DART GROUP PLC

Interim Results 2017

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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 2017. These results are presented under International Financial Reporting Standards ("IFRS").

Group financial highlights	Half year ended 30 September 2017 (Unaudited)	Half year ended 30 September 2016 (Unaudited)	*Change*
Revenue	**£1,663.9m**	£1,240.8m	*34%*
Operating profit	**£204.9m**	£167.5m	*22%*
Operating profit margin	**12.3%**	13.5%	*(1.2ppts)*
Profit before FX revaluation & tax	**£198.2m**	£168.3m	*18%*
Profit before FX revaluation & tax margin	**11.9%**	13.6%	*(1.7ppts)*
Profit before tax	**£212.5m**	£163.7m	*30%*
Profit before tax margin	**12.8%**	13.2%	*(0.4ppts)*
Basic earnings per share	**117.44p**	90.65p	*30%*
Interim dividend per share	**1.5p**	1.375p	*9%*

* In what has proven to be a strong summer season in terms of passenger volume growth for both ***Jet2holidays*** and ***Jet2.com***, though a challenging season in terms of pricing, Group operating profit increased by 22% to £204.9m (2016: £167.5m) and Group profit before foreign exchange revaluation and tax by 18% to £198.2m (2016: £168.3m).
* Leisure Travel revenue growth of 36% to £1,580.9m (2016: £1,160.8m) reflects a 41% increase in passenger sectors flown by ***Jet2.com*** to 7.14m (2016: 5.07m), which included a 41% increase in the number of ***Jet2holidays*** package holiday customers to 1.81m (2016: 1.28m), representing 51% of overall flown customers (2016: 50%).
* Airline ticket yield per passenger sector at £75.95 (2016: £91.88) was 17% lower than that achieved last year, against the backdrop of a 41% increase in seat capacity.
* Overall load factor remained in line with last year at 93.2% and included the first season of operation from our two new bases at London Stansted and Birmingham airports.
* It is particularly pleasing to report that the new bases are already proving popular, with 57% of the total year-on-year passenger sector growth of 2.07m resulting from them. Encouragingly, close to 50% of those passengers have chosen ***Real Package Holidays™*** with ***Jet2holidays***.
* Since the half year end, we have seen a further strengthening of customer demand, particularly for our flight-only product. This has resulted in future Leisure Travel bookings for this financial year performing ahead of expectations. As a result, the Board is optimistic that market expectations of Group profit before foreign exchange revaluation and tax for the year ending 31 March 2018 will be materially exceeded.
* Looking further ahead, whether this strength in demand will remain in the medium term is unclear and will depend on the evolving competitive environment. Pleasingly, we have been encouraged by the performance of our two new operating bases and are committing additional aircraft to continue our growth at these and at our other bases for summer 2018. However, we are seeing the emergence of certain cost pressures as we continue to invest in our airport operations, colleagues and other related areas. Nevertheless, and despite the current uncertainty around the ''Brexit '' negotiations, we remain confident in the resilience of our Leisure Travel business, supported by our recent elevation to the UK's second largest Package Holiday Operator.

Chairman's Statement

I am pleased to report on the Group's trading performance for the half year ended 30 September 2017 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 in terms of passenger volume growth for both ***Jet2holidays*** and ***Jet2.com***, though a challenging season in terms of pricing, Group operating profit increased by 22% to £204.9m (2016: £167.5m) and Group profit before foreign exchange revaluation and tax by 18% to £198.2m (2016: £168.3m).

However, increased losses are to be expected in the second half of the year as we continue to invest in additional aircraft, advertising and people in readiness for further flying programme expansion at all our operating bases in the summer 2018 season.

The Group generated increased net cash flow from operating activities of £257.2m (2016: £226.5m), driven by Leisure Travel trading performance. Total capital expenditure of £90.4m (2016: £80.1m) included the purchase of new Boeing 737-800NG aircraft plus pre-delivery payments, which have been substantially financed, for further new aircraft deliveries. We also continued to invest in the long-term maintenance of our existing aircraft fleet and funded the set-up of aircraft self-handling operations at Manchester and East Midlands airports.

New loans were drawn down as the Group continued to secure commercial debt and on balance sheet lease funding for the purchase of its new aircraft. As a result, at the reporting date, the Group's cash and money market deposit balances had increased by £242.1m (2016: £183.1m) to £931.1m (2016: £595.1m), which included advance payments from Leisure Travel customers of £345.8m (2016: £243.0m) in respect of their future holidays and flights. Net cash, stated after borrowings of £574.2m (2016: £129.4m), was £356.9m (2016: £465.7m).

Basic earnings per share increased to 117.44p from 90.65p in 2016. In view of the outlook for the full year, the Board has decided to pay an increased interim dividend of 1.5p per share (2016: 1.375p). The dividend will be paid on 5 February 2018 to shareholders on the register at 29 December 2017.

Leisure Travel

We take people on holiday! Our leading UK Leisure Travel business specialises in scheduled holiday flights by our award-winning leisure airline, ***Jet2.com***, to 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***.

Passenger volumes for summer 2017 have been strong, as ***Jet2.com*** flew a total of 7.14m passengers (2016: 5.07m), an increase of 41%. The overall load factor remained in line with last year at 93.2% and included the first season of operation from our two new operating bases at London Stansted and Birmingham airports.

Demand for our higher margin ***Real Package Holidays***™ continued to grow as ***Jet2holidays*** took 1.81m (2016: 1.28m) customers on holiday, an increase of 41%, representing 51% (FY17: 50%) of overall flown customers. A further 3.52m passengers enjoyed our important flight-only product (2016: 2.51m).

Airline ticket yield per passenger sector at £75.95 (2016: £91.88) was 17% lower than that achieved last year, against the backdrop of a 41% increase in seat capacity. Some price investment was also made to support demand at the two new operating bases. The average price of a ***Jet2holidays*** package holiday grew by 2% to £645.

It is particularly pleasing to report that the new bases are already proving popular, with 57% of the total year-on-year passenger growth of 2.07m resulting from them, and encouragingly, close to 50% of those passengers have chosen ***Real Package Holidays™*** with ***Jet2holidays***.

Non-Ticket Retail Revenue per passenger grew by 1% to £33.43 (2016: £33.16). 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).

Overall, Leisure Travel revenue grew by 36% to £1,580.9m (2016: £1,160.8m) at an operating profit margin of 13% (2016: 14%), resulting in operating profit growth of 23% to £202.5m (2016: £165.2m).

The fleet was expanded to 75 aircraft for summer 2017 (summer 2016: 64) with commensurate increases in pilots, engineers and cabin crew. Given the increased flying programme, we were pleased to be recognised as the Top UK Airline for Punctuality, for flights running on time over the last 12 months, by the World's leading travel intelligence company OAG. We will continue to develop our customer-focused flying programme into summer 2018.

KPIs	**Half year ended 30 Sept 17**	Half year ended 30 Sept 16	*Half year end change*	Year ended 31 Mar 17
Number of routes operated during the period	**260**	203	*28%*	235
Leisure Travel sector seats available (capacity)	**7.66m**	5.44m	*41%*	7.76m
Leisure Travel passenger sectors flown	**7.14m**	5.07m	*41%*	7.10m
Leisure Travel load factor	**93.2%**	93.2%	-	91.5%
Flight-only passenger sectors flown	**3.52m**	2.51m	*40%*	3.64m
Package holiday passenger sectors flown	**3.62m**	2.56m	*41%*	3.46m
Package holiday customers	**1.81m**	1.28m	*41%*	1.73m
Net ticket yield per passenger sector (excl. taxes)	**£75.95**	£91.88	*(17%)*	£86.65
Average package holiday price	**£645**	£631	*2%*	£617
Non-ticket revenue per passenger sector	**£33.43**	£33.16	*1%*	£33.01
Advance sales made as at the reporting date	**£713.2m**	£518.6m	*38%*	£1,078.0m

Distribution & Logistics

Our distribution business, **Fowler Welch**, is one of the UK's leading providers of food supply chain services, 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, and 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.

Further regional distribution sites are located at Nuneaton near Coventry, Washington, Tyne and Wear and at Newton Abbott, Devon. Ambient (non-temperature-controlled) consolidation and distribution services are at Heywood near Bury, Greater Manchester and Desborough, Northamptonshire.

In the reporting period, the business benefited from the volumes of the Dairy Crest operation at Nuneaton, which commenced in June 2016, whilst the operations at Teynham and Heywood saw new volumes come on line.

Overall, **Fowler Welch** revenue grew by 4% to £83.0m (2016: £80.0m). Operating profit increased by £0.1m to £2.4m (2016: £2.3m), this result being impacted by reduced levels of contribution from ISS, our fruit ripening and packing joint venture operation.

KPIs	**Half year ended 30 Sept 17**	Half year ended 30 Sept 16	*Half year end change*	Year ended 31 Mar 17
Warehouse space (square feet)	**897,000**	897,000	-	897,000
Number of tractor units in operation	**499**	440	*13%*	487
Number of trailer units in operation	**731**	662	*10%*	669
Miles per gallon	**9.9**	9.5	*4%*	9.3
Annual fleet mileage	**23.9m**	22.0m	*9%*	40.5m

Outlook

Leisure Travel customer volumes were strong during summer 2017 and since the half year end, we have seen a further strengthening of customer demand, particularly for our flight-only product. This has resulted in future Leisure Travel bookings for this financial year performing ahead of expectations. As a result, the Board is optimistic that market expectations of Group profit before foreign exchange revaluation and tax for the year ending 31 March 2018 will be materially exceeded.

Looking further ahead, whether this strength in demand will remain in the medium term is unclear and will depend on the evolving competitive environment. Pleasingly, we have been encouraged by the performance of our two new operating bases and are committing additional aircraft to continue our growth at these and at our other bases for summer 2018. However, we are seeing the emergence of certain cost pressures as we continue to invest in our airport operations, colleagues and other related areas. Nevertheless, and despite the current uncertainty around the ''Brexit '' negotiations, we remain confident in the resilience of our Leisure Travel business, supported by our recent elevation to the UK's second largest Package Holiday Operator.

Philip Meeson
Executive Chairman
16 November 2017

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Consolidated Income Statement (Unaudited)

For the half year ended 30 September 2017

	Note	**Half year ended 30 September 2017 Unaudited £m**	Half year ended 30 September 2016 Unaudited £m	Year ended 31 March 2017 Audited £m
Revenue	4	**1,663.9**	1,240.8	1,729.3
Net operating expenses		**(1,459.0)**	(1,073.3)	(1,626.3)
Operating profit	4	**204.9**	167.5	103.0
Finance income		**2.1**	1.7	3.1
Finance costs		**(8.8)**	(0.9)	(5.1)
Net FX revaluation gains / (losses)		**14.3**	(4.6)	(10.9)
Net financing income / (costs)		**7.6**	(3.8)	(12.9)
Profit before tax		**212.5**	163.7	90.1
Tax	7	**(38.3)**	(29.4)	(13.4)
Profit for the period (all attributable to equity holders of the parent)		**174.2**	134.3	76.7
Earnings per share	5			
- basic		**117.44p**	90.65p	51.80p
- diluted		**116.87p**	90.18p	51.48p

Consolidated Statement of Comprehensive Income (Unaudited)

For the half year ended 30 September 2017

	Half year ended 30 September 2017 Unaudited £m	Half year ended 30 September 2016 Unaudited £m	Year ended 31 March 2017 Audited £m
Profit for the period	**174.2**	134.3	76.7
Other comprehensive (expense) / income			
Cash flow hedges:			
Fair value gains	**21.8**	107.5	36.5
Less (gains) / add back losses transferred to income statement	**(59.9)**	28.2	15.3
Related tax charge	**7.2**	(26.4)	(9.9)
	(30.9)	109.3	41.9
Total comprehensive income for the period (all attributable to equity holders of the parent company)	**143.3**	243.6	118.6

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Consolidated Statement of Financial Position (Unaudited)

As at 30 September 2017

	30 September 2017 Unaudited £m	30 September 2016 Unaudited £m	31 March 2017 Audited £m
Non-current assets			
Goodwill	**6.8**	6.8	6.8
Property, plant and equipment	**827.4**	449.2	806.5
Derivative financial instruments	**3.7**	17.4	9.3
	837.9	473.4	822.6
Current assets			
Inventories	**1.7**	1.4	1.2
Trade and other receivables	**529.0**	373.5	707.8
Derivative financial instruments	**39.5**	119.2	74.7
Money market deposits	**445.2**	135.2	200.3
Cash and cash equivalents	**485.9**	459.9	488.7
	1,501.3	1,089.2	1,472.7
Total assets	**2,339.2**	1,562.6	2,295.3
Current liabilities			
Trade and other payables	**351.3**	258.5	136.3
Deferred revenue	**704.4**	512.5	1,076.3
Borrowings	**128.5**	96.3	129.6
Provisions	**45.4**	32.5	38.8
Derivative financial instruments	**11.4**	4.4	15.9
	1,241.0	904.2	1,396.9
Non-current liabilities			
Other non-current liabilities	**-**	0.1	-
Deferred revenue	**8.8**	6.1	1.7
Borrowings	**445.7**	33.1	390.9
Derivative financial instruments	**22.7**	1.2	20.9
Deferred tax liabilities	**46.1**	55.5	53.5
	523.3	96.0	467.0
Total liabilities	**1,764.3**	1,000.2	1,863.9
Net assets	**574.9**	562.4	431.4
Shareholders' equity			
Share capital	**1.8**	1.8	1.8
Share premium	**12.7**	12.5	12.5
Cash flow hedging reserve	**7.3**	105.6	38.2
Retained earnings	**553.1**	442.5	378.9
Total shareholders' equity	**574.9**	562.4	431.4

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Consolidated Statement of Cash Flows (Unaudited)

For the half year ended 30 September 2017

	Half year ended 30 September 2017 Unaudited £m	Half year ended 30 September 2016 Unaudited £m	Year ended 31 March 2017 Audited £m
Profit on ordinary activities before tax	**212.5**	163.7	90.1
Finance income	**(2.1)**	(1.7)	(3.1)
Finance costs	**8.8**	0.9	5.1
Net FX revaluation (gains) / losses	**(14.3)**	4.6	10.9
Depreciation	**60.8**	50.7	87.0
Equity settled share-based payments	**-**	-	0.4
Operating cash flows before movements in working capital	**265.7**	218.2	190.4
Increase in inventories	**(0.5)**	(0.3)	(0.1)
Decrease / (increase) in trade and other receivables	**177.9**	130.4	(203.1)
Increase in trade and other payables	**177.6**	122.6	27.6
(Decrease) / increase in deferred revenue	**(364.8)**	(248.9)	310.5
Increase in provisions	**7.5**	9.2	13.0
Cash generated from operations	**263.4**	231.2	338.3
Interest received	**2.1**	1.7	3.1
Interest paid	**(8.3)**	(0.9)	(3.6)
Income taxes paid	**-**	(5.5)	(6.7)
Net cash from operating activities	**257.2**	226.5	331.1
Cash flows used in investing activities			
Purchase of property, plant and equipment	**(90.4)**	(80.1)	(473.9)
Proceeds from sale of property, plant and equipment	**-**	-	-
Net increase in money market deposits	**(244.9)**	(65.2)	(130.3)
Net cash used in investing activities	**(335.3)**	(145.3)	(604.2)
Cash flows from financing activities			
Repayment of borrowings	**(34.0)**	(6.9)	(91.2)
New loans advanced	**109.0**	41.2	515.6
Proceeds on issue of shares	**0.2**	0.1	0.1
Equity dividends paid	**-**	-	(6.6)
Net cash from financing activities	**75.2**	34.4	417.9
Effect of foreign exchange rate changes	**0.1**	2.3	1.9
Net (decrease) / increase in cash in the period	**(2.8)**	117.9	146.7
Cash and cash equivalents at beginning of period	**488.7**	342.0	342.0
Cash and cash equivalents at end of period	**485.9**	459.9	488.7

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Consolidated Statement of Changes in Equity

For the half year ended 30 September 2017

	Share capital £m	Share premium £m	Cash flow hedging reserve £m	Retained earnings £m	**Total equity £m**
Balance at 1 April 2016 (Audited)	**1.8**	**12.4**	**(3.7)**	**308.2**	**318.7**
Total comprehensive income	-	-	109.3	134.3	**243.6**
Share-based payments	-	-	-	-	**-**
Issue of share capital	-	0.1	-	-	**0.1**
Balance at 30 September 2016 (Unaudited)	**1.8**	**12.5**	**105.6**	**442.5**	**562.4**
Total comprehensive income	-	-	(67.4)	(57.6)	**(125.0)**
Dividends paid	-	-	-	(6.6)	**(6.6)**
Share-based payments	-	-	-	0.6	**0.6**
Issue of share capital	-	-	-	-	**-**
Balance at 31 March 2017 (Audited)	**1.8**	**12.5**	**38.2**	**378.9**	**431.4**
Total comprehensive income	-	-	(30.9)	174.2	**143.3**
Share-based payments	-	-	-	-	**-**
Issue of share capital	-	0.2	-	-	**0.2**
Balance at 30 September 2017 (Unaudited)	**1.8**	**12.7**	**7.3**	**553.1**	**574.9**

Dart Group PLC

Notes to the consolidated financial statements

For the half year ended 30 September 2017 (Unaudited)

1. **General information**

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

   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 2017 does not constitute statutory accounts as defined in s435 of the Companies Act 2006. The financial statements for the year ended 31 March 2017 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 2017 have been audited. The comparative figures for the half year ended 30 September 2016 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 and interest rate contracts and monthly aviation fuel swaps to hedge exposure to foreign exchange rates, interest rates and aviation fuel price volatility. The Group also uses forward EU Allowance contracts and forward 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 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, profit before and after tax, balance sheets and cash flows through to 31 March 2020.

   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 2020, 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 unaudited interim financial statements for the half year ended 30 September 2017.

3. New IFRS and amendments to IAS and interpretations

The IASB has issued the following standards and interpretations, which become effective after the date of these financial statements. The Group continues to evaluate the potential impact of their adoption, where applicable.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 will combine and supersede existing revenue recognition guidance and standards, including IAS 18 Revenue. The Group continues to assess the possible impact of the new standard, which involves:

- an examination of key contract types in order to identify any distinct performance obligations in the context of the contractual arrangement;
- assessing the point at which the Group delivers promised services to its customers and whether this presents a requirement to change the timing of its revenue recognition; and
- understanding the specific new disclosure requirements prescribed.

The Group will adopt the new standard on 1 April 2018 and in so doing does not currently expect its financial statements to be materially affected.

IFRS 9 'Financial Instruments'

IFRS 9 will supersede existing guidance on the classification and measurement of financial assets and introduce new rules for hedge accounting. The Group will adopt the new standard on 1 April 2018 and in so doing does not currently expect its financial statements to be materially affected.

IFRS 16 'Leases'

IFRS 16 will supersede IAS 17 and remove the requirement for lessees to report on finance and operating leases separately. The Group expects to adopt the new standard on 1 April 2019, from which date its financial statements are likely to include several notable changes, including the presentation of both a right-of-use asset and a lease liability, reflecting the Group's obligation to make future operating lease payments, and cost classification alterations to its Income Statement, reflecting the replacement of operating lease payments with right-of-use asset depreciation and lease interest costs. The Group is currently assessing the new standard and its application options.

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 holiday 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 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.

4. Segmental reporting - continued

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 appropriate to aggregate the operating segments for reporting purposes and, therefore, both are disclosed as reportable segments for the period ended 30 September 2017:

- 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 Consolidated Income Statement. Revenue is principally generated from within the UK, the Group's country of domicile.

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 2017 (Unaudited)				
Revenue	1,580.9	83.0	-	**1,663.9**
Operating profit	202.5	2.4	-	**204.9**
Finance income	2.1	-	-	**2.1**
Finance costs	(8.8)	-	-	**(8.8)**
Net FX revaluation gains	14.3	-	-	**14.3**
Net financing income	7.6	-	-	**7.6**
Profit before tax	210.1	2.4	-	**212.5**
Tax	(37.9)	(0.4)	-	**(38.3)**
Profit after tax	172.2	2.0	-	**174.2**
Assets and liabilities				
Segment assets	2,258.1	86.2	(5.1)	**2,339.2**
Segment liabilities	(1,741.0)	(28.4)	5.1	**(1,764.3)**
Net assets	517.1	57.8	-	**574.9**
Other segment information				
Property, plant and equipment additions	88.8	1.6	-	**90.4**
Depreciation, amortisation and impairment	(59.6)	(1.2)	-	**(60.8)**
Share-based payments	-	-	-	**-**

4. Segmental reporting – continued

	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 tax	161.4	2.3	-	**163.7**
Tax	(29.0)	(0.4)	-	**(29.4)**
Profit after tax	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	-	-	-	**-**
Year ended 31 March 2017 (Audited)				
Revenue	**1,565.8**	**163.5**	**-**	1,729.3
Operating profit	**98.5**	**4.5**	**-**	103.0
Finance income	3.0	0.1	-	**3.1**
Finance costs	(5.0)	(0.1)	-	**(5.1)**
Net FX revaluation losses	(10.9)	-	-	**(10.9)**
Net financing costs	**(12.9)**	**-**	**-**	(12.9)
Profit before tax	**85.6**	**4.5**	**-**	90.1
Tax	(12.5)	(0.9)	-	**(13.4)**
Profit after tax	**73.1**	**3.6**	**-**	76.7
Assets and liabilities				
Segment assets	2,214.2	86.1	(5.0)	**2,295.3**
Segment liabilities	(1,838.6)	(30.3)	5.0	**(1,863.9)**
Net assets	**375.6**	**55.8**	**-**	431.4
Other segment information				
Property, plant and equipment additions	468.7	5.2	-	**473.9**
Depreciation, amortisation and impairment	(84.5)	(2.5)	-	**(87.0)**
Share-based payments	(0.3)	(0.1)	-	**(0.4)**

5. Earnings per share

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

	Half year to 30 September 2017 Unaudited	Half year to 30 September 2016 Unaudited	Year to 31 March 2017 Audited
Profit for the period (£m)	**174.2**	134.3	76.7
Weighted average no. of ordinary shares in issue:			
- used to calculate basic earnings per share	**148,325,869**	148,150,806	148,079,465
- used to calculate diluted earnings per share	**149,057,472**	148,926,409	148,975,656

6. Dividends

The declared interim dividend of 1.5p per share (2016: 1.375p) will be paid out of the Company's available distributable reserves on 5 February 2018, to shareholders on the register at 29 December 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 £38.3m (2016: £29.4m) reflects an estimated effective tax rate of approximately 18% (2016: 18%). A reduction in the UK corporation tax rate from 20% to 19% became effective on 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 2017 Audited £m	Cash flow Unaudited £m	Exchange differences Unaudited £m	**At 30 September 2017 Unaudited £m**	At 30 September 2016 Unaudited £m
Cash and cash equivalents	488.7	(2.9)	0.1	**485.9**	459.9
Money market deposits	200.3	244.9	-	**445.2**	135.2
Bank loans due within one year	(129.6)	(5.7)	6.8	**(128.5)**	(96.3)
Bank loans due after one year	(390.9)	(69.3)	14.5	**(445.7)**	(33.1)
Net cash	168.5	167.0	21.4	**356.9**	465.7

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.