days are stated at year-end balances; inventory and trade payable days are based on Q4 cost of sales (excluding exchange gains/losses) while trade receivable days are based on Q4 revenue.

The operating profit* into operating cash flow‡ conversion at 83% is higher than 73% conversion achieved in 2014. This mainly reflects the timing of cash flows and changes in working capital levels in response to changing markets. 78% cash conversion over the last two years is consistent with our established track record for strong cash generation.

The working capital to sales metric has increased to 18.9% (31 December 2014: 17.9%) and overall working capital increased by £5.2 million (2014: £6.9 million increase).

Trade receivable days decreased to 40 days (2014: 41 days) and remain well controlled with a good ageing profile. Trade and other receivables decreased by £0.8 million (2014: £2.7 million increase) on positive collection efforts across the Group.

Inventory increased by £3.0 million (2014: £2.1 million increase) to £58.9 million at the year-end, reflecting acquisitions, new products, and geographical sales initiatives. Inventory days increased to 105 days (2014: 100 days).

Trade payable days decreased to 44 days (2014: 49 days). There was a £3.0 million overall decrease in trade and other payables (2014: £2.1 million decrease) including lower commission accruals.

Capital expenditure, including £4.2 million of software and capitalised development costs (2014: £4.7 million), totalled £20.6 million (2014: £22.2 million), of which £10.9 million (2014: £12.7 million) related to rental assets. This was partly financed by the proceeds from rental asset disposals of £4.4 million (2014: £5.0 million). Overall capital expenditure was equivalent to 1.3 times depreciation (2014: 1.4 times) and included investments in manufacturing processes and production tooling.

The net tax paid in 2015 of £5.6 million was higher than the £3.5 million paid in 2014 due to timing of tax payments.

As a result, free cash inflow+ decreased by £2.0 million to £16.2 million (2014: £18.2 million).

Free cash flow+	2015	2014
Operating profit *	£35.4m	£38.8m
Depreciation (1)	£16.2m	£16.1m
Changes in working capital	(£5.2m)	(£6.9m)
Restructuring costs	(£3.5m)	(£3.2m)
Other adjustments (2)	(£1.2m)	(£2.8m)
Cash generated from operating activities	**£41.7m**	**£42.0m**
Purchase of property, plant and equipment	(£16.4m)	(£17.5m)
Capitalisation of software and development costs	(£4.2m)	(£4.7m)
Proceeds from sale of property, plant and equipment and software	£4.7m	£5.2m
Interest paid	(£4.0m)	(£3.3m)
Tax paid	(£5.6m)	(£3.5m)
Free cash flow+	**£16.2m**	**£18.2m**

** Before restructuring costs and charges associated with acquired businesses as defined on page 1 of this announcement.*

+ Cash generated from operating activities after net capital expenditure, net interest and tax paid.

‡ Cash generated from operating activities after net capital expenditure, before restructuring costs paid.

(1) Includes depreciation and amortisation of software and capitalised development costs.

(2) Includes change in provisions, share based payments charge, gain on disposal of property, plant and equipment, fair value derivatives and transaction costs relating to acquisitions.

There was a £9.0 million net cash outflow relating to acquisitions during the year (2014: £13.3 million). There was a net cash outflow in the period of £0.7 million relating to costs provided for on the disposal of IMT in 2014. (2014: £1.3 million).

Dividends paid to shareholders totalled £10.7 million (2014: £10.3 million) and there was a net cash inflow in respect of shares purchased and issued of £0.9 million (2014: £0.6 million net outflow). The net cash outflow for the Group was £3.3 million (2014: £7.3 million outflow) which, after £2.1 million adverse exchange (2014: £2.1 million adverse), increased the net debt to £76.3 million (2014: £70.9 million).

Treasury

Vitec manages its financing, hedging and tax planning activities centrally to ensure that the Group has an appropriate structure to support its geographically diverse business. It has clearly defined policies and procedures with any substantial changes to the financial structure of the Group, or to its treasury practice, referred to the Board for approval. The Group operates strict controls over all treasury transactions including clearly defined currency hedging processes to reduce risks from volatility in exchange rates.

The Group is hedging a portion of its forecast future foreign currency transactions to reduce the volatility from changes in exchange rates. Our main exposure relates to the US Dollar and the table below summarises the contracts held as at 31 December 2015:

Currency hedging	December 2015	Average rate of contracts	December 2014	Average rate of contracts
US Dollars sold for Euros				
Forward contracts	$47.2m	1.15	$36.0m	1.33
US Dollars sold for Sterling				
Forward contracts	$21.0m	1.52	$14.8m	1.62

The Group does not hedge the translation of its foreign currency profits. A portion of the Group's foreign currency net assets are hedged using the Group's borrowing facilities.

Financing activities

The Group's principal financing facility is a £100 million five year multi-currency revolving credit facility involving five relationship banks, expiring on 19 July 2017. At the end of December 2015, £53.9 million (2014: £45.8 million) of the facility was utilised.

The Group has a $50 million (£33.7 million) private placement facility which has been drawn down in two tranches of $25 million each. This financing has a combined fixed interest rate of 4.77% and is due for repayment on 11 May 2017.

The Group therefore has a total of £133.7 million of committed facilities at the year-end with drawings of £87.6 million (31 December 2014: £77.9 million).

The average cost of borrowing for the year which includes interest payable, commitment fees and amortisation of set-up charges was 4.1% (2014: 4.3%) reflecting an interest cost of £4.0 million (2014: £3.6 million).

The Board has maintained an appropriate capital structure without exposing the Group to unnecessary levels of risk and Vitec has operated comfortably within its loan covenants during 2015.

Foreign Exchange

2015 operating profit* included a £2.7 million net adverse foreign exchange effect after hedging, mainly due to less favourable £/$ and £/€ rates when compared to 2014.

Dividend

The Directors have recommended a final dividend of 15.1 pence per share amounting to £6.7 million (2014: 14.7 pence per share, amounting to £6.5 million). The dividend, subject to shareholder approval at the AGM, will be paid on Friday, 20 May 2016 to shareholders on the register at the close of business on Friday, 22 April 2016. This will bring the total dividend for the year to 24.6 pence per share (up 2.5%). A dividend reinvestment alternative is available with details available from our registrars, Capita Asset Services.

Principal risks and uncertainties

Vitec is exposed to a number of risk factors which may affect its performance. The Group has a well-established framework for reviewing and assessing these risks on a regular basis, and has put in place appropriate processes and procedures to mitigate against them. However, no system of control or mitigation can completely eliminate all risks. The Board has determined that the following are the principal risks facing the Group.

- **Demand for Vitec's products**

Demand for our products may be adversely affected by many factors, including changes in customer and consumer preferences and our ability to deliver appropriate products or to support changes in technology. The Group's strategy includes producing and selling products that are more technologically advanced, including encoders, transmitters and field monitors. These products have a shorter life cycle than our historical products, and continuous investment in new product development is needed to keep up with the changing demand. Demand may also be impacted by competitor activity, particularly from low-cost countries.

We value our relationships with our customers and closely monitor our target markets and user requirements. We maintain good relationships with our key customers and make significant investments in product development and marketing activities to ensure that we remain competitive in these markets. In support of our new product launches, we have completed consumer research before developing new products to ensure that they are appropriately designed for our target markets. We keep our strategy under close review. We monitor the demand for new products and phase out of old product lines. We are actively pursuing growth in selected emerging markets.

- **New markets and channels of distribution**

As we enter new markets and channels of distribution we may achieve lower than anticipated trading volumes and pricing levels or higher costs and resource requirements. This may impact the levels of profitability and cash flows delivered. During the year we have substantially increased our online presence by developing our e-commerce activity, which increases the cyber security threat. We have developed new routes-to-market in emerging markets, and introduced several new products.

We have a thorough process for assessing and planning our entry into new markets and related opportunities. This includes marketing and advertising strategies for our products and services. We continuously assess our performance in these markets and the related opportunities and risks. We adapt our approach taking into account our actual and anticipated performance. We review our channels of distribution to make sure they remain appropriate The Group is addressing the increased cyber security threat through appropriate risk assessment and mitigation actions.

- **Acquisitions**

In pursuing our business strategy we continuously explore opportunities to enhance our business through development activities such as strategic acquisitions. This involves a number of calculated risks including: acquiring desired businesses on economically acceptable terms; integrating new businesses, employees, business systems and technology; and realising satisfactory post-acquisition performance. In 2015, we acquired Paralinx. This business has been fully integrated with Teradek and is performing in line with expectations.

We mitigate these risks by having a clear acquisition strategy with a robust valuation model. Thorough due diligence processes are completed including the use of external advisers where appropriate. The post-acquisition performance of each business is closely monitored and a plan is developed to integrate the acquired businesses in an effective way.

- **Pricing pressure**

Vitec provides premium branded products and faces a number of competitors. The strength of this competition varies by product and geographical market.

In 2015 we have continued to see price pressure by low-cost entrants to the market. In addition, there has been continued price pressure in services as major broadcasters continue to manage their budgets tightly.

We ensure that our product and service offering remains competitive by investing in new product development and in appropriate marketing and product support, and by improving the management of supply chain costs. This allows us to support price increases when required by working closely with our suppliers and managing our expenses and cost base appropriately. We are rationalising our product range to reduce complexity which will also allow us to achieve some cost savings on production. Most of our products and services have a premium or niche differentiation which commands a price point that is higher than that of our competitors.

- **Dependence on key suppliers**

We source materials and components from many suppliers in various locations and in some instances are more dependent on a limited number of suppliers for particular items. If any of these suppliers or subcontractors fail to meet the Group's requirements, we may not have readily available alternatives, thereby impacting our ability to provide an appropriate level of customer service. Our overall dependence on key suppliers has increased as a result of the Group's decision to reduce its costs by outsourcing some manufacturing and assembly activities.

We aim to secure multiple sources of supply for all materials and components and develop strong relationships with our major suppliers. We review the performance of strategically important suppliers and outsourced providers globally on an ongoing basis. Where economical we look to source materials closer to the manufacturing facilities to reduce lead times and improve control over the supply chain.

- **Dependence on key customers**

Whilst the Group has a wide customer base, the loss of a key customer, or a significant worsening in their success or financial performance, could result in a material impact on the Group's results. As in previous years, Vitec has no customer that accounts for more than 10% of sales. The business works with a variety of customers on large sporting events and the extent of these activities varies year-on-year.

We monitor closely our performance with all customers through developing strong relationships, and we monitor the financial performance of our key customers. We continue to expand our customer base including entering into new channels of distribution to expand our portfolio of customers.

- **People**

We employ around 1,800 people and are exposed to a risk of being unable to retain or recruit suitable diverse talent to support the business. We manufacture and supply products from a number of locations and it is important that our people operate in a professional and safe environment. Several of our more recently acquired businesses are led by the previous owners, and it is important that we leverage their know-how for the Group's long-term benefit. Although we endeavour to reduce our dependency on key employees, there is a risk from staff turnover in key positions.

We recognise that it is important to motivate and retain capable people across our businesses to ensure that we are not exposed to risk of unplanned staff turnover. We fairly reward our people and have appropriate staff recruitment, appraisal, talent management and succession planning strategies to ensure we recruit and retain good quality people and leadership across the business. We take our employees' health and safety very seriously and have appropriate processes in place to allow us to monitor and address any issues appropriately. With regards to acquisitions, we may offer performance-related earn-out incentive arrangements to the previous owners, to secure their long-term commitment to the business. We seek to transfer the knowledge from the previous owners, over time.

- **Laws and regulations**

We are subject to a comprehensive range of legal obligations in all countries in which we operate. As a result, we are exposed to many forms of legal risk. These include, without limitation, regulations relating to government contracting rules, anti-bribery provisions, competition, and health and safety laws in numerous jurisdictions around the world. Failure to comply with such laws could significantly impact the Group's reputation and could expose the Group to fines and penalties. We may also incur additional cost from any legal action that is required to protect our intellectual property.

We have resources dedicated to legal and regulatory compliance supported by external advice where necessary. We enhance our controls, processes and employee knowledge to maintain good governance and to comply with laws and regulations such as the provisions of the UK Bribery Act 2010. The Group has processes in place, including senior management training, to ensure that its worldwide business units understand and apply the Group's culture and processes to their own operations. We actively protect our intellectual property, and will legally pursue any party that infringes our intellectual property rights.

- **Reputation of Vitec Group**

Damage to our reputation and our brand names can arise from a range of events such as poor product performance, unsatisfactory customer service, and other events either within or outside our control.

We recognise the importance of our reputation and attempt to identify any potential issues quickly and address them appropriately. We recognise the importance of providing high quality products, good customer service and managing our business in a safe and professional manner. This requires all employees to commit to and comply with the Vitec Code of Conduct.

- **Exchange rates**

The global nature of the Group's business means it is exposed to volatility in currency exchange rates in respect of foreign currency denominated transactions, and the translation of net assets and income statements of foreign subsidiaries and equity accounted investments. The Group is exposed to a number of foreign currencies, the most significant being the US Dollar, Euro and Japanese Yen. There were significant currency headwinds in 2015 mainly reflecting the unwinding of previous hedging contracts.

We regularly review and assess our exposure to changes in exchange rates. We reduce the impact of sudden movements in exchange rates with the use of appropriate hedging activities on forecast foreign exchange net exposures. We do not hedge the translation effect of exchange rate movements on the Income Statement or Balance Sheet of overseas subsidiaries.

- **Business Continuity**

There are risks relating to business continuity resulting from specific events that may impact our manufacturing plants or supply chain, particularly where these account for a significant amount of our trading activity. We are also dependent on our IT platforms continuing to work effectively in supporting our business.

We address this risk with Business Continuity Plans and Disaster Recovery Plans at our key sites, and by carrying out periodic IT vulnerability assessments. We have global insurance schemes in place which provide cover for business interruption.

- **Effectiveness and impact of restructuring projects**

In 2015 we initiated a number of restructuring projects to streamline the business further, and to identify cost savings. There is a risk that the restructuring activity is poorly executed and that the objectives are not achieved.

The projects are monitored closely by the operational management with regular updates provided to the Board. We anticipate that there will be significant year-on-year savings. The status of the restructuring activities and risks relating to these projects are being carefully monitored.

Outlook

Vitec remains in a sound financial position and the Board remains confident about the future growth prospects of the Group. Although challenging market conditions look likely to continue in 2016, we have taken actions to streamline our lower growth businesses while building a strong platform and making investments in higher technology products that will position us to grow sales and margins in the future.

Going Concern and Viability

The Directors have made appropriate enquiries and consider that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

The Directors have also assessed the long-term viability of the Group over a three year period, taking account of the Group's current position and prospects, its strategic plan, risk appetite and the principal risks and how these are managed. Based on this assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over this period.

John McDonough CBE	Stephen Bird
Chairman	Group Chief Executive

Vitec is a global provider of premium branded products and services to the Broadcast and Photographic markets. Vitec is listed on the London Stock Exchange with 2015 revenue of £317.8 million.

The Group is organised in two Divisions:

The Broadcast Division designs, manufactures and distributes premium branded products for broadcasting, film and video production for broadcasters and independent content creators. It also provides premium services including equipment rental and technical solutions to TV production teams and film crews.

The Photographic Division designs, manufactures and distributes premium branded equipment for photographic and video cameras and provides dedicated solutions to professional and non-professional image takers.

More information can be found at: www.vitecgroup.com.

Vitec will present its results to analysts at 11.30 am on Tuesday, 23 February 2016. An audio recording of the presentation, along with the presentation slides, will be available on our website after the meeting. Users can pre-register to access the recording and slides using the following link: www.vitecgroup.com/results2015

Forward-looking statements

This announcement contains forward-looking statements with respect to the financial condition, performance, position, strategy, results and plans of The Vitec Group plc (the “Group” or the “Company”) based on Management’s current expectations or beliefs as well as assumptions about future events. These forward-looking statements are not guarantees of future performance. Undue reliance should not be placed on forward-looking statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group’s plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. The Company undertakes no obligation to publically revise or update any forward-looking statements or adjust them for future events or developments. Nothing in this announcement should be construed as a profit forecast.

The information in this announcement does not constitute an offer to sell or an invitation to buy shares in the Company in any jurisdiction or an invitation or inducement to engage in any other investment activities. The release or publication of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

This announcement contains brands and products that are protected in accordance with applicable trademark and patent laws by virtue of their registration.

Disclosure of Home Member State

Under DTR 6.4.2 the Company confirms that its Home Member State is the United Kingdom.

Consolidated Income Statement
For the year ended 31 December 2015

	Notes	**2015 £m**	2014 £m
Revenue		**317.8**	309.6
Cost of sales		**(188.9)**	(181.7)
Gross profit		**128.9**	127.9
Operating expenses		**(106.5)**	(100.3)
Operating profit		**22.4**	27.6
Comprising			
- Operating profit before restructuring costs and charges associated with acquired businesses		**35.4**	38.8
- Restructuring costs	2	**(4.9)**	(2.7)
- Charges associated with acquired businesses	2	**(8.1)**	(8.5)
		22.4	27.6
Net finance expense	3	**(3.9)**	(3.5)
Loss on disposal of business	8	**-**	(4.0)
Profit before tax		**18.5**	20.1
Comprising			
- Profit before tax, excluding restructuring costs, charges associated with acquired businesses and disposal of business		**31.5**	35.3
- Restructuring costs	2	**(4.9)**	(2.7)
- Charges associated with acquired businesses	2	**(8.1)**	(8.5)
- Loss on disposal of business	8	**-**	(4.0)
		18.5	20.1
Taxation	4	**(5.5)**	(7.1)
Profit for the year attributable to owners of the parent		**13.0**	13.0

	2015	2014
Adjusted earnings per share (see note 5)		
Basic earnings per share	**49.4p**	55.9p
Diluted earnings per share	**49.3p**	55.8p
Earnings per share (see note 5)		
Basic earnings per share	**29.3p**	29.4p
Diluted earnings per share	**29.2p**	29.3p
Dividends per ordinary share (see note 6)		
Prior year final paid 14.7p	**£6.5m**	
Current year interim paid 9.5p	**£4.2m**	
Current year final proposed 15.1p	**£6.7m**	
Average exchange rates		
Euro	**1.38**	1.24
US$	**1.53**	1.65

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2015

	2015 £m	2014 £m
Profit for the year	**13.0**	13.0
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit obligation	**1.5**	1.1
Related tax	**(0.5)**	(0.2)
Items that are or may be reclassified to profit or loss:		
Foreign exchange gain recycled to the Income Statement on disposal of business	**-**	(5.2)
Currency translation differences on foreign currency subsidiaries	**4.2**	4.5
Net investment hedges - net loss	**(1.5)**	(2.0)
Cash flow hedges - reclassified to the Income Statement, net of tax	**0.6**	(2.2)
Cash flow hedges - effective portion of changes in fair value	**(1.5)**	(2.0)
Related tax	**0.5**	1.3
Other comprehensive income/(expense), net of tax	**3.3**	(4.7)
Total comprehensive income for the year attributable to owners of the parent	**16.3**	8.3

Consolidated Balance Sheet
As at 31 December 2015

	2015	2014
	£m	£m
Assets		
Non-current assets		
Intangible assets	**90.7**	87.1
Property, plant and equipment	**53.8**	54.8
Trade and other receivables	**0.6**	0.5
Derivative financial instruments	**0.1**	-
Deferred tax assets	**15.2**	14.2
	160.4	156.6
Current assets		
Assets held for sale	**1.0**	-
Inventories	**58.9**	55.0
Trade and other receivables	**50.7**	51.1
Derivative financial instruments	**0.5**	1.5
Current tax assets	**0.9**	1.0
Cash and cash equivalents	**13.6**	9.2
	125.6	117.8
Total assets	**286.0**	274.4
Liabilities		
Current liabilities		
Bank overdrafts	**1.1**	1.3
Interest-bearing loans and borrowings	**0.2**	0.1
Trade and other payables	**43.5**	46.3
Derivative financial instruments	**1.7**	2.5
Current tax liabilities	**6.6**	6.1
Provisions	**8.1**	9.2
	61.2	65.5
Non-current liabilities		
Interest-bearing loans and borrowings	**88.6**	78.7
Derivative financial instruments	**0.5**	-
Post-employment obligations	**6.1**	7.7
Provisions	**1.2**	2.1
Deferred tax liabilities	**2.1**	1.8
	98.5	90.3
Total liabilities	**159.7**	155.8
Net assets	**126.3**	118.6
Equity		
Share capital	**8.9**	8.9
Share premium	**14.3**	13.4
Translation reserve	**(4.3)**	(7.0)
Capital redemption reserve	**1.6**	1.6
Cash flow hedging reserve	**(1.0)**	(0.6)
Retained earnings	**106.8**	102.3
Total equity	**126.3**	118.6
Balance Sheet exchange rates		
Euro	**1.36**	1.29
US$	**1.48**	1.56

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Translation reserve	Capital redemption reserve	Cash flow hedging reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2015	**8.9**	**13.4**	**(7.0)**	**1.6**	**(0.6)**	**102.3**	**118.6**
Total comprehensive income for the year							
Profit for the year	**-**	**-**	**-**	**-**	**-**	**13.0**	**13.0**
Other comprehensive income/(expense) for the year	-	-	**2.7**	**-**	**(0.4)**	**1.0**	**3.3**
Contributions by and distributions to owners							
Dividends paid	**-**	**-**	**-**	**-**	**-**	**(10.7)**	**(10.7)**
Share-based payment charge	**-**	**-**	**-**	**-**	**-**	**1.1**	**1.1**
Related tax	**-**	**-**	**-**	**-**	**-**	**0.1**	**0.1**
New shares issued	**-**	**0.9**	**-**	**-**	**-**	**-**	**0.9**
Balance at 31 December 2015	**8.9**	**14.3**	**(4.3)**	**1.6**	**(1.0)**	**106.8**	**126.3**

	Share capital	Share premium	Translation reserve	Capital redemption reserve	Cash flow hedging reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2014	8.8	12.1	(4.3)	1.6	2.3	99.7	120.2
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	13.0	13.0
Other comprehensive income/(expense) for the year	-	-	(2.7)	-	(2.9)	0.9	(4.7)
Contributions by and distributions to owners							
Dividends paid	-	-	-	-	-	(10.3)	(10.3)
Own shares purchased	-	-	-	-	-	(1.5)	(1.5)
Share-based payment charge, net of tax	-	-	-	-	-	0.5	0.5
New shares issued (1)	0.1	1.3	-	-	-	-	1.4
Balance at 31 December 2014	8.9	13.4	(7.0)	1.6	(0.6)	102.3	118.6

(1) In 2014, the contingent consideration of Teradek was satisfied by the issue of new Vitec Group ordinary shares worth £0.5 million.

Consolidated Statement of Cash Flows

For the year ended 31 December 2015

	Notes	**2015 £m**	2014 £m
Cash flows from operating activities			
Profit for the year		**13.0**	13.0
Adjustments for:			
Taxation		**5.5**	7.1
Depreciation		**13.8**	14.2
Amortisation of intangible assets		**7.8**	5.3
Impairment losses on intangible assets		**0.2**	-
Net gain on disposal of property, plant and equipment and software		**(1.2)**	(2.1)
Fair value losses on derivative financial instruments		**0.1**	0.2
Share-based payment charge		**1.1**	0.5
Fair value adjustment to contingent consideration since date of acquisition		**2.6**	4.2
Disposal of business		**-**	4.0
Net finance expense		**3.9**	3.5
Operating profit before changes in working capital and provisions		**46.8**	49.9
(Increase)/decrease in inventories		**(3.0)**	(2.1)
(Increase)/decrease in receivables		**0.8**	(2.7)
(Decrease)/increase in payables		**(3.0)**	(2.1)
(Decrease)/increase in provisions		**0.1**	(1.0)
Cash generated from operating activities		**41.7**	42.0
Interest paid		**(4.0)**	(3.3)
Tax paid		**(5.6)**	(3.5)
Net cash from operating activities		**32.1**	35.2
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and software		**4.7**	5.2
Purchase of property, plant and equipment		**(16.4)**	(17.5)
Capitalisation of software and development costs		**(4.2)**	(4.7)
Acquisition of businesses, net of cash acquired	7	**(9.0)**	(13.3)
Disposal of business	8	**(0.7)**	(1.3)
Net cash used in investing activities		**(25.6)**	(31.6)
Cash flows from financing activities			
Proceeds from the issue of shares		**0.9**	0.9
Own shares purchased		**-**	(1.5)
Proceeds from interest-bearing loans and borrowings		**8.5**	2.4
Dividends paid		**(10.7)**	(10.3)
Net cash used in financing activities		**(1.3)**	(8.5)
Increase/(decrease) in cash and cash equivalents		**5.2**	(4.9)
Cash and cash equivalents at 1 January		**7.9**	12.9
Effect of exchange rate fluctuations on cash held		**(0.6)**	(0.1)
Cash and cash equivalents at 31 December	9	**12.5**	7.9

Segment reporting

The Group has two reportable segments which are reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Maker (considered to be the Board). Further details on the nature of these segments and the products and services they provide are contained in the Strategic Report.

	Broadcast		**Photographic**		**Corporate and unallocated**		**Consolidated**	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m
Revenue from external customers:								
Sales	**160.3**	146.1	**128.8**	130.9	**-**	-	**289.1**	277.0
Services	**28.7**	32.6	**-**	-	**-**	-	**28.7**	32.6
Total revenue from external customers	**189.0**	178.7	**128.8**	130.9	**-**	-	**317.8**	309.6
Inter-segment revenue [(1)]	**0.9**	1.7	**0.2**	0.3	**(1.1)**	(2.0)	**-**	-
Total revenue	**189.9**	180.4	**129.0**	131.2	**(1.1)**	(2.0)	**317.8**	309.6
Segment result	**20.3**	19.9	**15.1**	18.9	**-**	-	**35.4**	38.8
Restructuring costs	**(4.1)**	(1.4)	**(0.8)**	(1.3)	**-**	-	**(4.9)**	(2.7)
Fair value adjustment to contingent consideration since date of acquisition	**(2.6)**	(4.2)	**-**	-	**-**	-	**(2.6)**	(4.2)
Transaction costs relating to acquisitions	**(0.1)**	(0.9)	**-**	-	**-**	-	**(0.1)**	(0.9)
Amortisation of acquired intangible assets	**(4.8)**	(3.0)	**(0.6)**	(0.4)	**-**	-	**(5.4)**	(3.4)
Operating profit	**8.7**	10.4	**13.7**	17.2	**-**	-	**22.4**	27.6
Net finance expense							**(3.9)**	(3.5)
Loss on disposal of IMT business							**-**	(4.0)
Taxation							**(5.5)**	(7.1)
Profit for the year							**13.0**	13.0
Segment assets	**172.2**	162.0	**82.7**	84.9	**1.4**	3.1	**256.3**	250.0
Unallocated assets								
Cash and cash equivalents					**13.6**	9.2	**13.6**	9.2
Current tax assets					**0.9**	1.0	**0.9**	1.0
Deferred tax assets					**15.2**	14.2	**15.2**	14.2
Total assets							**286.0**	274.4
Segment liabilities	**28.1**	32.1	**26.0**	25.2	**7.0**	10.5	**61.1**	67.8
Unallocated liabilities								
Bank overdrafts					**1.1**	1.3	**1.1**	1.3
Interest-bearing loans and borrowings	**-**	-	**0.4**	0.9	**88.4**	77.9	**88.8**	78.8
Current tax liabilities					**6.6**	6.1	**6.6**	6.1
Deferred tax liabilities					**2.1**	1.8	**2.1**	1.8
Total liabilities							**159.7**	155.8
Cash flows from operating activities	**19.4**	18.2	**15.2**	14.6	**(2.5)**	2.4	**32.1**	35.2
Cash flows from investing activities	**(21.7)**	(27.0)	**(3.9)**	(4.4)	**-**	(0.2)	**(25.6)**	(31.6)
Cash flows from financing activities	**-**	-	**0.4**	0.9	**(1.7)**	(9.4)	**(1.3)**	(8.5)
Capital expenditure								
Property, plant and equipment	**14.1**	15.0	**2.3**	2.5	**-**	-	**16.4**	17.5
Software and development costs	**2.6**	2.7	**1.6**	2.0	**-**	-	**4.2**	4.7

(1) Inter-segment pricing is determined on an arm's length basis.

No individual customer accounted for more than 10% of external revenue in either 2015 or 2014.

Geographical segments

	2015 £m	2014 £m
Analysis of revenue from external customers, by location of customer		
United Kingdom	**31.5**	27.6
The rest of Europe	**64.0**	69.7
North America	**150.2**	143.3
Asia Pacific	**55.9**	53.3
The rest of the World	**16.2**	15.7
Total revenue from external customers	**317.8**	309.6

The Group's operations are located in several geographical locations, and sell products and services on to external customers in all parts of the world.

1 Accounting policies

Basis of consolidation

Subsidiaries are entities that are directly or indirectly controlled by the Group. Control exists when the Group has the rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The results of subsidiaries sold or acquired during the year are included in the accounts up to, or from, the date that control exists.

New standards and interpretations not yet adopted

There are no new standards, amendments to standards or interpretations which are expected to have a significant impact on the financial statements of the Group for the year ended 31 December 2015 or in the foreseeable future.

2 Restructuring costs and charges associated with acquired businesses

Restructuring costs and charges associated with acquired businesses are excluded from key performance measures in order to more accurately show the underlying current business performance of the Group in a consistent manner. This also reflects how the business is managed and measured on a day-to-day basis. Restructuring costs include employment termination and other rationalisation costs. Charges associated with acquired businesses include non-cash charges such as amortisation of acquired intangible assets, and cash charges such as transaction costs and fair value adjustments to contingent consideration since date of acquisition.

	2015 £m	2014 £m
Restructuring costs [(1)]	**(4.9)**	(2.7)
Fair value adjustment to contingent consideration since date of acquisition [(2)]	**(2.6)**	(4.2)
Transaction costs relating to acquisitions [(3)]	**(0.1)**	(0.9)
Amortisation of acquired intangible assets	**(5.4)**	(3.4)
Charges associated with acquired businesses	**(8.1)**	(8.5)

[(1)] One-off restructuring costs of £4.9 million primarily relate to the Group streamlining certain operations by downsizing selected activities mainly in the UK, US and Europe. This includes employment termination costs of £3.6 million and other rationalisation costs of £1.3 million. These actions have better positioned the Group for the future.

[(2)] A charge of £2.6 million (US$4.0 million) has been recorded in relation to the fair value adjustment to contingent consideration payable to Teradek, acquired in 2013. This was as a result of Teradek's performance for the year ending 31 December 2015 exceeding management's assessment at acquisition date. See note 7 "Acquisitions".

[(3)] Transaction costs of £0.1 million were incurred in relation to the acquisitions of Paralinx and Panlight in the year. See note 7 "Acquisitions".

3 Net finance expense

	2015 £m	2014 £m
Finance income		
Other interest receivable	**-**	0.3
Net currency translation gains	**0.3**	0.1
	0.3	0.4
Finance expense		
Interest payable on interest-bearing loans and borrowings	**(4.0)**	(3.6)
Net interest expense on net defined benefit pension scheme liabilities	**(0.2)**	(0.3)
	(4.2)	(3.9)
Net finance expense	**(3.9)**	(3.5)

4 Taxation

	2015 £m	2014 £m
The total taxation charge/(credit) in the Income Statement is analysed as follows:		
Before restructuring costs, charges associated with acquired businesses and disposal of business		
Current tax	**7.5**	7.0
Deferred tax	**2.1**	3.6
	9.6	10.6
Restructuring costs, charges associated with acquired businesses and disposal of business		
Current tax [1]	**(1.2)**	(0.7)
Deferred tax [2]	**(2.9)**	(2.8)
	(4.1)	(3.5)
Summarised in the Income Statement as follows		
Current tax	**6.3**	6.3
Deferred tax	**(0.8)**	0.8
	5.5	7.1

(1) Current tax credits of £1.2 million (2014 £0.7 million) were recognised in the period of which £0.2 million (2014 £0.4 million) related to restructuring costs and £1.0 million (2014 £0.3 million) related to amortisation of intangible assets.

(2) Deferred tax credits of £2.9 million (2014 £2.8 million) were recognised in the period of which £1.1 million (2014 £0.3 million) related to restructuring costs, £1.0 million (2014 £1.6 million) to acquisitions (including the Teradek earnout) and £0.8 million (2014 £0.9 million) to amortisation of intangible assets.

5 Earnings per share

Earnings per share ("EPS") is the amount of post-tax profit attributable to each share.

Basic EPS is calculated on the profit for the year divided by the weighted average number of ordinary shares in issue during the year.

Diluted EPS is calculated on the profit for the year divided by the weighted average number of ordinary shares in issue during the year, but adjusted for the effects of dilutive share options.

The Adjusted EPS measure is used by management to assess the underlying performance of the ongoing business and therefore excludes restructuring costs, charges associated with acquired businesses and disposal of business, all net of tax.

The calculation of basic, diluted and adjusted EPS is set out below:

	2015 £m	2014 £m
Profit for the financial year	**13.0**	13.0
Add back:		
Restructuring costs and charges associated with acquired businesses, net of tax	**8.9**	7.7
Loss on disposal of IMT business, net of tax	**-**	4.0
Earnings before restructuring costs, charges associated with acquired businesses and disposal of business	**21.9**	24.7

	2015 No.	2014 No.	**2015 pence**	2014 pence	**2015 pence**	2014 pence
	Weighted average number of shares '000		Adjusted earnings per share		Earnings per share	
Basic	**44,364**	44,190	**49.4**	55.9	**29.3**	29.4
Dilutive potential ordinary shares	**133**	68	**(0.1)**	(0.1)	**(0.1)**	(0.1)
Diluted	**44,497**	44,258	**49.3**	55.8	**29.2**	29.3

6 Dividends

After the Balance Sheet date the following final dividend for the year ended 31 December 2015 was recommended by the Directors and subject to approval by shareholders at the AGM on 18 May 2016 will be paid on 20 May 2016. The dividend has not been provided for at the year end and there are no tax consequences.

	2015 £m	2014 £m
15.1p per ordinary share (2014: 14.7p per ordinary share)	**6.7**	6.5

Final dividends paid in respect of prior year but not recognised as liabilities in that year were £6.5 million (2014: £6.2 million) and interim dividends paid in respect of the current year were £4.2 million (2014: £4.1 million).

7 Acquisitions

Acquisitions are accounted for under the acquisition method of accounting. As part of the acquisition accounting the Group has adopted a process to identify the fair values of the assets and liabilities acquired, including contingent considerations assumed. This includes the separate identification of intangible assets and the allocation of the consideration paid. This process continues as information is finalised, and accordingly the fair value adjustments presented in the tables below are provisional. In accordance with IFRS 3 until the assessment is complete the allocation period will remain open up to a maximum of 12 months from the acquisition date so long as information remains outstanding. Acquisition-related costs are recognised in the Income Statement as incurred in accordance with IFRS 3.

Acquisition of Paralinx

On 27 February 2015, the Broadcast Division of the Group acquired the assets of Paralinx, LLC ("Paralinx"), based in the US, through a business combination for a net cash consideration of US$6.2 million (£4.0 million) after taking account of US$0.3 million (£0.2 million) of cash in the business at acquisition date. The fair value of the assets acquired excluding cash in the business at acquisition date was £1.9 million resulting in goodwill of £2.1 million. Paralinx is a leading provider of high quality wireless video transmission systems. The acquisition complements the Group's existing video activities, including Teradek and SmallHD, which serve a similar customer base and its products will be marketed through the Group's global distribution network.

A summary of the effect of the acquisition of Paralinx is detailed below:

	Book value at acquisition	Provisional fair value adjustments	Fair value of net assets acquired
	£m	£m	£m
Net Assets acquired			
Intangible assets	-	1.4	1.4
Inventories	0.6	(0.2)	0.4
Trade and other receivables	0.3	(0.1)	0.2
Provisions	-	(0.1)	(0.1)
Cash	0.2	-	0.2
	1.1	1.0	2.1
Goodwill			2.1
Consideration satisfied from existing cash resources			4.2

The trade receivables acquired had a gross contractual value of £0.2 million and a fair value of £0.1 million. No net deferred tax asset or liability has arisen on the net assets acquired.

Acquisition of Panlight

On 2 November 2015, the Group acquired the whole of the issued share capital of Panlight Limited ("Panlight"), a private company based in the UK, for a consideration of £0.1 million. The fair value of the net assets acquired was £nil resulting in goodwill of £0.1 million. No net deferred tax asset or liability has arisen on the net assets acquired.

Panlight has developed a remote controlled light weight pan and tilt device which gives full directional control of speedlight flashes, LED lighting and Wi-Fi controlled mirrorless cameras. The acquisition complements the Group's existing range of photographic products. Panlight operates within the Photographic Division.

The results of the acquisitions made during the period comprise the following:

	Paralinx £m	Panlight £m
Revenue	3.4	-
Operating profit [(1)]	1.2	-

Had the acquisitions been made at the beginning of the year (i.e. 1 January 2015), they would have contributed £4.0 million (Paralinx: £4.0 million, Panlight: £nil million) to revenue and £1.3 million (Paralinx: £1.3 million, Panlight: £nil million) to the operating profit [(1)] of the Group.

[(1)] Operating profit is stated before amortisation of intangible assets and after allocation of Head Office costs.

An analysis of the cash flows relating to acquisitions is provided below:

	2015 £m
Net outflow of cash in respect of acquisitions	
Cash consideration	4.3
Cash acquired	(0.2)
Transaction costs	0.1
Net cash outflow in respect of 2015 acquisitions	4.2
Cash paid in relation to Teradek, acquired in August 2013	5.2
Cash received in relation to SmallHD, acquired in December 2014	(0.3)
Cash paid in 2015 in respect of prior year acquisitions	4.9
Net cash outflow in respect of acquisitions [(1)]	9.1

[(1)] Of the £9.1 million net cash outflow in respect of acquisitions, transaction costs of £0.1 million are included in cash flows from operating activities and the net cash consideration paid of £9.0 million is included in cash flows from investing activities.

8 Disposals

On 3 November 2014, the Group sold its IMT business which was based in the US and was included in the Broadcast Division. The disposal has enabled Management to place greater focus on opportunities in its core activities in the Broadcast and Photographic Divisions.

A loss of £4.0 million arose on disposal after taking into account impairment and exit costs together with the net assets disposed (£9.5 million including £4.6 million of inventories) offset by cash consideration (£0.3 million) and the previously recorded foreign exchange gain that has been recycled to the Income Statement (£5.2 million). The net cash outflow in the period was £0.7 million (2014: £1.3 million). A further amount of £1.9 million, of which £1.4 million ($2.1 million) relates to the onerous lease provision, is expected to be paid by 2017.

9 Analysis of net debt

The table below analyses the Group's components of net debt and their movements in the year:

	2015 **£m**	2014 £m
Increase/(decrease) in cash and cash equivalents	**5.2**	(4.9)
Proceeds from interest-bearing loans and borrowings	**(8.5)**	(2.4)
Increase in net debt resulting from cash flows	**(3.3)**	(7.3)
Effect of exchange rate fluctuations on cash held	**(0.6)**	(0.1)
Effect of exchange rate fluctuations on debt held	**(1.5)**	(2.0)
Effect of exchange rate fluctuations on net debt	**(2.1)**	(2.1)
Movements in net debt in the year	**(5.4)**	(9.4)
Net debt at 1 January	**(70.9)**	(61.5)
Net debt at 31 December	**(76.3)**	(70.9)
Cash and cash equivalents in the Balance Sheet	**13.6**	9.2
Bank overdrafts	**(1.1)**	(1.3)
Cash and cash equivalents in the Statement of Cash Flows	**12.5**	7.9
Interest-bearing loans and borrowings	**(88.8)**	(78.8)
Net debt at 31 December	**(76.3)**	(70.9)

10 Financial instruments

This provides details on:

- Financial risk management
- Derivative financial instruments
- Fair value hierarchy
- Interest rate profile
- Maturity profile of financial liabilities

Financial risk management

The Group's multinational operations and debt financing expose it to a variety of financial risks. In the course of its business, the Group is exposed to foreign currency risk, interest rate risk, liquidity risk and credit risk.

Financial risk management is an integral part of the way the Group is managed. Financial risk management policies are set by the Board of Directors. These policies are implemented by a central treasury department that has formal procedures to manage foreign currency risk, interest rate risk and liquidity risk, including, where appropriate, the use of derivative financial instruments. The Group has clearly defined authority and approval limits built into these procedures.

Foreign currency risk

Foreign currency risk arises both where sale or purchase transactions are undertaken in currencies other than the respective functional currencies of Group companies (transactional exposures) and where the results of overseas companies are consolidated into the Group's reporting currency of Sterling (translational exposures).

The Group has businesses that operate around the world and accordingly record their results in a number of different functional currencies. Some of these operations also have some customers or suppliers that transact in a foreign currency. The Group's results which are reported in Sterling are therefore exposed to changes in foreign currency exchange rates across a number of different currencies with the most significant exposures relating to the US Dollar (USD), Euro (EUR) and Japanese Yen (JPY). The Group proactively manages a proportion of its short-term transactional foreign currency exposures using derivative financial instruments, but remains exposed to the underlying translational movements which remain outside the control of the Group.

The Group manages its transactional exposures to foreign currency risks through the use of forward exchange contracts including the US Dollar, Euro and Japanese Yen. Forward exchange contracts are typically used to hedge approximately 75% of the Group's forecasted foreign currency exposure in respect of forecast cash transactions for the following 12 months. Forward exchange contracts may also be used to hedge a proportion of the forecast cash transactions for the following 13 to 24 months. The forward exchange contracts currently have maturities of less than two years at the Balance Sheet date.

The Group's translational exposures to foreign currency risks relate to both the Income Statement and net assets of overseas subsidiaries which are converted into Sterling on consolidation. The Group does not seek to hedge the translational exposure that arises primarily from changes in the exchange rates of the US Dollar, Euro and Japanese Yen against Sterling. However the Group does finance overseas investments partly through the use of foreign currency borrowings in order to provide a net investment hedge over the foreign currency risk that arises on translation of its foreign currency subsidiaries.

The Group ensures that its net exposure to foreign denominated cash balances is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances. In addition the Group manages the denomination of surplus cash balances across the overseas subsidiaries to allow natural hedging where effective in any particular country.

It is estimated that the Group's operating profit before restructuring costs and charges associated with acquired businesses for the year ended 31 December 2015 would have increased/decreased by approximately £2.3 million from a ten cent stronger/weaker US Dollar against Sterling, by approximately £0.5 million from a ten cent stronger/weaker Euro against Sterling and by approximately £0.3 million from a ten Yen stronger/weaker Japanese Yen against Sterling. This reflects the impact of the sensitivities to the translational exposures and to the proportion of the transactional exposures that is not hedged. The Group, in accordance with its policy, does not use derivatives to manage the translational risks. During 2015 the Group's operating profit included a net loss of £2.2 million (2014 £1.8 million gain) upon the crystallisation of forward exchange contracts as described later in this note.

Interest rate risk

Interest rate risk comprises both the interest rate price risk that results from borrowing at fixed rates of interest and also the interest cash flow risk that results from borrowing at variable rates.

For the year ended 31 December 2015, it is estimated that a general increase/decrease of one percentage point in interest rates, would decrease/increase the Group's profit before tax by approximately £1.0 million.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group has signed a five year £100 million Multicurrency Revolving Credit Facility Agreement with a syndicate comprising five banks: three UK banks, one American bank, and one European bank, that expires in July 2017. The Group was utilising 54% of the £100 million Multicurrency Revolving Credit Facility at 31 December 2015. In 2011 the Group drew down US$50 million from a Private Placement shelf facility with repayment due in May 2017.

Credit risk

Credit risk arises because a counterparty may fail to meet its obligations. The Group is exposed to credit risk on financial assets such as trade receivables, cash balances and derivative financial instruments. The Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Group Balance Sheet.

a) Trade receivables

The Group's credit risk is primarily attributable to its trade receivables. Trade receivables are subject to credit limits, and control and approval procedures in the operating companies. Due to its large geographic base and number of customers, the Group is not exposed to material concentrations of credit risk on its trade receivables.

b) Cash balances and derivative financial instruments

Credit risk associated with cash balances is managed by transacting with a number of major financial institutions worldwide and periodically reviewing their credit worthiness. Transactions involving derivative financial instruments are managed centrally. These are only with banks that are part of the Group's £100 million Multicurrency Revolving Credit Facility Agreement. Accordingly, the Group's associated credit risk is limited. The Group has no significant concentration of credit risk.

Derivative financial instruments

This is a summary of the derivative financial instruments that the Group holds and uses to manage risk. The value of these derivatives changes over time in response to underlying variables such as exchange rates. They are carried in the Balance Sheet at fair value.

The fair value of forward exchange contracts is determined by estimating the market value of that contract at the reporting date. Derivatives with a positive fair value are recorded as assets and negative fair values as liabilities, and presented as current or non-current based on their contracted maturity dates.

Accounting policies

Derivative financial instruments

In accordance with Board approved policies, the Group uses derivative financial instruments such as forward foreign exchange contracts to hedge its exposure to fluctuations in foreign exchange rates arising from operational activities. These are designated as cash flow hedges. It does not hold or use derivative financial instruments for trading or speculative purposes.

Cash flow hedge accounting

Cash flow hedges are used to hedge the variability in cash flows of highly probable forecast transactions or a recognised asset or liability, caused by changes in exchange rates.

Where a derivative financial instrument is designated in a cash flow hedge relationship with a highly probable forecast transaction, the effective part of any change in fair value arising is deferred in the Cash flow hedging reserve within Equity, via the Statement of Comprehensive Income. The gain or loss relating to the ineffective part is recognised in the Income Statement within net finance expense. Amounts deferred in the cash flow hedging reserve are reflected in the Income Statement in the periods when the hedged item is recognised in the Income Statement.

If a hedging instrument expires or is sold but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the Income Statement.

Where a derivative is used to hedge economically the foreign exchange exposure of a recognised monetary asset or liability, no hedge accounting is applied and any gain or loss on the hedging instrument is recognised in the Income Statement.

If a derivative financial instrument is not formally designated in a cash flow hedge relationship, any change in fair value is recognised in the Income Statement.

Forward exchange contracts

The following table shows the forward exchange contracts in place at the Balance Sheet date. These contracts mature in the next 24 months, therefore the cash flows and resulting effect on profit and loss are expected to occur within the next 24 months:

	currency	**As at 31 December 2015** millions	**Average exchange rate of contracts**	As at 31 December 2014 millions	Average exchange rate of contracts
Cash flow hedging contracts					
USD / GBP forward exchange contracts	USD	**21.0**	**1.52**	14.8	1.62
USD / EUR forward exchange contracts	USD	**47.2**	**1.15**	36.0	1.33
EUR / GBP forward exchange contracts	EUR	**28.4**	**1.33**	17.4	1.21
JPY / GBP forward exchange contracts	JPY	**1,009.0**	**179.1**	459.0	163.6
JPY / EUR forward exchange contracts	JPY	**1,059.0**	**134.6**	629.0	136.7

A net loss of £2.2 million (2014 £1.8 million gain) relating to forward exchange contracts that crystallised during the year was charged to the Income Statement.

Fair value hierarchy

The following summarises financial instruments carried at fair values and the major methods and assumptions used in estimating these fair values.

The different levels of fair value hierarchy have been defined as follows:

Level 1

Fair value measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

Fair values measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below shows the carrying values and fair values of financial assets and liabilities:

	Carrying value 2015 £m	**Fair value 2015 £m**	Carrying value 2014 £m	Fair value 2014 £m
Forward exchange contracts - Assets	**0.6**	**0.6**	1.5	1.5
Forward exchange contracts - Liabilities	**(2.2)**	**(2.2)**	(2.5)	(2.5)
Cash at bank and in hand	**13.6**	**13.6**	9.2	9.2
Net trade receivables	**38.3**	**38.3**	37.2	37.2
Trade payables	**(24.9)**	**(24.9)**	(26.5)	(26.5)
Fixed rate borrowings	**(34.9)**	**(35.6)**	(33.0)	(34.1)
Floating rate borrowings	**(55.0)**	**(55.0)**	(47.1)	(47.1)
	(64.5)	**(65.2)**	(61.2)	(62.3)

The fair value of floating rate borrowings approximates to the carrying value because interest rates are at floating rates where payments are reset to market rates at intervals of less than one year.

The fair value of fixed rate borrowings is estimated by discounting the future contracted cash flow, using appropriate yield curves, to the net present values.

All financial instruments are deemed Level 2.

Interest rate profile

The table below analyses the Group’s interest rate exposure arising from bank loans by currency.

Accounting policies

Net investment hedge accounting

The Group uses US Dollar, Euro and Japanese Yen denominated borrowings as a hedge against the translation exposure on the Group’s net investment in overseas companies.

Where the hedge is fully effective at hedging the variability in the net assets of such companies caused by changes in exchange rates, the changes in value of the borrowings are recognised in the translation reserve within Equity, via the Statement of Comprehensive Income. The ineffective part of any change in value caused by changes in exchange rates is recognised in the Income Statement.

The effective portion will be recycled into the Income Statement on the sale of the foreign operation.

Interest bearing loans and borrowings

The table below analyses the Group's interest-bearing loans and borrowings, by currency:

Currency	Total £m	Fixed rate borrowings £m	Floating rate borrowings £m
US Dollar	**63.5**	**33.7**	**29.8**
Euro	**17.7**	**1.2**	**16.5**
Sterling	**7.0**	**-**	**7.0**
Japanese Yen	**1.7**	**-**	**1.7**
At 31 December 2015	**89.9**	**34.9**	**55.0**
US Dollar	47.5	32.1	15.4
Euro	25.7	0.9	24.8
Sterling	5.3	-	5.3
Japanese Yen	1.6	-	1.6
At 31 December 2014	80.1	33.0	47.1

The floating rate borrowings comprise borrowings bearing interest at rates based on LIBOR. The fixed rate borrowings in US Dollar are due for repayment on 11 May 2017.

Maturity profile of financial liabilities

The table below analyses the Group's financial liabilities and derivative financial liabilities into relevant maturity groupings based on the period remaining until the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest), so will not always reconcile with the carrying amounts disclosed on the Balance Sheet.

The following are the contractual maturities of financial liabilities, including undiscounted future interest payments:

	Carrying amount £m	Total contractual cash flows £m	Within one year £m	From one to five years £m	From five to ten years £m
2015					
Unsecured interest-bearing loans and borrowings	**(89.9)**	**(94.2)**	**(3.9)**	**(90.0)**	**(0.3)**
Trade payables	**(24.9)**	**(24.9)**	**(24.9)**	**-**	**-**
Forward exchange contracts	**(2.2)**	**(2.2)**	**(1.7)**	**(0.5)**	**-**
	(117.0)	**(121.3)**	**(30.5)**	**(90.5)**	**(0.3)**
2014					
Unsecured interest-bearing loans and borrowings	(80.1)	(86.4)	(3.6)	(82.8)	-
Trade payables	(26.5)	(26.5)	(26.5)	-	-
Forward exchange contracts	(2.5)	(2.5)	(2.5)	-	-
	(109.1)	(115.4)	(32.6)	(82.8)	-

The Group had the following undrawn borrowing facilities at the end of the year.

Expiring in :	**2015 £m**	2014 £m
Less than one year		
- Uncommitted facilities	**9.3**	9.3
More than one year but not more than five years		
- Committed facilities	**46.2**	54.2
Total	**55.5**	63.5