

DART GROUP PLC

Interim Results 2016



DART GROUP PLC

Interim Results

Dart Group PLC, the Leisure Travel and Distribution & Logistics Group (“the Group”), announces its unaudited interim results for the half year ended 30 September 2016. These results are presented under International Financial Reporting Standards (“IFRS”).

Financial highlights	Half year ended 30 September 2016 (Unaudited)	Half year ended 30 September 2015 (Unaudited)	<i>Change</i>
Group revenue	£1,240.8m	£1,024.0m	<i>21%</i>
Group operating profit	£167.5m	£147.1m	<i>14%</i>
Operating profit margin	13.5%	14.4%	<i>(0.9ppts)</i>
Profit before tax	£163.7m	£146.8m	<i>12%</i>
Basic earnings per share	90.65p	79.82p	<i>14%</i>
Interim dividend per share	1.375p	0.900p	<i>53%</i>

- * A strong summer season saw Group revenue increase 21% to £1,240.8m (2015: £1,024.0m) whilst Group operating profit, which was underpinned by continued growth in our Leisure Travel business, increased 14% to £167.5m (2015: £147.1m).
- * Profit before tax grew 12% to £163.7m (2015: £146.8m). The Group’s Interim dividend per share will increase by 53% to 1.375p (2015: 0.900p).
- * Leisure Travel revenue growth of 22% to £1,160.8m (2015: £951.7m) reflects a 36% increase in the number of **Jet2holidays** package holiday customers to 1.28m (2015: 0.94m), representing 50% of overall flown customers (2015: 42%). **Jet2.com** also flew 2.51m flight-only passenger sectors (2015: 2.65m) during the period.
- * Though airline ticket yields and average load factors were slightly lower than those achieved in last year’s summer season, this is against a backdrop of a 13% increase in seat capacity.
- * The Board recently announced the launch of two new operating bases at Birmingham and London Stansted Airports, with flying due to commence in late March 2017. We believe these bases have great potential for our holidays business and will both further strengthen our position in the Midlands and enable us to serve the populations of North and East London and the East of England.
- * Whilst we recognise the likely upward pressures on market pricing following the weakening of Sterling post Brexit; for the long term, we have confidence in the resilience of our Leisure Travel business and are encouraged by the increasing proportion of customers taking our great value, *real package holidays*. With winter 2016/17 Leisure Travel bookings continuing to perform in line with expectations, the Board is currently optimistic that market expectations for the full year will be slightly exceeded.

Chairman's Statement

I am pleased to report on the Group's trading performance for the half year ended 30 September 2016 in our two businesses, "Leisure Travel" - incorporating **Jet2holidays**, our ATOL protected package holidays operator and **Jet2.com**, our leading leisure airline - and "Distribution & Logistics", comprising **Fowler Welch**, one of the UK's leading logistics providers.

In what has proven to be a strong summer season, Group operating profit increased 14% to £167.5m (2015: £147.1m) and profit before tax by 12% to £163.7m (2015: £146.8m).

The increase in Group operating profit reflects consistent summer trading in our Leisure Travel business as post Brexit bookings showed no signs of slowdown. However, increased losses are to be expected in the second half of the year as we invest in the launch of our new Birmingham and London Stansted Airport bases together with additional aircraft, advertising and people in readiness for further flying programme expansion in the summer 2017 season.

The Group generated increased net cash flow from operating activities of £226.5m (2015: £199.8m), reflecting the improved Leisure Travel trading performance. Total capital expenditure of £80.1m (2015: £60.9m) included the purchase of the Group's first new Boeing 737-800NG aircraft delivered in September plus pre-delivery payments, which have been substantially financed, for a further two of our future new aircraft. We also invested in a new engineering facility at Manchester Airport, completed the extension to our Teynham distribution facility, added a fourth flight simulator for our training centre in Bradford and continued to invest in the long-term maintenance of our aircraft fleet.

Cash and money market deposits increased by £183.1m (2015: £144.0m), resulting in total cash held at the reporting date of £595.1m (2015: £446.8m), which included advance payments from Leisure Travel customers of £243.0m (2015: £183.7m).

Basic earnings per share increased to 90.65p from 79.82p in 2015. In view of the outlook for the full year, the Board has decided to pay an increased interim dividend of 1.375p per share (2015: 0.900p). The dividend will be paid on 1 February 2017 to shareholders on the register at 6 January 2017.

Leisure Travel

We take people on holiday! Our Leisure Travel business specialises in scheduled flights by our airline **Jet2.com** to holiday destinations in the Mediterranean, the Canary Islands and to European Leisure Cities and the provision of ATOL licensed package holidays by our tour operator **Jet2holidays**.

Summer 2016 trading has been strong with demand for our *real package holidays* continuing to grow as **Jet2holidays** took 1.28m (2015: 0.94m) customers on holiday, an increase of 36%, representing 50% (2015: 42%) of overall flown customers. Our important flight-only product was enjoyed by 2.51m passengers in the period (2015: 2.65m).

Jet2.com flew a total of 5.07m passengers in the six months to 30 September 2016 (2015: 4.53m), an increase of 12% over the same period last year. Though airline ticket yields at £91.88 (2015: £93.09) and average load factors at 93.2% (2015: 94.1%) were slightly lower than those achieved in last year's summer season, this is against a backdrop of a 13% increase in seat capacity. The average price of a package holiday grew by 1%.

Non-ticket retail revenue per passenger grew 2% to £33.16 (2015: £32.55). This revenue stream, which is primarily discretionary in nature, continues to be optimised through our customer contact programme as we focus on Pre-Departure Sales (principally hold bags and advanced seat assignment), In-Flight Sales (pre-ordered meals, drinks, snacks, cosmetics and perfumes) and ancillary products (car hire and travel insurance).

As a result, Leisure Travel revenue grew by 22% to £1,160.8m (2015: £951.7m) at an operating profit margin of 14% (2015: 15%), resulting in operating profit growth of 15% to £165.2m (2015: £143.6m).

The Leisure Travel aircraft fleet was expanded to 64 aircraft for summer 2016 (*summer 2015: 59*) with commensurate increases in pilots, engineers and cabin crew. At the time of writing, the Group has received 5 aircraft of its 30 new Boeing 737-800NG order, the remainder to be delivered by April 2018.

We will continue to develop our customer-focused flying programme into summer 2017, which will include a combined 36 new routes out of Birmingham and London Stansted Airports and the addition of two new destinations – Costa de Almeria in Spain and Halkidiki in Greece.

KPIs	Half year ended 30 Sept 16	Half year ended 30 Sept 15	Half year end change	Year ended 31 Mar 16
Owned aircraft at the reporting date	45	45	-	45
Leased aircraft at the reporting date	18	14	29%	14
Leisure Travel sector seats available (capacity)	5.44m	4.81m	13%	6.56m
Leisure Travel passenger sectors flown	5.07m	4.53m	12%	6.07m
Leisure Travel load factor	93.2%	94.1%	(0.9ppts)	92.5%
Flight-only passenger sectors flown	2.51m	2.65m	(5%)	3.63m
Package holiday passenger sectors flown	2.56m	1.88m	36%	2.44m
Package holiday customers	1.28m	0.94m	36%	1.22m
Net ticket yield per passenger sector (excl. taxes)	£91.88	£93.09	(1%)	£91.11
Average package holiday price	£630.81	£625.78	1%	£616.30
Non-ticket retail revenue per passenger sector	£33.16	£32.55	2%	£31.98
Advance sales made as at the reporting date	£518.6m	£376.3m	38%	£767.5m

Distribution & Logistics

The Group's distribution business, **Fowler Welch**, is one of the UK's leading providers of distribution and logistics services to the food industry supply chain, serving retailers, processors, growers and importers through its distribution network. A full range of added value services is provided, including the packing of fruits, storage and case-level picking, together with an award winning national distribution network.

The business operates from nine prime UK distribution sites, with major temperature-controlled operations in the key produce growing and importing areas of Spalding in Lincolnshire, Teynham and Paddock Wood in Kent and Hilsea near Portsmouth, with two further regional distribution sites located at Washington, Tyne and Wear and at Newton Abbott, Devon. Ambient (non-temperature-controlled) consolidation and distribution services are provided at Heywood near Bury and Desborough, Northamptonshire.

During the first half, the business completed the extension of its Teynham facility, adding over 50,000 square feet of capacity for further revenue opportunities and the expansion of its joint venture fruit packing business, **Integrated Service Solutions ("ISS")**.

And, in June, the business agreed a contract with Dairy Crest Limited to take over its Nuneaton based UK distribution. This provides an important additional revenue stream, which will be developed by the integration of the Dairy Crest and **Fowler Welch** vehicle fleets and the achievement of supply chain efficiencies.

As a result, **Fowler Welch** revenue grew by 11% to £80.0m (*2015: £72.3m*). However, operating profit fell by £1.2m to £2.3m (*2015: £3.5m*), as operating margins were impacted by later than planned delivery of new ambient contracts and a £0.4m bad debt write-off in relation to a customer that went into administration.

KPIs	Half year ended 30 Sept 16	Half year ended 30 Sept 15	<i>Half year end change</i>	Year ended 31 Mar 16
Warehouse space (square feet)	899,000	847,000	6%	847,000
Number of tractor units in operation	440	420	5%	428
Number of trailer units in operation	662	637	4%	629
Miles per gallon	9.5	9.2	3%	9.1
Fleet mileage	22.0m	19.5m	13%	39.0m

Outlook

Whilst we recognise the likely upward pressures on market pricing following the weakening of Sterling post Brexit; for the long term, we have confidence in the resilience of our Leisure Travel business and are encouraged by the increasing proportion of customers taking our great value, *real package holidays*. With winter 2016/17 Leisure Travel bookings continuing to perform in line with expectations, the Board is currently optimistic that market expectations for the full year will be slightly exceeded.

Philip Meeson

Chairman

17 November 2016

For further information please contact:

Dart Group PLC

Philip Meeson, Group Chairman and Chief Executive

Gary Brown, Group Chief Financial Officer

Tel: 0113 239 7817

Smith & Williamson Corporate Finance Limited

Nominated Adviser

David Jones

Tel: 020 7131 4000

Canaccord Genuity - Joint Broker

Bruce Garrow

Tel: 020 7523 8000

Arden Partners - Joint Broker

Christopher Hardie

Tel: 020 7614 5900

Buchanan - Financial PR

Richard Oldworth

Tel: 020 7466 5000

Dart Group PLC

Consolidated Income Statement (Unaudited)

For the half year ended 30 September 2016

	Note	Half year ended 30 September 2016 Unaudited £m	Half year ended 30 September 2015 Unaudited £m	Year ended 31 March 2016 Audited £m
Revenue	4	1,240.8	1,024.0	1,405.4
Net operating expenses		(1,073.3)	(876.9)	(1,300.4)
Operating profit	4	167.5	147.1	105.0
Finance income		1.7	1.3	2.4
Finance costs		(0.9)	(1.6)	(1.9)
Net FX revaluation losses		(4.6)	-	(1.3)
Net financing costs		(3.8)	(0.3)	(0.8)
Profit before taxation		163.7	146.8	104.2
Taxation	7	(29.4)	(29.3)	(15.4)
Profit for the period		134.3	117.5	88.8
All attributable to equity shareholders of the parent				
Earnings per share	5			
- basic		90.65p	79.82p	60.22p
- diluted		90.18p	79.23p	59.89p

Dart Group PLC

Consolidated Statement of Comprehensive Income (Unaudited)

For the half year ended 30 September 2016

	Half year ended 30 September 2016 Unaudited £m	Half year ended 30 September 2015 Unaudited £m	Year ended 31 March 2016 Audited £m
Profit for the period	134.3	117.5	88.8
Other comprehensive income / (expense)			
Cash flow hedges:			
Fair value gains / (losses)	107.5	(10.6)	19.0
Add back losses transferred to income statement	28.2	62.0	76.9
Related tax charge	(26.4)	(10.7)	(19.2)
Other comprehensive income for the period, net of taxation	109.3	40.7	76.7
Total comprehensive income for the period	243.6	158.2	165.5
All attributable to equity holders of the parent company			

Dart Group PLC

Consolidated Statement of financial Position (Unaudited)

As at 30 September 2016

	30 September 2016 Unaudited £m	30 September 2015 Unaudited £m	31 March 2016 Audited £m
Non-current assets			
Goodwill	6.8	6.8	6.8
Property, plant and equipment	449.2	301.4	419.8
Derivative financial instruments	17.4	4.1	15.2
	<u>473.4</u>	<u>312.3</u>	<u>441.8</u>
Current assets			
Inventories	1.4	1.7	1.1
Trade and other receivables	373.5	257.8	503.9
Derivative financial instruments	119.2	8.9	49.3
Money market deposits	135.2	98.5	70.0
Cash and cash equivalents	459.9	348.3	342.0
	<u>1,089.2</u>	<u>715.2</u>	<u>966.3</u>
Total assets	<u>1,562.6</u>	<u>1,027.5</u>	<u>1,408.1</u>
Current liabilities			
Trade and other payables	258.5	204.4	109.4
Deferred revenue	512.5	371.9	766.4
Borrowings	96.3	0.8	83.4
Provisions	32.5	33.5	23.3
Derivative financial instruments	4.4	61.6	64.5
	<u>904.2</u>	<u>672.2</u>	<u>1,047.0</u>
Non-current liabilities			
Other non-current liabilities	0.1	0.2	0.1
Deferred revenue	6.1	4.4	1.1
Borrowings	33.1	13.0	7.5
Derivative financial instruments	1.2	0.4	4.6
Deferred tax liabilities	55.5	21.6	29.1
	<u>96.0</u>	<u>39.6</u>	<u>42.4</u>
Total liabilities	<u>1,000.2</u>	<u>711.8</u>	<u>1,089.4</u>
Net assets	<u>562.4</u>	<u>315.7</u>	<u>318.7</u>
Shareholders' equity			
Share capital	1.9	1.8	1.8
Share premium	12.4	12.2	12.4
Cash flow hedging reserve	105.6	(39.7)	(3.7)
Retained earnings	442.5	341.4	308.2
Total shareholders' equity	<u>562.4</u>	<u>315.7</u>	<u>318.7</u>

Dart Group PLC

Consolidated Statement of Cash Flows (Unaudited)

For the half year ended 30 September 2016

	Half year ended 30 September 2016 Unaudited £m	Half year ended 30 September 2015 Unaudited £m	Year ended 31 March 2016 Audited £m
Cash flows from operating activities			
Profit on ordinary activities before taxation	163.7	146.8	104.2
Adjustments for:			
Finance income	(1.7)	(1.3)	(2.4)
Finance costs	0.9	1.6	1.9
Revaluation of derivative hedges	-	-	-
Revaluation of foreign currency balances	4.6	-	1.3
Depreciation	50.7	54.8	88.7
Equity settled share based payments	-	-	0.1
Operating cash flows before movements in working capital	218.2	201.9	193.8
(Increase) / decrease in inventories	(0.3)	0.3	0.9
Decrease / (increase) in trade and other receivables	130.4	107.9	(138.3)
Increase in trade and other payables	122.6	90.0	16.6
(Decrease) / increase in deferred revenue	(248.9)	(204.1)	187.2
Increase / (decrease) in provisions	9.2	4.8	(5.4)
Cash generated from operations	231.2	200.8	254.8
Interest received	1.7	1.3	2.4
Interest paid	(0.9)	(1.6)	(1.9)
Income taxes paid	(5.5)	(0.7)	(11.4)
Net cash from operating activities	226.5	199.8	243.9
Cash flows from investing activities			
Purchase of property, plant and equipment	(80.1)	(60.9)	(213.5)
Proceeds from sale of property, plant and equipment	-	-	0.2
Net increase in money market deposits	(65.2)	(33.0)	(4.5)
Net cash used in investing activities	(145.3)	(93.9)	(217.8)
Cash flows from financing activities			
Repayment of borrowings	(6.9)	(0.4)	(0.9)
New loans advanced	41.2	5.2	82.8
Proceeds on issue of shares	0.1	0.3	0.5
Equity dividends paid	-	-	(4.6)
Net cash from financing activities	34.4	5.1	77.8
Effect of foreign exchange rate changes	2.3	-	0.8
Net increase in cash in the period	117.9	111.0	104.7
Cash and cash equivalents at beginning of period	342.0	237.3	237.3
Cash and cash equivalents at end of period	459.9	348.3	342.0

Dart Group PLC

Consolidated Statement of Changes in Equity

For the half year ended 30 September 2016

	Share capital £m	Share premium £m	Cash flow hedging reserve £m	Retained earnings £m	Total reserves £m
Balance at 1 April 2015 – Audited	1.8	11.9	(80.4)	223.9	157.2
Total comprehensive income for the period	-	-	40.7	117.5	158.2
Share based payments	-	-	-	-	-
Issue of share capital	-	0.3	-	-	0.3
Balance at 30 September 2015 - Unaudited	1.8	12.2	(39.7)	341.4	315.7
Total comprehensive income for the period	-	-	36.0	(28.7)	7.3
Dividends paid in the period	-	-	-	(4.6)	(4.6)
Share based payments	-	-	-	0.1	0.1
Issue of share capital	-	0.2	-	-	0.2
Balance at 31 March 2016 - Audited	1.8	12.4	(3.7)	308.2	318.7
Total comprehensive income for the period	-	-	109.3	134.3	243.6
Share based payments	-	-	-	-	-
Issue of share capital	0.1	-	-	-	0.1
Balance at 30 September 2016 - Unaudited	1.9	12.4	105.6	442.5	562.4

Dart Group PLC

Notes to the consolidated financial statements

For the half year ended 30 September 2016 (Unaudited)

1. General information

The Group's financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("Adopted IFRS"). The Group's financial statements consolidate the financial statements of Dart Group PLC and its subsidiaries.

This interim financial report does not fully comply with IAS 34 "Interim Financial Reporting", which is not currently required to be applied by AIM companies.

2. Accounting policies

Basis of preparation of the interim report

The unaudited consolidated interim financial report for the half year ended 30 September 2016 does not constitute statutory accounts as defined in s435 of the Companies Act 2006. The financial statements for the year ended 31 March 2016 were prepared in accordance with IFRS and have been delivered to the Registrar of Companies. The report of the auditor on those financial statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under s495(2) nor (3) of the Companies Act 2006. In this report, the comparative figures for the year ended 31 March 2016 have been audited. The comparative figures for the half year ended 30 September 2015 are unaudited.

The financial statements have been prepared under the historical cost convention except for all derivative financial instruments, which have been measured at fair value.

The Group's financial statements are presented in pounds sterling and all values are rounded to the nearest £100,000 except where indicated otherwise.

Derivative financial instruments and hedging

The Group uses forward foreign currency contracts and monthly aviation fuel swaps to hedge its exposure to foreign exchange rates and aviation fuel price volatility. It also uses forward EU Allowance contracts and Certified Emissions Reduction contracts to hedge exposure to Carbon Emissions Allowance price volatility. Such derivative financial instruments are stated at fair value.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective portion of the gain or loss on the hedging instrument from the inception of the hedging relationship is recognised directly in the cash flow hedging reserve within equity. Any ineffective portion is recognised within the Consolidated Income Statement.

For all other cash flow hedges, the recycling of the cash flow hedge is taken to the Consolidated Income Statement in the same period in which the hedged transaction begins to affect profit or loss.

Going concern

The Directors have prepared financial forecasts for the Group, comprising operating profit, balance sheets and cash flows through to 31 March 2019.

For the purpose of assessing of the appropriateness of the preparation of the Group's unaudited interim financial statements on a going concern basis, the Directors have considered the current cash position, the availability of banking facilities, and sensitised forecasts of future trading through to 31 March 2019, including performance against financial covenants, and the assessment of principal areas of uncertainty and risk.

Having considered the points outlined above, the Directors have a reasonable expectation that the Group will be able to operate within the levels of available banking facilities and cash for the foreseeable future. Consequently, they continue to adopt the going concern basis in preparing the financial statements for the half year ended 30 September 2016.

Dart Group PLC

Notes to the consolidated financial statements - continued

For the half year ended 30 September 2016 (Unaudited)

3. New IFRS and amendments to IAS and interpretations

The IASB has issued the following standards and interpretations, with an effective date after the date of these financial statements. The Group continues to evaluate the potential impact of their adoption, where applicable, but at this stage it does not expect the financial statements to be materially affected.

International Financial Reporting Standards	Applies to periods beginning after
IFRS 15 <i>Revenue from Contracts with Customers</i>	January 2018
IFRS 9 <i>Financial Instruments</i>	January 2018
IFRS 16 <i>Leases</i>	January 2019

4. Segmental reporting

Business Segments

The Chief Operating Decision Maker ("CODM") is responsible for the overall resource allocation and performance assessment of the Group. The Board of Directors approves major capital expenditure, assesses the performance of the Group and also determines key financing decisions. Consequently, the Board of Directors is considered to be the CODM.

For management purposes, the Group is organised into two operating segments: Leisure Travel and Distribution & Logistics. These operating segments are consistent with how information is presented to the CODM for the purpose of resource allocation and assessment of their performance and as such, they are also deemed to be the reporting segments.

The Leisure Travel business specialises in scheduled leisure flights by its airline **Jet2.com** to holiday destinations in the Mediterranean, the Canary Islands and to European Leisure Cities and the provision of ATOL licensed package holidays by its tour operator **Jet2holidays**. Resource allocation decisions are based on the business's entire route network and the deployment of its entire aircraft fleet.

The Distribution & Logistics business is run on the basis of the evaluation of distribution centre-level performance data. However, resource allocation decisions are made based on the entire distribution network. The objective in making resource allocation decisions is to maximise the segment results rather than the results of the individual distribution centres within the network.

Group eliminations include the removal of inter-segment asset and liability balances.

Following the identification of the operating segments, the Group has assessed the similarity of their characteristics. Given the different performance targets, customer bases and operating markets of each, it is not currently appropriate to aggregate the operating segments for reporting purposes and, therefore, both are disclosed as reportable segments for the period ended 30 September 2016:

- Leisure Travel, which incorporates the Group's ATOL licensed package holidays operator, **Jet2holidays** and its leisure airline, **Jet2.com**; and
- Distribution & Logistics, incorporating the Group's logistics company, **Fowler Welch**.

The Board assesses the performance of each segment based on operating profit, and profit before and after tax. Revenue from reportable segments is measured on a basis consistent with the income statement. Revenue is principally generated from within the UK, the Group's country of domicile.

Dart Group PLC

Notes to the consolidated financial statements - continued

For the half year ended 30 September 2016 (Unaudited)

4. Segmental reporting – continued

Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. No customer represents more than 10% of the Group's revenue.

	Leisure Travel £m	Distribution & Logistics £m	Group eliminations £m	Total £m
Half year to 30 September 2016 (Unaudited)				
Revenue	1,160.8	80.0	-	1,240.8
Operating profit	165.2	2.3	-	167.5
Finance income	1.7	-	-	1.7
Finance costs	(0.9)	-	-	(0.9)
Net FX revaluation losses	(4.6)	-	-	(4.6)
Net financing costs	(3.8)	-	-	(3.8)
Profit before taxation	161.4	2.3	-	163.7
Taxation	(29.0)	(0.4)	-	(29.4)
Profit after taxation	132.4	1.9	-	134.3
Assets and liabilities				
Segment assets	1,479.0	88.4	(4.8)	1,562.6
Segment liabilities	(970.6)	(34.4)	4.8	(1,000.2)
Net assets	508.4	54.0	-	562.4
Other segment information				
Property, plant and equipment additions	76.7	3.4	-	80.1
Depreciation, amortisation and impairment	(49.5)	(1.2)	-	(50.7)
Share based payments	-	-	-	-

Dart Group PLC

Notes to the consolidated financial statements - continued

For the half year ended 30 September 2016 (Unaudited)

4. Segmental reporting – continued

	Leisure Travel £m	Distribution & Logistics £m	Group eliminations £m	Total £m
Half year to 30 September 2015 (Unaudited)				
Revenue	951.7	72.3	-	1,024.0
Operating profit	143.6	3.5	-	147.1
Finance income	1.3	-	-	1.3
Finance costs	(1.6)	-	-	(1.6)
Net FX revaluation losses	-	-	-	-
Net financing costs	(0.3)	-	-	(0.3)
Profit before taxation	143.3	3.5	-	146.8
Taxation	(28.7)	(0.6)	-	(29.3)
Profit after taxation	114.6	2.9	-	117.5
Assets and liabilities				
Segment assets	952.9	80.3	(5.7)	1,027.5
Segment liabilities	(687.7)	(29.8)	5.7	(711.8)
Net assets	265.2	50.5	-	315.7
Other segment information				
Property, plant and equipment additions	60.7	0.2	-	60.9
Depreciation, amortisation and impairment	(53.7)	(1.1)	-	(54.8)
Share based payments	-	-	-	-
Year ended 31 March 2016 (Audited)				
Revenue	1,261.4	144.0	-	1,405.4
Operating profit	99.6	5.4	-	105.0
Finance income	2.4	-	-	2.4
Finance costs	(1.9)	-	-	(1.9)
Net FX revaluation losses	(1.3)	-	-	(1.3)
Net financing costs	(0.8)	-	-	(0.8)
Profit before taxation	98.8	5.4	-	104.2
Taxation	(14.5)	(0.9)	-	(15.4)
Profit after taxation	84.3	4.5	-	88.8
Assets and liabilities				
Segment assets	1,331.6	82.2	(5.7)	1,408.1
Segment liabilities	(1,065.0)	(30.1)	5.7	(1,089.4)
Net assets	266.6	52.1	-	318.7
Other segment information				
Property, plant and equipment additions	210.6	2.9	-	213.5
Depreciation, amortisation and impairment	(86.4)	(2.3)	-	(88.7)
Share based payments	(0.1)	-	-	(0.1)

Dart Group PLC

Notes to the consolidated financial statements - continued

For the half year ended 30 September 2016 (Unaudited)

5. Earnings per share

The calculation of earnings per share is based on the following:

	Half year to 30 September 2016 Unaudited	Half year to 30 September 2015 Unaudited	Year to 31 March 2016 Audited
Profit for the period (£m)	134.3	117.5	88.8
Weighted average number of ordinary shares:			
in issue during the period used to calculate basic earnings per share	148,150,806	147,181,935	147,454,373
in issue during the period used to calculate diluted earnings per share	148,926,409	148,281,860	148,263,771

6. Dividends

The declared interim dividend of 1.375p per share (2015: 0.900p) will be paid, out of the Company's available distributable reserves, on 1 February 2017, to shareholders on the register at 6 January 2017. In accordance with IAS 1, dividends are recorded only when paid and are shown as a movement in equity rather than as a charge to the Income Statement.

7. Taxation

The tax charge for the period of £29.4m (2015: £29.3m) reflects an estimated effective tax rate of approximately 18% (2015: 20%). A reduction in the UK corporation tax rate from 20% to 19% becomes effective from 1 April 2017. In addition, a further reduction down to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016.

8. Reconciliation of net cash flow to movement in net cash

	At 31 March 2016 Audited £m	Cash flow Unaudited £m	Exchange differences Unaudited £m	At 30 September 2016 Unaudited £m	At 30 September 2015 Unaudited £m
Cash and cash equivalents	342.0	115.6	2.3	459.9	348.3
Money market deposits	70.0	65.2	-	135.2	98.5
Bank loans due within one year	(83.4)	(8.7)	(4.2)	(96.3)	(0.8)
Bank loans due after one year	(7.5)	(25.6)	-	(33.1)	(13.0)
Net cash	321.1	146.5	(1.9)	465.7	433.0

9. Contingent liabilities

The Group has issued various guarantees in the ordinary course of business, none of which are expected to lead to a financial gain or loss.

10. Other matters

This report will be posted on the Group's website, www.dartgroup.co.uk and copies are available from the Group Company Secretary at the registered office address: Low Fare Finder House, Leeds Bradford International Airport, Leeds, LS19 7TU.

11. Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.