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16 August 2011

The Vitec Group plc

Half Year results to 30 June 2011

Continued growth in Broadcast and Photographic markets

The Vitec Group plc ("Vitec" or "the Group"), the international provider of products and services for the Broadcast and Video, Photographic, and MAG (Military, Aerospace and Government) markets, announces its results for the six months ended 30 June 2011.

Results	H1 2011	H1 2010	% Change	% Change At CER***
Revenue	£ 171.8m	£152.5m	12.7%	15.8%
Before significant items*				
Operating profit	**£15.6m**	**£13.2m**	**18.2%**	**26.4%**
Profit before tax	**£15.2m**	**£12.6m**	**20.6%**	**29.3%**
Basic earnings per share	**23.6p**	**19.5p**	**21.0%**	**30.5%**
After significant items*				
Operating profit	£13.3m	£11.3m	17.7%	27.3%
Profit before tax	£12.9m	£10.9m	18.3%	28.3%
Basic earnings per share**	19.7p	28.2p	(30.1%)	(24.5%)
Free cash flow	(£0.3m)	£9.7m	n/m	
Net debt	£40.5m	£35.3m	14.7%	
Interim dividend per share	8.0p	7.6p	5.3%	

Key points

- **Revenue up 12.7%; Operating profit* up 18.2% to £15.6 million**
- **Broadcast sales continue to grow**
  - **Strong performance from the supports business**
  - **Good sales growth in Litepanels**
- **Photographic market expansion**
  - **Manfrotto Powerbrand range well received in consumer channels**
  - **Lastolite acquisition trading above expectations**
- **MAG strategy is on track**
  - **Auction 66 contract task orders 1 and 2 fully delivered**
- **Interim dividend increased 5.3% to 8.0 pence per share**

**Significant items are those items of financial performance that the Directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group. H1 2011 significant items in operating profit are a net charge of £2.3 million being the amortisation of acquired intangible assets of £2.0 million and £0.3 million of transaction costs*

relating to an acquisition (H1 2010: £3.7 million of amortisation of acquired intangible assets offset by £1.8 million of profits on the disposal of Clear-Com).
***Basic earnings per share are calculated on profit after tax of £8.5 million for H1 2011 (2010: £12.0 million) and on the weighted number of shares in issue – see note 5 of the condensed consolidated statements. The taxation charge was £4.4 million for H1 2011 compared to a £1.1 million income for H1 2010 after significant items.*
****CER: Constant Exchange Rates*

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

"These results confirm that our strategy and its execution in 2011 are on track, which together with continued strengthening of our businesses in the Broadcast and Video and Photographic markets, have enabled us to grow the revenue and operating profits strongly in the first half."

"Our core Broadcast business has achieved an encouraging sales performance particularly into Russia, the Middle East and Asia. In the Photographic market, the response from customers to our new range of supports, bags and LED lighting products confirms the market potential for the Manfrotto brand. Our recent acquisition, Lastolite, has performed above expectations in its first four months in the Group. The completion of the Auction 66 contract task orders 1 and 2 for the US Department of Justice was a significant achievement for Vitec, and reflects the expertise we are building in the MAG market."

"Whilst the business environment remains uncertain and our order book visibility is limited, we continue to make good strategic progress and to benefit from stronger demand across our operations. Vitec's achievements to date in all three of its core strategic markets of Broadcast and Video, Photographic and MAG, give the Board confidence in the prospects for future growth."

Enquiries:
The Vitec Group plc
Stephen Bird, Group Chief Executive — Telephone: 020 8939 4650
Paul Hayes, Group Finance Director

Financial Dynamics
Nick Hasell / Sophie Moate — Telephone: 020 7269 7291

Notes

1. This statement is based on information sourced from management estimates.
2. H1 2011 average market exchange rates: £1 = \$1.61, £1 = €1.15, €1 = \$1.40
3. H1 2010 average market exchange rates: £1 = \$1.53, £1 = €1.15, €1 = \$1.33
4. Statements made in this announcement that look forward in time or that express management's beliefs, expectations or estimates regarding future occurrences are "forward-looking statements" within the meaning of the United States federal securities laws. These forward-looking statements reflect Vitec's current expectations concerning future events and actual results may differ materially from current expectations or historical results.

Vitec is an international Group principally serving customers in the Broadcast and Video, Photographic and Military, Aerospace and Government (MAG) markets. Listed on the London Stock Exchange with 2010 revenue of £310 million, Vitec is based on strong, well known, premium brands on which its customers worldwide rely.

Vitec is currently organised into three divisions: Videocom, Imaging & Staging, and Services. Videocom designs and distributes systems and products used in broadcasting and live entertainment, film and video production and MAG. Imaging & Staging designs, manufactures and distributes equipment and accessories for photography, video and events. Services provides equipment rental, workflow design and technical support for camera, video, audio, fibre optic and wireless technology used by TV production teams and film crews.

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

Half Year Management Review

The first half of 2011 was a period of good operational and strategic progress for the Group against a backdrop of improving Broadcast and Video and Photographic markets.

Reported revenue increased by 12.7% to £171.8 million (H1 2010: £152.5 million) and increased by 18.4% on an organic basis which is at constant exchange rates and excludes the Clear-Com business that was disposed of in April 2010 and Lastolite, acquired in March 2011. There was good growth in the Broadcast and Video, and Photographic markets and encouraging progress in new product sales.

Reported operating profit* increased by 18.2% to £15.6 million (H1 2010: £13.2 million), with organic growth of 19.5% at constant exchange rates. The operating margin increased to 9.1% (H1 2010: 8.7%). Net finance expense* at £0.4 million was £0.2 million lower than last year. Reported Group PBT* increased by 20.6% to £15.2 million (H1 2010: £12.6 million), or 22.0% on an organic basis at constant exchange rates. Operating expenses increased to support higher trading volumes and incremental investment in sales and marketing to launch the Manfrotto Powerbrand. Underlying Group basic EPS* was up 21.0% at 23.6p (H1 2010: 19.5p); Group basic EPS after significant items was 19.7p (H1 2010: 28.2p), with the reduction reflecting certain tax refunds in the first half of 2010 that were not repeated in 2011.

Free cash outflow of £0.3 million (H1 2010: inflow of £9.7 million) reflects the investment in working capital to support sales growth, normal seasonal trends and increased net tax payments. Working capital investment in the Broadcast and Video and Photographic businesses as a result of increased activity levels resulted in a rise in the working capital to sales percentage to 18.2% (June 2010: 17.7%**). Cash flow was also reduced by the acquisition of Lastolite for a net investment of £8.4 million and final dividend payments of £4.8 million.

Net debt at 30 June 2011 increased to £40.5 million (31 December 2010: £28.1 million; 30 June 2010: £35.3 million). The Group's balance sheet remains strong with net debt / EBITDA of 0.9 times (31 December 2010: 0.7 times; 30 June 2010: 0.8 times). Drawings under our committed banking facilities were £53.3 million, (31 December 2010: £34.8 million; 30 June 2010: £35.3 million).

The Revolving Credit Facility, which expires in August 2013, was reduced to £100 million from £125 million when the Group put in place a new Private Placement shelf facility of $75 million with Pricoa Capital Group Limited, of which $25 million was drawn on 11 May 2011 for a fixed six-year term. The Group had £115.7 million of committed facilities at the half year-end and a further $50 million of undrawn shelf facility.

The Board has declared an interim dividend of 8.0 pence per share (H1 2010: 7.6 pence), which equates to a dividend cover of 3.0 times (based on basic earnings per share before significant items*). The dividend will be paid on 28 October 2011 to shareholders on the register at the close of business on 30 September 2011.

** Before significant items. Significant items are those items of financial performance that the Directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group (see note 3 of the condensed consolidated financial statements).*
*** The working capital to sales percentage has been calculated to include Inventory, Receivables and Payables for both periods. Management believes that this is a good measure of working capital performance. The calculation had previously included provisions and derivative instruments.*

Three Market Strategy

Our strategy remains to focus on the three markets that will provide us with growth from the organic development of our existing capabilities and strengths, supplemented where appropriate with selective acquisitions. The three markets are (a) Broadcast and Video (b) Photographic and (c) Military, Aerospace and Government (MAG).

The Broadcast and Video market includes the Videocom businesses together with the Services business. Our strategy is to maintain our premium product offerings and market share with traditional broadcast customers whilst developing specific products and new channels focused on the needs of the cameraman in the video segment.

Our Videocom businesses specialise in the design and distribution of high-quality equipment principally for professionals engaged in producing and transporting video content for the global media industries – broadcast, film, live events and education.

Our Services business provides rental equipment and technical support for the most demanding broadcast production. It also provides comprehensive maintenance services, fibre optic systems design and installation services and the resale of used broadcast hardware.

The Photographic market includes the Imaging and Staging businesses supplemented with the recent acquisition of Lastolite. Our strategy is to maintain our premium market position and share among professional and serious amateur photographers whilst leveraging the Manfrotto brand to enter new faster-growing segments among non-professional users.

The Imaging and Staging businesses have a strong reputation with two main groups of creative professionals: photographers and videographers, whether they are shooting commercially, independently or for pleasure; and live and corporate event production and touring bands that need versatile staging sets.

The Military, Aerospace and Government market is addressed through the IMT business which is currently included in the Videocom segment. This is being developed to leverage our proven microwave technology for broadcast market applications. The MAG market is attractive given its size, forecast growth and technology fit but we should expect order intake to be lumpy.

Geographic Spread

Our growth strategy is supported by the broad geographical spread of the Group. In the first half of 2011, just under 45% of our revenues by destination came from North America, with the remainder split between Europe (33%), Asia-Pacific (17%) and Rest of World (5%). Only 8% of revenue is derived from the UK. Over the last year, Vitec has increased sales into the APAC region by three percentage points. We currently have a direct presence in 14 countries around the world, including the UK, USA, Costa Rica, France, Germany, Italy, Israel, Brazil, Japan and China.

Videocom

Markets

The Videocom Division mainly serves the Broadcast and Video and MAG markets.

In the Broadcast market, demand continued to grow in the first half reflecting the continued improved outlook for advertising revenues and the technological drivers of High Definition, LED lighting and robotics. The volume of enquiries we received at NAB 2011 in April, the leading international exhibition for broadcasters, reflected this increased level of activity.

Broadcast markets saw growth, particularly in Russia, the Middle East and Asia. The US broadcast sales and rental marketplace was held back by uncertainties over the economy, although interest in robotics products has increased. The video market also remained buoyant.

Interest in intelligent wireless video links for law enforcement and military applications continued despite Government cuts elsewhere. Our IMT business is a relatively new entrant to this market and is increasingly recognised as a technology leader in this space where our mission-critical visual communication and surveillance products are enjoying an increased level of enquiries. The surveillance market presents a growth opportunity for the business and we have had some initial success with Task orders 1 and 2. We continue to await follow on orders. The medium term results will reflect our success in securing additional contracts and the timing of large tenders.

	2011	2010	△ %
Revenue	£65.9m	£60.6m	8.7%
Operating Profit*	£6.0m	£3.7m	62.2%
Operating Margin*	9.1%	6.1%	

**Before significant items. Significant items are the amortisation of acquired intangibles of £1.5 million (H1 2010: £3.4 million), and profit on disposal of business of £nil (H1 2010: £1.8 million).*

Operations

Reported revenue in the period increased by 8.7% to £65.9 million. After adjusting for the disposal of the Clear-Com business in April 2010, which contributed £5.3 million of revenue, organic sales growth at constant exchange rates increased by 22.8%, with double digit sales growth in all business units in the division. Operating profit increased by 62.2% to £6.0 million and increased by 42.5% in organic terms at constant exchange rates. Operating margin increased by 300 basis points to 9.1% and increased by 120 basis points in organic terms at constant exchange rates.

The camera support brands (Vinten, Sachtler and O'Connor) enjoyed good growth in both the studio and on-location production segments, particularly stimulated by capital expenditure projects in the Middle East and Asia.

Robotics continues to bring important strategic wins. Sky Sports News will become the first channel to transmit from Sky's new Harlequin building using Vinten Radamec Robotics. This expansion with Sky looks set to continue as they move into new operations in Germany, Turkey and Abu Dhabi. In addition, the installation of a further five sites at the France 3 network is nearing completion.

Manufacturing capacity in Costa Rica and Bury St Edmunds has been increased by additional shifts to meet demand.

Litepanels continued its strong growth, with an increasing number of customers changing from conventional tungsten lights to new energy and environmentally efficient LED lights especially in the US. With the launch of its new SOLA range of LED Fresnel style lights, Litepanels continues to be the technology leader with these innovative high intensity, high quality lights for studio and news journalists.

Anton/Bauer has seen steady growth in its traditional Broadcast and in particular Film markets especially in EMEA. It is making good progress in identifying and addressing opportunities for the supply of batteries and chargers in the medical market.

IMT has completed its first major orders in the MAG market under the US Department of Justice Auction 66 contract and a number of State police contracts for helicopter-borne microwave video transmitters and receivers.

Key achievements

- New Sky orders from Germany and Abu Dhabi
- Large camera supports and accessory orders from Turkmenistan, Oman and China
- Increased volumes of Litepanels SOLA 6 series shipped in H1
- Anton/Bauer major order from Tampa Bay Hospital Group

- Delivery of task orders 1 and 2 of the Auction 66 contract worth $10.8 million
- IMT broadcast orders from Turkey, Russia and Brazil
- First ever order for an unmanned aerial vehicle (UAV) application

** Before significant items. Significant items are those items of financial performance that the Directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group (see Segment reporting).*

Imaging and Staging

The Imaging and Staging Division mainly serves the Photographic market.

Markets

The Photographic market has continued to see new generation Digital SLR cameras driving an increased demand for camera bags and tripods. Lighting and video support products have also enjoyed more resilient market conditions and our market position was strengthened by the acquisition of Lastolite. There has been a continued steady migration from independent specialist retailers to consumer electronics channels.

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	2011	2010	△ %
Revenue	£91.7m	£73.5m	24.8%
Operating Profit*	£9.6m	£9.3m	3.2%
Operating Margin*	10.5%	12.7%	

**Before significant items. Significant items are the amortisation of acquired intangibles of £0.5 million (H1 2010: £0.3 million), together with £0.3 million of costs relating to the acquisition of Lastolite.*

Operations

Revenue in the period increased by 24.8% to £91.7 million and in organic terms at constant exchange rates it increased by 24.4%. Operating profit increased by 3.2% to £9.6 million and increased by 12.1% in organic terms at constant exchange rates despite a significant investment in sales and marketing activity to support the Manfrotto Powerbrand. As expected, operating margin decreased by 220 basis points to 10.5% and by 120 basis points in organic terms at constant exchange rates. 2011 results include 4 months of operations from the Lastolite business with sales to external customers of £2.3 million.

Imaging sales strengthened in the first half especially in the US, Germany, Italy and France. Our Italian manufacturing and outsourced Chinese suppliers have increased output to satisfy demand.

The launch of the Powerbrand strategy, with its integrated range of Manfrotto-branded accessories targeting the non-professional market has enjoyed a good level of support from consumer electronic retail channels. We have invested in sales and marketing resources and inventory to deliver this strategy and will continue this investment into next year. While early signs are encouraging, the sales outlook for the remainder of the year will reflect the in-store demand for these products that are now stocked in major stores and are available on-line.

In addition, Lastolite, the lighting backgrounds and control systems business acquired on 4 March 2011, has traded above expectations and integration of the business has progressed as planned.

Staging secured high profile projects including part of the staging for the Take That tour and the Cirque du Soleil Michael Jackson Memorial World Tour.

Key achievements

- Positive reaction from trade and press for the new expanded Manfrotto range with products now in stores such as: B&H, Best Buy and Sam's Club in the US; Jacobs and Jessops in the UK; Mediamarkt and FNAC in Continental Europe and online through Amazon
- Global trade awareness events in support of the Manfrotto Powerbrand including a major launch event in New York in May
- Robust growth of Manfrotto lighting and video supports revenue
- Acquisition of Lastolite for initial net consideration of £8.4 million and up to £1.0 million earnout of which £0.7 million has been recognised at acquisition and would be payable in 2012
- Encouraging initial performances from the new Manfrotto distribution businesses in Hong Kong and Shanghai

** Before significant items. Significant items are those items of financial performance that the Directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group (see Segment reporting).*

Services

Markets

Our Services Division provides equipment and support for broadcast and media productions and has continued its strategy of focusing on larger live events and more mobile and compact reality / documentary market segments. Customers are demanding more of a one-stop service and we are well placed to support them.

	2011	2010	△ %
Revenue	£14.2m	£18.4m	(22.8%)
Operating Profit*	£nil	£0.2m	
Operating Margin*	-%	1.1%	

**Before significant items. There were no significant items (H1 2010: £nil).*

Operations

Revenue in the period decreased by 22.8% to £14.2 million, and in organic terms at constant exchange rates it decreased by 19.3%. Operating profit decreased by £0.2 million to break-even.

The Services business traded in line with our expectations, with new projects for leading producers including Endemol, Fremantle and ESPN partially offsetting the absence of an Olympic event which benefited H1 2010.

Key Achievements

- Secured new project from ESPN for a six-month temporary control room. This exemplifies the one-stop customer demand and underlines the capabilities of Bexel
- Secured multiyear deal with ESPN for US Open tennis and College football
- Bexel secured contracts in the US for Hell's Kitchen, Extreme Home Makeover and The Apprentice
- Continued to rationalise our distribution strategy with the closure of Seattle
- TV Technology Star Award from NAB 2011 for technical excellence

- Ambassador events to promote Group products from the Videocom and Imaging Divisions to broadcast customers now well-established

** Before significant items. Significant items are those items of financial performance that the Directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group (see Segment reporting).*

Foreign Exchange

First half operating profit includes £1.0 million of negative impact from movements in foreign exchange rates. This is due to first half average £/$ exchange rates at £/$1.61, vs. £/$1.53 in H1 2010, generating a £0.3 million adverse foreign exchange translation loss and transaction losses after hedging of £0.7 million.

Effective Tax rate

The effective tax rate before significant items, based on the forecast full year tax charge, was 33% (FY10 33%) reflecting the mix of territories in which the profits arose. After significant items, the effective tax rate was 34% as a result of the tax effect of the amortisation of intangible assets in lower tax territories. Last year's full year rate of 16% benefitted from tax refunds in the US and Germany and the Clear-Com disposal.

Outlook

Whilst the business environment remains uncertain and our order book visibility is limited, we continue to make good strategic progress and to benefit from stronger demand across our operations. Vitec's achievements to date in all three of its core strategic markets of Broadcast and Video, Photographic and MAG, give the Board confidence in the prospects for future growth.

Michael Harper
Chairman

Stephen Bird
Group Chief Executive

Dividend Reinvestment Plan

The Company has a Dividend Reinvestment Plan that allows shareholders to reinvest dividends to purchase additional shares in the Company. For shareholders to apply the proceeds of this and future dividends to the plan, application forms must be received by the Company's Registrars by no later than 3 October 2011. Existing participants in the Plan will automatically have the interim dividend reinvested. Details of the Plan can be obtained from Capita Registrars at www.capitaregistrars.com.

Cautionary Statement

Statements made in this announcement that look forward in time or that express management's beliefs, expectations or estimates regarding future occurrences are "forward-looking statements" within the meaning of the United States federal securities laws. These forward-looking statements reflect Vitec's current expectations concerning future events and actual results may differ materially from current expectations or historical results.

Principal Risks and Uncertainties

Details of the principal risks and uncertainties that the Group is exposed to are as set out on page 15 of the Annual Report & Accounts 2010.

Responsibility statement of the Directors in respect of the Half Year Results

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 *Interim Financial Reporting as adopted by the EU*

The Half Year Results announcement report includes a fair review of the information required by:

(a) DTR 4.2.7R of the *Disclosure and Transparency Rules*, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

(b) DTR 4.2.8R of the *Disclosure and Transparency Rules*, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board
Paul Hayes
Group Finance Director

15 August 2011

Independent review report to The Vitec Group plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the Half Year Results announcement for the six months ended 30 June 2011 which comprises Condensed Consolidated Income Statement, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and the related explanatory notes. We have read the other information contained in the Half Year Results announcement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Services Authority ("the UK FSA"). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The Half Year Results announcement is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Half Year Results announcement in accordance with the DTR of the UK FSA.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this Half Year Results announcement has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the Half Year Results announcement based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Half Year Results announcement for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

Robert Brent
for and on behalf of KPMG Audit Plc
Chartered Accountants
15 Canada Square
London, E14 5GL

15 August 2011

Condensed Consolidated Income Statement
For the half year ended 30 June 2011

		Half year to 30 June 2011			Half year to 30 June 2010			Year to 31 December 2010		
		Before significant items	Significant items (1)	Total	Before significant items	Significant items (1)	Total	Before significant items	Significant items (1)	Total
	Notes	**£m**	**£m**	**£m**	£m	£m	£m	£m	£m	£m
Revenue	2	**171.8**	**-**	**171.8**	152.5	-	152.5	309.6	-	309.6
Cost of sales		**(99.8)**	**-**	**(99.8)**	(89.7)	-	(89.7)	(183.1)	(1.3)	(184.4)
Gross profit		**72.0**	**-**	**72.0**	62.8	-	62.8	126.5	(1.3)	125.2
Other operating income		**-**	**-**	**-**	-	1.8	1.8	-	5.2	5.2
Operating expenses	3	**(56.4)**	**(2.3)**	**(58.7)**	(49.6)	(3.7)	(53.3)	(98.8)	(9.0)	(107.8)
Operating profit/(loss)	2	**15.6**	**(2.3)**	**13.3**	13.2	(1.9)	11.3	27.7	(5.1)	22.6
Finance income		**1.6**	**-**	**1.6**	1.6	0.4	2.0	3.1	0.1	3.2
Finance expense		**(2.0)**	**-**	**(2.0)**	(2.2)	(0.2)	(2.4)	(4.1)	-	(4.1)
Net finance expense	3/4	**(0.4)**	**-**	**(0.4)**	(0.6)	0.2	(0.4)	(1.0)	0.1	(0.9)
Profit/(loss) before tax		**15.2**	**(2.3)**	**12.9**	12.6	(1.7)	10.9	26.7	(5.0)	21.7
Taxation	3/7	**(5.0)**	**0.6**	**(4.4)**	(4.3)	5.4	1.1	(8.8)	5.4	(3.4)
Profit/(loss) for the period		**10.2**	**(1.7)**	**8.5**	8.3	3.7	12.0	17.9	0.4	18.3
Earnings per share	5									
Basic earnings per share		**23.6p**		**19.7p**	19.5p		28.2p	41.9p		42.8p
Diluted earnings per share				**19.2p**			27.5p			41.9p
Average exchange rates										
Euro				**1.15**			1.15			1.17
US$				**1.61**			1.53			1.55

(1) See Note 3

Condensed Consolidated Statement of Comprehensive Income

For the half year ended 30 June 2011

	Half year to 30 June 2011 £m	Half year to 30 June 2010 £m	Year to 31 December 2010 £m
Profit for the period	**8.5**	12.0	18.3
Other comprehensive income			
Actuarial gain/(loss) on pension obligations	**0.1**	(3.2)	2.5
Currency translation differences on foreign currency subsidiaries	**(0.4)**	4.2	1.5
Net gain/(loss) on designated effective net investment hedges	**0.1**	(2.6)	(1.1)
Amounts released to Income Statement in relation to cash flow hedges	**-**	(0.4)	(0.7)
Effective portion of changes in fair value of cash flow hedges	**0.9**	(3.5)	-
Other comprehensive income for the period, net of tax	**0.7**	(5.5)	2.2
Total comprehensive income for the period	**9.2**	6.5	20.5

Condensed Consolidated Balance Sheet

As at 30 June 2011

	As at 30 June 2011 £m	As at 30 June 2010 £m	As at 31 December 2010 £m
Assets			
Non-current assets			
Property, plant and equipment	**51.5**	51.2	53.4
Intangible assets	**56.7**	56.8	51.8
Trade and other receivables	**0.3**	0.4	0.4
Deferred tax assets	**21.4**	18.6	22.6
	129.9	127.0	128.2
Current assets			
Inventories	**66.4**	56.8	55.4
Trade and other receivables	**55.3**	44.6	45.4
Derivative financial instruments	**1.5**	1.2	0.9
Current tax assets	**0.2**	-	0.3
Cash and cash equivalents	**12.8**	8.7	7.7
	136.2	111.3	109.7
Total assets	**266.1**	238.3	237.9
Liabilities			
Current liabilities			
Bank overdrafts	**-**	4.2	1.0
Trade and other payables	**57.1**	47.5	49.7
Derivative financial instruments	**0.2**	4.5	1.0
Current tax liabilities	**11.5**	6.0	9.4
Provisions	**3.4**	5.3	4.6
	72.2	67.5	65.7
Non-current liabilities			
Bank loans	**53.3**	39.8	34.8
Post-employment obligations	**6.1**	13.9	7.0
Other payables	**1.2**	0.2	1.5
Derivative financial instruments	**-**	1.2	-
Provisions	**1.4**	2.3	2.2
Deferred tax liabilities	**2.8**	1.0	2.4
	64.8	58.4	47.9
Total liabilities	**137.0**	125.9	113.6
Net assets	**129.1**	112.4	124.3
Equity			
Share capital	**8.6**	8.6	8.6
Share premium	**9.6**	9.1	9.6
Translation reserve	**5.6**	7.1	5.9
Capital redemption reserve	**1.6**	1.6	1.6
Cash flow hedging reserve	**0.8**	(3.3)	(0.1)
Retained earnings	**102.9**	89.3	98.7
Total equity	**129.1**	112.4	124.3

Condensed Consolidated Statement of Changes in Equity

As at 30 June 2011

	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 2010	8.6	9.0	5.5	1.6	0.6	85.9	111.2
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	12.0	12.0
Other comprehensive income							
Actuarial loss on pension obligations	-	-	-	-	-	(3.2)	(3.2)
Currency translation differences on foreign currency subsidiaries	-	-	4.2	-	-	-	4.2
Net loss on designated effective net investment hedges	-	-	(2.6)	-	-	-	(2.6)
Amounts released to Income Statement in relation to cash flow hedges	-	-	-	-	(0.4)	-	(0.4)
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	(3.5)	-	(3.5)
Total other comprehensive income, net of tax	-	-	1.6	-	(3.9)	(3.2)	(5.5)
Total comprehensive income for the period	-	-	1.6	-	(3.9)	8.8	6.5
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends paid	-	-	-	-	-	(4.6)	(4.6)
Own shares (Employee benefit trust) purchased	-	-	-	-	-	(1.1)	(1.1)
Equity-settled transactions	-	-	-	-	-	0.3	0.3
New shares issued	-	0.1	-	-	-	-	0.1
Total transactions with owners	-	0.1	-	-	-	(5.4)	(5.3)
Balance at 30 June 2010	**8.6**	**9.1**	**7.1**	**1.6**	**(3.3)**	**89.3**	**112.4**
Balance at 1 January 2011	8.6	9.6	5.9	1.6	(0.1)	98.7	124.3
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	8.5	8.5
Other comprehensive income							
Actuarial gain on pension obligations	-	-	-	-	-	0.1	0.1
Currency translation differences on foreign currency subsidiaries	-	-	(0.4)	-	-	-	(0.4)
Net gain on designated effective net investment hedges	-	-	0.1	-	-	-	0.1
Effective portion of changes in fair value of cash flow hedges	-	-	-	-	0.9	-	0.9
Total other comprehensive income, net of tax	-	-	(0.3)	-	0.9	0.1	0.7
Total comprehensive income for the period	-	-	(0.3)	-	0.9	8.6	9.2
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends paid	-	-	-	-	-	(4.8)	(4.8)
Equity-settled transactions	-	-	-	-	-	0.4	0.4
Total transactions with owners	-	-	-	-	-	(4.4)	(4.4)
Balance at 30 June 2011	**8.6**	**9.6**	**5.6**	**1.6**	**0.8**	**102.9**	**129.1**

Condensed Consolidated Statement of Cash Flows
For the half year ended 30 June 2011

	Notes	**Half year to 30 June 2011 £m**	Half year to 30 June 2010 £m	Year to 31 December 2010 £m
Cash flows from operating activities				
Profit for the period		**8.5**	12.0	18.3
Adjustments for:				
Taxation		**4.4**	(1.1)	3.4
Profit on disposal of business		**-**	(1.8)	(2.2)
Transaction costs relating to acquisitions	8	**0.3**	-	-
Depreciation		**6.7**	6.8	13.6
Impairment losses on property, plant & equipment		**-**	-	0.1
Impairment losses on capitalised software		**-**	-	0.1
Amortisation of acquired intangible assets		**2.0**	3.7	7.6
Amortisation of capitalised software		**0.6**	0.6	1.2
Amortisation of development costs		**0.2**	0.1	0.2
Net gain on disposal of property, plant and equipment		**(0.6)**	(0.4)	(1.3)
Net loss on disposal of capitalised software		**-**	-	0.2
Curtailment gain on UK Defined benefit pension scheme		**-**	-	(3.0)
Fair value (gains)/losses on derivative financial instruments		**(0.2)**	0.6	0.3
Cost of equity-settled employee share schemes		**0.4**	0.3	1.0
Finance income		**(1.6)**	(2.0)	(3.2)
Finance expense		**2.0**	2.4	4.1
Operating profit before changes in working capital and provisions		**22.7**	21.2	40.4
(Increase)/decrease in inventories		**(9.6)**	(7.8)	(6.9)
(Increase)/decrease in receivables		**(8.4)**	(1.7)	(2.6)
Increase/(decrease) in payables		**5.7**	4.6	7.7
(Decrease)/increase in provisions		**(2.5)**	(2.6)	(4.0)
Cash generated from operating activities		**7.9**	13.7	34.6
Interest paid		**(0.6)**	(0.6)	(1.2)
Tax (paid)/received		**(2.3)**	1.1	(0.9)
Net cash from operating activities		**5.0**	14.2	32.5
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		**1.4**	1.0	2.0
Purchase of property, plant and equipment		**(5.0)**	(4.2)	(13.8)
Capitalisation of software costs		**(1.6)**	(0.5)	(1.2)
Capitalisation of development costs		**(0.1)**	(0.8)	(1.5)
Contingent consideration on acquisition of subsidiaries		**-**	(2.5)	(2.5)
Acquisition of subsidiaries, net of transaction costs and cash acquired	8	**(8.4)**	-	-
Disposal of business		**-**	6.7	7.1
Net cash used in investing activities		**(13.7)**	(0.3)	(9.9)
Cash flows from financing activities				
Proceeds from the issue of shares		**-**	0.1	0.6
Purchase of own shares by Employee Benefit Trust		**-**	(1.1)	(1.1)
Borrowing/(repayment) of bank loans and other borrowings		**18.6**	(14.9)	(19.0)
Dividends paid		**(4.8)**	(4.6)	(7.9)
Net cash used in financing activities		**13.8**	(20.5)	(27.4)
Increase/(decrease) in cash and cash equivalents	9	**5.1**	(6.6)	(4.8)
Cash and cash equivalents at the beginning of period		**6.7**	12.1	12.1
Effect of exchange rate fluctuations on cash held		**1.0**	(1.0)	(0.6)
Cash and cash equivalents at the end of period [1]		**12.8**	4.5	6.7

[1] Cash and cash equivalents include bank overdrafts in the Balance Sheet

1 Accounting policies

Basis of preparation and statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The accounting policies adopted in the preparation of this interim financial information are consistent with the policies applied by the Group in the consolidated financial statements as at and for the year ended 31 December 2010 which were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. It does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2010.

The comparative figures for the year ended 31 December 2010 do not constitute statutory accounts for the purpose of section 435 of the Companies Act 2006. The auditors have reported on the 2010 accounts, and these have been filed with the Registrar of Companies; their report was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis, and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2010.

These condensed consolidated interim financial statements were approved by the Board of Directors on 15 August 2011.

Changes in Accounting Policies

The following amendments to published standards and interpretations are effective for the Group for the half year ended 30 June 2011:

- IAS 24, Related Party Disclosures;
- Amendment to IFRIC 14, IAS 19, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The Group has reviewed the effect of these amendments and interpretations, and has concluded that they have no material impact on these condensed consolidated half-yearly financial statements.

2. Segment reporting

Reportable Segments
For the half year ended 30 June 2011

	Imaging & Staging		**Videocom**		**Services**		**Corporate and unallocated**		**Consolidated**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m	**£m**	£m
Revenue from external customers:										
Sales	**91.6**	73.5	**64.8**	59.7	**3.0**	3.6	**-**	-	**159.4**	136.8
Services	**0.1**	-	**1.1**	0.9	**11.2**	14.8	**-**	-	**12.4**	15.7
Total revenue from external customers	**91.7**	73.5	**65.9**	60.6	**14.2**	18.4	**-**	-	**171.8**	152.5
Inter-segment revenue [1]	**0.4**	0.2	**1.2**	1.8	**0.1**	-	**(1.7)**	(2.0)	**-**	-
Total revenue	**92.1**	73.7	**67.1**	62.4	**14.3**	18.4	**(1.7)**	(2.0)	**171.8**	152.5
Operating profit before significant items	**9.6**	9.3	**6.0**	3.7	**-**	0.2	**-**	-	**15.6**	13.2
Profit on disposal of business	**-**	-	**-**	1.8	**-**	-	**-**	-	**-**	1.8
Transaction costs relating to acquisitions	**(0.3)**	-	**-**	-	**-**	-	**-**	-	**(0.3)**	-
Amortisation of acquired intangible assets	**(0.5)**	(0.3)	**(1.5)**	(3.4)	**-**	-	**-**	-	**(2.0)**	(3.7)
Segment result	**8.8**	9.0	**4.5**	2.1	**-**	0.2	**-**	-	**13.3**	11.3
Net finance costs							**(0.4)**	(0.4)	**(0.4)**	(0.4)
Taxation							**(4.4)**	1.1	**(4.4)**	1.1
Profit for the period	**8.8**	9.0	**4.5**	2.1	**-**	0.2	**(4.8)**	0.7	**8.5**	12.0

[1] Inter-segment pricing is determined on an arm's length basis.

Geographical segments
For the half year ended 30 June 2011

	United Kingdom		**The Rest of Europe**		**The Americas**		**The Rest of the World**		**Consolidated**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m	**£m**	£m
Revenue from external customers:										
by location of customer	**14.0**	11.7	**44.0**	36.1	**80.3**	78.4	**33.5**	26.3	**171.8**	152.5

3 Significant items

Significant items are those items of financial performance that the directors consider should be separately disclosed to assist in the understanding of the underlying trading and financial performance achieved by the Group and in making projections of future results.

Significant items comprise the following:

	Half year to 30 June 2011	Half year to 30 June 2010	Year to 31 December 2010
	£m	£m	£m
(a) Cost of sales	**-**	-	(1.3)

£1.3 million of exit costs relating to the Broadcast Auxiliary Service (BAS) relocation project were included in cost of sales in the year ended 31 December 2010.

(b) Other operating income			
Profit on disposal of business	**-**	1.8	2.2
Curtailment gain on UK Defined benefit pension scheme	**-**	-	3.0
	-	1.8	5.2

On 1 April 2010, the Group sold its Clear-Com business, giving rise to a profit of £1.8 million in the half year to 30 June 2010. In the second half, a further consideration of £0.4 million was recognised based on the actual turnover achieved in 2010. This resulted in an increased profit on disposal of £2.2 million in the year to 31 December 2010.

(c) Operating expenses			
Transaction costs relating to acquisitions	**(0.3)**	-	-
Exit costs on Broadcast Auxiliary Service (BAS) relocation project	**-**	-	(0.8)
Impairment loss on property	**-**	-	(0.1)
Amortisation of acquired intangible assets	**(2.0)**	(3.7)	(7.6)
Costs associated with UK Defined benefit pension scheme closure to future accrual	**-**	-	(0.5)
	(2.3)	(3.7)	(9.0)

£0.3 million transaction costs were incurred in relation to the acquisition of Lastolite. See note 8.

(d) Other finance income/(expense)			
Net currency translation gains	**-**	0.4	0.1
Net fair value losses on financial instruments [(1)]	**-**	(0.2)	-
	-	0.2	0.1

The currency translation differences which arise on certain intra-Group funding balances that do not meet the strict criteria for net investment hedging, but are very similar in nature, are recorded in significant items within other financial income.

[(1)]The impact of "time value" movements on the Group's options was £nil (2010: £0.2 million loss) since there were no option contracts outstanding at the balance sheet date of 30 June 2011. Options may be used by the Group as part of its hedging of future foreign exchange cash flows. As such options are held to maturity, the ultimate net amount charged to the income statement in respect of any option will always equate to the initial premium paid for that option. However, as a result of the time value of such options being marked to market at each balance sheet date, volatile income and expenses can be introduced between periods and such amounts are therefore identified as significant other finance income or expense.

(e) Taxation

Current tax credit	**0.9**	5.7	4.2
Deferred tax (expense)/credit	**(0.3)**	(0.3)	1.2
	0.6	5.4	5.4

The current tax credit and deferred tax expense in 2011 relate to the impact of the amortisation of intangible assets.

The current and deferred tax credits within significant items totalling £5.4 million for the half year to 30 June 2010 are made up of the impact of amortisation of intangibles, tax refunds in the US and Germany and a tax credit on the disposal of the US portion of the Clear-Com business. In the second half to 31 December 2010, a reallocation was made between current and deferred taxes on the disposal of the Clear-Com business.

4 Net finance costs

	Half year to 30 June 2011 £m	Half year to 30 June 2010 £m	Year to 31 December 2010 £m
Finance income			
Expected return on assets in the pension scheme	**1.4**	1.4	2.8
Net currency translation gains (1)	**0.2**	0.6	0.4
	1.6	2.0	3.2
Finance expense			
Interest payable on bank borrowings	**(0.7)**	(0.7)	(1.2)
Interest charge on pension scheme liabilities	**(1.3)**	(1.4)	(2.8)
Net fair value losses on financial instruments (2)	**-**	(0.3)	(0.1)
	(2.0)	(2.4)	(4.1)
Net finance expense	**(0.4)**	(0.4)	(0.9)

(1) Within this balance is a net currency translation gain of £nil (2010: £0.4 million) which is recorded in significant items within other finance income/(expense). See Note 3.

(2) Within this balance is the impact of 'time value' movements on the Group's options of £nil (2010: £0.2 million loss) which is recorded in significant items within other finance income/(expense). See Note 3.

5 Earnings per ordinary share

The calculation of basic earnings per share is based on profit after tax of £8.5 million (2010: £12.0 million) and on the weighted average number of shares in issue during the period of 43,163,520 (2010: 42,581,585).

Adjusted basic earnings per share is presented as the directors consider that this gives a useful additional indication of the ongoing earnings performance of the Group. The calculation is based on profit after tax but before significant items. In 2011 this profit was £10.2 million (2010: £8.3 million).

The calculation of diluted earnings per share of 19.2 pence (period to 30 June 2010: 27.5 pence) is based on profit after tax of £8.5 million (2010: £12.0 million) and on 44,304,418 (2010: 43,557,765) ordinary shares.

Reconciliation of earnings and effect on basic earnings per share

	Profit		Earnings per share	
	Half year to 30 June		Half year to 30 June	
	2011	2010	**2011**	2010
	£m	£m	**pence**	pence
Profit for the financial year	**8.5**	12.0	**19.7**	28.2
add back: significant items	**1.7**	(3.7)	**3.9**	(8.7)
Earnings before significant items	**10.2**	8.3	**23.6**	19.5

6 Interim dividend

After the balance sheet date, an interim dividend of 8.0 pence per share was recommended by the directors, totalling £3.5 million (2010: 7.6 pence per share totalling £3.3 million). The dividend has not been provided for at half year and there are no tax consequences.

The dividend will be paid on Friday 28 October 2011 to shareholders on the register at the close of business on Friday 30 September 2011. The Company has a Dividend Reinvestment Plan that allows shareholders to reinvest dividends to purchase additional shares in the Company. For shareholders to apply the proceeds of this and future dividends to the plan, application forms must be received by the Company's Registrars by no later than Monday 3 October 2011. Existing participants in the Plan will automatically have the interim dividend reinvested. Details on the Plan can be obtained from Capita Registrars on 0871 664 0381 or at www.capitaregistrars.com. Calls cost 10p per minute plus network extras, lines are open 8.30am-5.30pm Mon-Fri.

7 Taxation

	Half year to 30 June 2011 £m	Half year to 30 June 2010 £m	Year to 31 December 2010 £m
Before Significant Items			
Current tax	**5.2**	2.8	9.1
Deferred tax	**(0.2)**	1.5	(0.3)
	5.0	4.3	8.8
Significant Items			
Current tax	**(0.9)**	(5.7)	(4.2)
Deferred tax	**0.3**	0.3	(1.2)
	(0.6)	(5.4)	(5.4)
Summarised in the Income Statement as follows			
Current tax	**4.3**	(2.9)	4.9
Deferred tax	**0.1**	1.8	(1.5)
	4.4	(1.1)	3.4

The tax rate on profits before significant items for the half year to 30 June 2011 is estimated at 33% (2010 full year: 33%) on the basis of the anticipated tax rates which will apply for the full year.

The tax rate on profits after significant items for the half year to 30 June 2011 is estimated at 34% (2010 full year: 16%). This is higher than the tax rate before significant items due to the impact of the amortisation of intangibles and non-tax deductible acquisition costs. The effective tax rate of 34% is different from the UK tax rate in 2011 of 26.5% due to the impact of the higher statutory tax rates in Italy.

8 Acquisition of business

On 4 March 2011, the Group acquired the whole of the share capital of Henry Holdings Ltd, the owner of Lastolite Ltd and the Colorama brand. "Lastolite" is the world's leading manufacturer of backgrounds and lighting control systems which will complement the existing range of Manfrotto lighting supports, LED lights and lighting control accessories, and will operate within the Imaging & Staging Division.

The acquisition was funded from existing cash resources and has been accounted for under the purchase method of accounting. As part of the acquisition accounting the Group has adopted a process to identify the fair values of the assets acquired and liabilities assumed, including the separate identification of intangible assets and to allocate the consideration paid. This process is continuing as information is finalised, and accordingly the fair value adjustments presented in the table below are provisional. In accordance with IFRS 3 until the assessment is complete the allocation period will remain open up to a maximum of twelve months from the acquisition date so long as information remains outstanding.

Adjustments have been made to the assets acquired and liabilities assumed to reflect the fair value that would be attributed by a knowledgeable and willing seller and buyer, and to reflect conditions that existed at the acquisition date.

The consideration has been allocated against the identified net assets, with the balance recorded as goodwill. The acquisition will provide the Vitec Group an opportunity to create enhanced returns. Such opportunities and the workforce inherent within Lastolite do not translate to separately identifiable intangible assets but do represent much of the assessed value that supports the recognised goodwill.

The value of the gross trade receivables at acquisition date amounted to £1.2 million reflecting management's best estimate of the fair value to be attributed.

A summary of the effect of the acquisition of "Lastolite" 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	-	3.1	3.1
Property, plant and equipment	0.4	-	0.4
Inventories	1.2	0.1	1.3
Trade and other receivables	1.3	-	1.3
Trade and other payables	(0.8)	-	(0.8)
Cash	0.7	-	0.7
Deferred tax	-	(0.8)	(0.8)
Current tax	(0.1)	-	(0.1)
	2.7	2.4	5.1
Goodwill			4.4
Consideration			**9.5**
Satisfied by			
- Cash consideration			8.8
- Deferred consideration			0.7
			9.5

The deferred consideration is payable dependent upon the results of Lastolite Ltd for the year ending 31 December 2011. For the purpose of the provisional allocation the Group has assumed that £0.7 million of the total maximum of £1.0 million shall be paid. This reflects Management's assessment at acquisition date of the likely future profitability of Lastolite Ltd.

A summary of the net outflow of cash in respect of the acquisition is detailed below:

	£m
Total purchase consideration	9.5
Deferred consideration	(0.7)
Cash consideration	8.8
Transaction costs	0.3
Cash acquired	(0.7)
Net cash outflow in respect of acquisition	**8.4**

The results of "Lastolite" have been included in the Imaging & Staging division and comprise:

	2011 £m
Revenue from external customers	2.3
Operating profit (1)	0.4

(1) The fair value of inventory at acquisition date includes an adjustment to uplift the value by £0.1 million reflecting the gross margin inherent in the finished goods and work in progress. This amount flows to the Group's income statement post acquisition in accordance with IFRS 3, and is included in the cost of sales of “Lastolite”.

Operating profit is stated before amortisation of intangible assets.

Had the acquisition been made at the beginning of the year (i.e. 1 January 2011) the combined Group’s revenue from “Lastolite” for the period ended 30 June 2011 would have been £3.7 million and the operating profit for the same period £0.7 million.

9 Reconciliation of increase/(decrease) in cash and cash equivalents to movement in net debt

	Half year to 30 June	Half year to 30 June	Year to 31 December
	2011	2010	2010
	£m	£m	£m
At the beginning of period			
Cash and cash equivalents, and bank overdrafts	**6.7**	12.1	12.1
Bank loans & other borrowings	**(34.8)**	(52.7)	(52.7)
Net debt at the beginning of period	**(28.1)**	(40.6)	(40.6)
Cash flow movement			
Increase/(decrease) in cash and cash equivalents, and bank overdrafts	**5.1**	(6.6)	(4.8)
Net (borrowing)/repayment of bank loans & other borrowings	**(18.6)**	14.9	19.0
(Increase)/decrease in net debt resulting from cash flows	**(13.5)**	8.3	14.2
Effect of exchange rate fluctuations on			
Cash held	**1.0**	(1.0)	(0.6)
Debt held	**0.1**	(2.0)	(1.1)
Net debt	**1.1**	(3.0)	(1.7)
At the end of period			
Cash and cash equivalents, and bank overdrafts	**12.8**	4.5	6.7
Bank loans & other borrowings	**(53.3)**	(39.8)	(34.8)
Net debt at the end of period	**(40.5)**	(35.3)	(28.1)