Bloomsbury Publishing Plc
Interim Results for the six months to 30 June 2009

Highlights:

- Profit before investment income and amortisation of intangible assets £1.2m (2008, £3.5m)
- Investment income £0.8m (2008, £1.9m)
- Basic earnings per share 1.70 pence (2008, 4.97 pence)
- Interim dividend up 4.0% to 0.78p per share (2008, 0.75p)
- Strong publishing lists for second half and beyond
- Cash balance of £48.4m (31 December 2008, £51.9m)
- Important acquisitions made in July in academic and professional publishing including Tottel Publishing, a leading law and tax publisher
- Well positioned for further organic and acquisition-related growth

Commenting on the results and prospects for Bloomsbury, Nigel Newton, Chief Executive, said:

'Bloomsbury continues to perform well in difficult markets with the first half of 2009 laying good foundations for the full year. Despite the high comparative figure due to the timing of last year's release of *Harry Potter and the Deathly Hallows* in paperback, we have enjoyed strong underlying growth.

The balance of the Group's business has shifted as we maintain our expansion in academic and specialist publishing which is less susceptible to the vicissitudes of the consumer market and therefore less risky for the Group. Since the period end, we have completed the acquisitions of Tottel Publishing and the Hodder Higher Education lists in Media and Communications, History and English Literature.

The market risks highlighted at the year-end remain but we have entered the second half of the year with a strong Autumn list. We will also see the financial benefits from our recent acquisitions.'

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Chief Executive's statement

OVERVIEW

An increasing proportion of Bloomsbury's revenue is now being generated from publishing which is less susceptible to the vicissitudes of the consumer economy, namely academic, professional and specialist publishing and income from long-term database contracts. Revenues in this area will be augmented by the acquisitions of Tottel Publishing, a specialist publisher in law and tax and the Hodder Higher Education textbook lists in Media and Communications, History and English Literature. These acquisitions were completed in July.

2009 started with *The Suspicions of Mr. Whicher* reaching number one on the UK paperback bestseller list. We have a strong publishing program for this year. In the first half we published books by Sue Miller, TC Boyle, Anne Michaels and Jay McInerney. We have a particularly strong list in the second half, with books being published by some of our highest selling authors such as Margaret Atwood, John Irving, William Boyd, Elizabeth Gilbert, Heston Blumenthal and Hugh Fearnley-Whittingstall. Overall the impact of the global recession on the general book market is leading to slightly reduced volumes across the industry and continued pressure on margins. We have continued to focus on reducing our operating costs to maintain margins, and good progress is being made through a tougher book acquisition process, reductions in initial print runs, more focused marketing, greater use of print on demand and alternative raw materials for printing. The landscape of trade publishing is changing and there are exciting opportunities ahead as new technology allows the book to reach the consumer in electronic form. We are creating an infrastructure that will enable us to benefit from revenue streams from electronic publishing as they start to achieve critical mass in the coming years.

Revenue for the first six months was £35.3m compared to £42.1m in 2008. The comparative figure in 2008 was high due to the level of sales of *A Thousand Splendid Suns, The Kite Runner* and the release of *Harry Potter and the Deathly Hallows* in paperback. Gross margin increased to 51.0% (2008, 46.1%) as a result of lower royalties, lower advance provisions and an increased contribution from long-term database and management contracts.

Marketing and distribution costs were 2.9% lower at £6.6m (2008, £6.8m). Applying constant exchange rates for the USD and Euro, the marketing and distribution costs for 2009 would have been £6.1m. Administrative expenses increased 13.2% to £10.3m (2008, £9.1m). At constant exchange rates administrative expenses would have been £9.5m. £0.7m of overhead costs related to acquisitions made in 2008 (2008, £0.1m). Following the four acquisitions made in 2008, the amortisation charge for intangible assets under IAS38 is becoming more significant and is shown separately on the condensed consolidated income statement for the first time. The amortisation charge for the first six months of 2009 was £0.16m (2008, £0.03m)

Profit before investment income and amortisation of intangible assets was £1.2m (2008, £3.5m).

Investment income decreased by 57.9% to £0.8m (2008, £1.9m) primarily as a result of lower interest rates and, to a much lesser extent, due to lower average cash balances held during the six month period.

Profit before tax was £1.8m (2008, £5.4m).

The Group's effective tax rate for the year ending 31 December 2009 is expected to be 31.1%, compared with 32.6% for the year ended 31 December 2008. The reduction in the rate is partly due to the full twelve months' impact of the cut in the UK statutory rate of corporation tax from 30% to 28% which took effect from 1 April 2008.

The tax rate has also been reduced by the impact of share options. The tax effect of the clawback of share option charges posted in prior years in respect of options granted which will not meet the vesting conditions, the charges in respect of new options granted, other movements in the charges and the share price have resulted in a deferred tax credit to the income statement exceeding the current tax charge in respect of share options.

Basic earnings per share was 1.70 pence (2008, 4.97 pence).

Net cash outflow from operations for the first six months of the year was £1.4m (the six months ended 30 June 2008 saw an inflow of £8.0m). The operating cash outflow was primarily due to lower revenues and key movements within working capital in the first half which included payments of royalties to authors on book and subsidiary rights sales made in the last six months of 2008. Net cash balances at 30 June decreased 6.7% to £48.4m (31 December 2008, £51.9m). As at 30 June 2009, the Group had under contract 1,161 titles (31 December 2008, 1,139) for future publication, with a gross investment of £24.9m (31 December 2008, £26.4m). After payment of the initial tranches of advances to authors, our commitment for future cash payments on these contracted titles as at 30 June 2009 was £14.5m (31 December 2008, £15.6m).

Since books sold are often returnable by distributors, the Group makes a provision against books sold in the accounting period. The unused provision at the period end is then carried forward as an offset to trade receivables in the balance sheet, in anticipation of further book returns of previous sales subsequent to the period end. A provision for the Group of £6.2m (31 December 2008, £7.8m) for future returns relating to the six-month period to 30 June 2009 and prior year sales has been carried forward in trade receivables in the balance sheet at 30 June 2009. Within trade and other receivables, prepayments and accrued income decreased 6.6% to £24.0m (31 December 2008, £25.7m) due to increases in provisions of £1.3m (twelve months to 31 December 2008, £9.1m) against advances to authors on titles published (‘advance provisions’).

INTERIM DIVIDEND

The Directors have declared a 4.0% increase in the interim dividend to 0.78 pence per share (2008, 0.75 pence per share), which will be paid on 20 November 2009 to shareholders on the register at close of business on 23 October 2009.

OPERATIONAL REVIEW

UK

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	22.2	29.7	-25.3%	71.1
Segment result	1.7	3.5	-51.4%	8.2

The UK operation’s performance in the first half of 2009 is working against a high comparative in 2008 which saw the huge success of *Harry Potter and the Deathly Hallows* in paperback, the then recently released paperback edition of *A Thousand Splendid Suns* and continued ongoing sales of *The Kite Runner*.

In the first half of this year, the fiction list was led by Sue Miller’s *The Senator’s Wife*, a Richard and Judy Summer Read selection, and the quirky and affectionate epistolary novel by Mary Ann Shaffer and Annie Barrows, *The Guernsey Literary and Potato Peel Pie Society* in paperback. In April 2009 we published *Wisden Cricketers’ Almanack* for the first time since the purchase of John Wisden and Co. in November last year. Published every year since 1864, Wisden is synonymous with cricket and with the best in cricket writing. We will be adding a number of new titles to the Wisden imprint. The first of these, ‘*Wisden on the Ashes’*, was published in May 2009 and sold out of the first printing before publication. The *2009 Wisden Cricketers’ Almanack* will be available in e-book format for the first time this year along with a ‘shelf’ of other Wisden titles, including the seven most recent *Almanacks*. A new edition of *Wisden on The Ashes* is being rushed to press for the Christmas market following England’s Ashes victory and the timing couldn’t be better.

Bloomsbury USA

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	8.7	6.4	35.9%	17.3
Segment result	0.03	-0.4	-%	0.4

We are continuing to reduce our costs in the US whilst at the same time building book and rights revenues. As part of Bloomsbury's global publishing initiative, Bloomsbury USA is now managing the publishing and distribution of academic and reference titles from, Bloomsbury Specialist with the aim of building a platform for what will become a substantial component of future US sales. A&C Black's publishing programme will move to Bloomsbury USA in 2010.

The US trade in general is still experiencing difficulties but a number of titles are continuing to perform well. Chelsea Handler's *My Horizontal Life* has been a *New York Times* bestseller for almost a year. The paperback of Kate Summerscale's *The Suspicions of Mr. Whicher* appeared on the *New York Times* extended bestseller list.

This Autumn sees the publication of several titles shared with Bloomsbury UK, including *Meltdown Iceland*, the story of Iceland's economic collapse, by *The Times* correspondent Roger Boyes, and *Logicomix*, the unparalleled graphic novel about Bertrand Russell and his quest for logic in mathematics. History is at the centerpiece of Bloomsbury Press with *Half Moon*, the story of Henry Hudson's historic voyage, and Walker & Company's *On Hallowed Ground*, a biography of Arlington National Cemetery.

Bloomsbury and Walker children's published two instant books that seized upon 'presidential fever': *Our Children Can Soar*, a book derived from a seed poem associated with the 2008 Obama campaign, and *Now Hiring: White House Dog*, which was inspired by the country's fascination with the First Family's quest for a dog.

Two titles for teenagers in the US children's division helped drive revenue in the first half of 2009: Walker's *Perfect Chemistry* has 85,000 copies in print, while Bloomsbury's *Need* is now in its 8th printing and boasts 55,000 copies in print. The books reflect key trends in the US marketplace, paperback original publishing and paranormal respectively, that remain central to the children's publishing plan this year and into 2010.

The film of *The Frog Princess* by E.D. Baker will be released on December 11th. The animated feature film, now called 'The Princess and the Frog', will introduce Disney's first ever African-American princess and includes voices from Anika Noni Rose, John Goodman and Oprah Winfrey. Rights sales have been particularly strong for this book this year.

Berlin Verlag

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	4.4	6.1	-27.9%	11.6
Segment result	-0.5	0.5	-%	0.2

The first half performance reflected the economic uncertainty in Germany. The company is also working against a high 2008 comparative figure which benefited from sales of *The Kite Runner* and Jonathan Littell's bestseller *Die Wohlgesinnten*. However, first half sales this year were dominated by the paperback edition of *A Thousand Splendid Suns* in German which rapidly made its way to the top of the bestseller list. The two Khaled Hosseini titles have sold over 500,000 in Germany in the year to date. This success was augmented by the German editions of Anne Michaels' *Winter Vault*, Helen Garner's *The Spare Room* and Andrew Davidson's *Gargoyle*. *Paradiso*, the debut novel by Thomas Klupp, has been hailed as the most exciting book of the Spring and has won several first-novel prizes. Margo Jefferson's *Michael Jackson* has seen a surge in sales which will continue throughout the year. We have undertaken a further cost reduction exercise in Germany with the intention that the savings made will offset any decline in revenues.

The children's list was awarded several prizes for outstanding works of fiction and non-fiction including Kathrin Hahnemann's *Charles Darwin*, Wolfgang Korn's *Die Weltreise einer Fleeceweste* and Daniel Höra's young adult novel *Gedisst*. Celia Rees' new novel *Sovay* generated impressive sales as did Franziska Biermann's illustrated, multimedia picture book, *Zirkus*.

The Autumn list reflects our strategy of publishing authors both in English and German and includes new titles such as William Boyd's *Ordinary Thunderstorms*, Margaret Atwood's *The Year of the Flood*, Mary Hooper's *The Betrayal* and Kamila Shamsie's *Burnt Shadows*.

Berlin Verlag's entry into the e-book market is imminent, with rights cleared, technical requirements fulfilled and contracts with major trading partners in place. This exciting step into new territory will open up many opportunities for substantial growth beyond traditional publishing channels. As an example, we are partnering with major Berlin libraries, where we will launch BOB (the Berlin Online Bibliothek) this August, to offer access to our titles through the public library system. Negotiations with other major libraries are underway.

Specialist Publishing Division

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	10.2	7.6	34.2%	19.6
Segment result before Administrative expenses	3.3	2.4	37.5%	6.9

The expansion of the Specialist Division in 2009 has been facilitated by a number of strategic acquisitions, an increase in revenues from long-term database contacts and management, partnerships involving our new academic and professional companies, and solid organic growth from A&C Black throughout the world.

In times of increased economic turbulence and budget cuts, the Specialist division's mix of 'must have' professional, academic and specialist publications provides a robust counterweight to the Group's consumer-driven trade publishing business. The higher percentage of international sales in academic and specialist publishing reduces our exposure to the UK economy.

Acquisitions in 2009 have included:

Tottel Publishing, acquired in July 2009 for £9.96m, a specialist publisher in law and tax. For the twelve-month period ended 28 February 2009, Tottel generated revenue of £6.25m, operating profit of £0.93m and EBITDA of £1.19m (before amortisation of acquisition goodwill of £0.249m). Tottel is the leading independent publisher in its field and produces an extensive range of books, journals and loose-leaf services for academics and students as well as for lawyers, accountants and tax advisers in private practice and business. Its list includes many authoritative titles which have been market-leaders, many, from Butterworths and Tolleys, including *Clinical Negligence* by Powers and Harris, Parker's *Modern Wills* and Rayney's *Tax Planning for Owner Managed Companies* as well as *Irish Conveyancing Precedents* and *The Irish Constitutio*n and, in Scotland, *The Court of Sessions Practice*. It has had great success with recent new publishing initiatives, including its core Tax list.

Much of its revenue is subscription-based and in dynamic and fast-moving areas, making its information ideal for online delivery. The company already has a number of valuable online agreements in place and will be seeking to build on these as it migrates its revenue online over the next two to three years. It already has an extensive e-book programme. The acquisition of Tottel is an important step in the development of the Group's academic and professional publishing, with the added benefits that come from developing a robust presence in the professional sector. Subscription-based businesses such as this are fundamentally stable with good repeat revenues, and these particular markets have significant online potential. We are pursuing further acquisition opportunities in this area.

The Hodder Higher Education textbook lists in Media and Communications, History and English Literature were acquired in July. The lists generate annual revenues of £0.4m. These lists include the original Edward Arnold titles in these fields which have been updated and published in numerous new editions incorporating new approaches and methodologies. These titles provide the teaching elements in subject areas where Bloomsbury Academic has been building its research-led books. The list will be incorporated into the organic Bloomsbury Academic list which was launched in 2008.

Good progress has been made on the integration of the four businesses we acquired in 2008. The development of the Berg Fashion Library is proceeding according to plan. In June Berg Publishers and the Victoria and Albert Museum, the world's leading museum of fashion and the visual arts, announced a new partnership, making 1,600 images from the V&A fashion collection available digitally through the Berg Fashion Library, the new online resource being launched in May 2010.

V&A images will be indexed alongside other content including books and journals, according to an extensive classification system created for the Berg Fashion Library. The classification system will make it easier for students, scholars and curators throughout the world to see clothing and related objects that they might not otherwise know existed. Users will be able to search and browse for specific items of dress and to move between text and related images with ease.

Arden Shakespeare, the most authoritative Shakespeare series in print, which has been continuously re-edited by scholars since 1898, was purchased from Cengage Learning in December 2008. It has been integrated into the Methuen Drama list. We expect sales to benefit from the attention of our specialist sales and marketing for Methuen Drama in the UK. In the USA specialist marketing has been strengthened by the appointment of a new academic marketing manager at Bloomsbury USA. In 2010 A&C Black's specialist and academic sales, currently handled by a third party US agent, will be consolidated to form the beginning of a new specialist/academic division of Bloomsbury USA.

Our focus for the second half of the year will be to develop further print, on-line, e-book and mixed media products in our specialist areas, to build new associations with partners in these areas and to continue to develop sources of revenue in addition to print sales. Publishing highlights for the second half include *Business Essential*, a compact guide to the world of work in paperback and e-book format, derived from our Business database; *Singing Express* and *Art Express*, mixed media courses for schools, following the extremely successful format of our Music Express series; and the 42nd edition of *Black's Medical Dictionary*.

The two year development phase of *QFINANCE -- The Ultimate Resource*, our partnership with the Qatar Financial Centre Authority, has been completed on schedule with the first copies having come off the press last week. The launch in Doha on 29 September will be attended by international financiers and government ministers.

Our partnership with Qatar Foundation to publish books in Arabic and English and to promote reading in the Middle East is flourishing. Bloomsbury Qatar Foundation Publishing has now published its first book and its reading development programme has achieved notable success including the launch of the World Book Day Qatar and the Bloomsbury Qatar Literary Salon.

We are delighted that Kathy Rooney, Managing Director of Bloomsbury Information Ltd, won the Kim Scott Walwyn Prize in recognition of her publishing achievements at Bloomsbury.

Trade Publishing Division

Adult

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	16.4	20.5	-20.0%	42.0
Segment result before Administrative expenses	5.2	6.7	-22.4%	8.0

Bloomsbury's long-term strategy of publishing fiction and non-fiction of the highest quality has allowed the Trade Publishing Division to flourish even in difficult economic times. The Adult Division's performance in the first half of 2009 is working against a strong comparative figure in 2008 which saw the huge success of *A Thousand Splendid Suns* and continued ongoing sales of *The Kite Runner*.

The biggest new development has been the critical mass achieved by our food and cookery list with Heston Blumenthal's *The Big Fat Duck Cookbook* gaining sales and prizes on both sides of the Atlantic, including the Guild of Food Writers Book of the Year; the continuing growth of Hugh Fearnley-Whittingstall's *River Cottage Handbooks* series and *Fish*; and the re-launch of the celebrated *Leith Cookery Bibles*.

2009 is a big year for our international fiction programme with prize-winning books from Jumpa Lahiri, Daniyal Mueenuddin and Kamila Shamsie. In addition we have published major new titles from T.C. Boyle, Jay McInerney, Anne Michaels and Liz Jensen.

The second half is very strong with new fiction titles such as Margaret Atwood's *The Year of the Flood*, William Boyd's *Ordinary Thunderstorms*, Justin Cartwright's *To Heaven by Water*, John Irving's *Last Night in Twisted River*, Colum McCann's *Let the Great World Spin* and Arthur Miller's *Collected Stories: Presents*. On the non-fiction side we have Heston Blumenthal's two new editions *In Search of Total Perfection* and the compact edition of *The Big Fat Duck Cookbook*, William Dalrymple's *Nine Lives,* Michael Mansfield's *Memoirs of a Radical Lawyer*, David Kynaston's *Family Britain, 1951-7,* and Monty Don's *The Ivington Diaries*. Buzz Aldrin's *Magnificent Desolation* was published to coincide with the 40th anniversary of the lunar landings. First time best-selling novelist Gil Adamson's *The Outlander* has been optioned for a big screen adaptation by Canadian film makers Xingu Films, Strada Fims and Triptych Media.

Our two major reference authors Ben Schott, with the latest edition of Schott's *Almanac,* and Christopher Lloyd with his new *What on Earth Evolved?,* continue to develop new and exciting works making an impact in many countries around the world.

Digital delivery of books is gaining momentum through e-book reader sales and more recently through the launch of Bloomsbury Library Online, which offers access to collections of our books through the public library system where readers can read the book online, search the text, access author interviews, reviews and press features as well as reading group guides if applicable. The service includes themed digital bookshelves such as children's history books, teen fiction, international fiction, books in translation, prize winners, crime, thrillers, history, sports and Shakespeare. Wisden, Writers on Writers, Our Environment and Childhood are the next themed shelves scheduled for release and have been chosen by the British Library for inclusion in its New Ways of Reading section featuring a dedicated Bloomsbury Library Online computer terminal, a Sony Reader and a Cool-er Reader http://www.coolreaders.com/.

Access to the content will be through public libraries using their existing technology both within the libraries and remotely with the use of a library card on home computers and Internet-enabled devices. Early purchasers include the library authorities of Essex, Thurrock, Southend and Poole – and also the British Library

Children's

£m	Half Year 2009	Half Year 2008	Growth %	Full Year 2008
Revenue	8.7	14.0	-37.9%	38.3
Segment result before Administrative expenses	2.9	3.6	-19.4%	13.7

The Children's Division is working against a high comparative figure with *Harry Potter and the Deathly Hallows* having been released in paperback in the first half of 2008. Children's publishing in the UK is increasingly author and series-led. This year has seen new publications and movies from some of our key authors: Neil Gaiman with the release of the top-grossing movie of *Coraline* and the continuing success of *The Graveyard Book,* winner of the prestigious the Hugo Novel of the Year Prize; Sue Limb's wonderful teenage novels newly re-designed; the paperback of Celia Rees's *Sovay* and the re-design of her historical adventure books; the world premiere of JK Rowling's *Harry Potter and the Half-Blood Prince* which has become the highest grossing film in UK history followed on the re-launch of her Comic Relief charity books, *Fantastic Beasts & Where to Find them* and *Quidditch Through the Ages*; the paperback release of Angie Sage's *Magykal Quest*; and Mark Walden's World Book Day selection *Interception* and the growing popularity of his *H.I.V.E.* series. David Frankel, the director of *Marley and ME* has been signed by Warner Bros. to develop *Septimus Heap: Magyk*, which the studio hopes will launch the next global fantasy franchise. The film will be based on the popular seven-volume children's books by UK author Angie Sage. Bloomsbury has the UK and Commonwealth publishing rights to the series.

New talent is a vital component of our publishing and we are delighted that BR Collins and her Bloomsbury editor, Emma Matthewson, won the prestigious Branford Boase Award which celebrates debut writers and their editors.

We have participated in the UK Government's scheme which promotes reading through providing a book to all new Year 7 students at secondary schools and we shall be offering *Underworld* by Cathy MacPhail and *Derek the Sheep* by Gary Northfield.

Outlook

We are seeing more company acquisition opportunities and are fortunate to have made two strategically significant acquisitions with Tottel and the Hodder Higher Education lists.

As indicated in our full year results statement, we have several major database projects under consideration by interested third parties and our annual result for the year will be affected by the outcome of these negotiations as well as general consumer book market conditions in the run-up to Christmas 2009.

In recent months we have focused on the two major relationships with the Qatar Financial Centre and Qatar Foundation and look forward to the worldwide launch of *QFINANCE -- The Ultimate Resource* in Qatar on 29 September.

The significant market risks pertaining to the recession highlighted at the year-end remain. These include new launches of bestselling authors selling below budgets; backlist high sellers selling fewer copies; potentially reduced rights, database and management contract income; bad debts and loss of distribution channels and decreased government spending on books in schools, universities and libraries. Further details of the principal risks and uncertainties facing the Group are given on page 24 of the 2008 Annual Report.

2009 started auspiciously with *The Suspicions of Mr. Whicher* reaching number one on the UK paperback bestseller list. We have a strong publishing programme for this year. In the first half we published new books by Sue Miller, TC Boyle, Anne Michaels and Jay McInerney. We have a particularly strong list in the second half, with new books from some of our highest selling authors including Margaret Atwood, John Irving, William Boyd, Elizabeth Gilbert, Heston Blumenthal and Hugh Fearnley-Whittingstall. Overall the impact of the global recession on the general book market is leading to slightly reduced volumes of about 3% across the industry and continued pressure on margins. We have continued to focus on reducing our operating costs to maintain margins, and good progress is being made through a tougher book acquisition process, reductions in initial print runs, highly focused marketing, greater use of print on demand and alternative raw materials for printing. The landscape of trade publishing is changing and there are exciting opportunities ahead as new technology allows the book to reach the consumer in electronic form. We are creating an infrastructure that will enable us to benefit from revenue streams from electronic publishing as they start to achieve critical mass in future years.

We have a very strong list for Autumn 2009 and are confident of generating good sales from a number of titles.

Nigel Newton
Chief Executive
27 August 2009

CONDENSED CONSOLIDATED INCOME STATEMENT
for the six months ended 30 June 2009

Continuing operations	Notes	6 months ended 30 June 2009 (unaudited) £'000	6 months ended 30 June 2008 (unaudited) £'000	Year ended 31 December 2008 (audited) £'000
Revenue	2	35,290	42,140	99,948
Cost of sales		(17,299)	(22,722)	(56,698)
Gross profit		17,991	19,418	43,250
Marketing and distribution costs		(6,642)	(6,821)	(14,742)
Administrative expenses – amortisation of intangible assets		(158)	(30)	(102)
Administrative expenses - other		(10,125)	(9,116)	(20,007)
Profit before investment income	2	1,066	3,451	8,399
Investment income		842	1,937	3,285
Finance costs		(90)	(16)	(51)
Profit before taxation		1,818	5,372	11,633
Income tax expense		(566)	(1,713)	(3,793)
Profit for the period attributable to equity holders of the parent company		1,252	3,659	7,840
Basic earnings per share	3	1.70p	4.97p	10.67p
Diluted earnings per share	3	1.70p	4.96p	10.67p

The notes on pages 15 to 23 form an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
for the six months ended 30 June 2009

	6 months ended 30 June 2009 (unaudited) *£'000*	6 months ended 30 June 2008 (unaudited) *£'000*	Year ended 31 December 2008 (audited) *£'000*
Profit for the period	1,252	3,659	7,840
Other comprehensive income:			
Exchange differences on translating foreign operations	(3,453)	622	8,453
Deferred tax on share based payments	(8)	13	34
Other comprehensive (loss) / income for the period net of tax	(3,461)	635	8,487
Total comprehensive (loss)/income for the period net of tax attributable to equity holders of the parent company company	(2,209)	4,294	16,327

CONDENSED BALANCE SHEET
at 30 June 2009

	Notes	30 June 2009 (unaudited) *£'000*	30 June 2008 (unaudited) *£'000*	31 December 2008 (audited) *£'000*
ASSETS				
Non-current assets				
Property, plant and equipment		1,248	1,658	1,443
Intangible assets		26,766	18,890	27,543
Deferred tax assets		2,149	1,841	2,152
Total non-current assets		30,163	22,389	31,138
Current assets				
Inventories		16,249	15,405	16,589
Trade and other receivables	4	37,659	37,373	48,982
Cash and cash equivalents		48,417	53,840	51,908
Total current assets		102,325	106,618	117,479
TOTAL ASSETS		132,488	129,007	148,617
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent company				
Share capital		922	920	922
Share premium		39,388	39,191	39,388
Capital redemption reserve		20	20	20
Share-based payment reserve		2,427	2,319	2,305
Translation reserve		4,101	(277)	7,554
Retained earnings		62,173	59,833	63,483
Total equity		109,031	102,006	113,672
Liabilities				
Non-current liabilities				
Deferred tax liabilities		1,451	204	1,451
Retirement benefit obligations		84	39	18
Other payables		455	522	558
Total non-current liabilities		1,990	765	2,027
Current liabilities				
Trade and other payables		21,318	25,421	32,603
Current tax payable		149	815	315
Total current liabilities		21,467	26,236	32,918
Total liabilities		23,457	27,001	34,945
TOTAL EQUITY AND LIABILITIES		132,488	129,007	148,617

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2009

	Share capital	Share premium	Capital redemption reserve	Share based payment reserve	Translation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Attributable to equity holders of the parent company							
Balances at 1 January 2008	920	39,191	20	2,114	(899)	58,723	100,069
Profit for the period	-	-	-	-	-	3,659	3,659
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	622	-	622
Deferred tax on share-based payments	-	-	-	-	-	13	13
Total comprehensive income for the period ended 30 June 2008	-	-	-	-	622	3,672	4,294
Share-based payments	-	-	-	205	-	-	205
Dividends	-	-	-	-	-	(2,428)	(2,428)
Purchase of shares by the Employee Benefit Trust	-	-	-	-	-	(134)	(134)
Balances at 30 June 2008 (unaudited)	920	39,191	20	2,319	(277)	59,833	102,006
Profit for the period	-	-	-	-	-	4,181	4,181
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	7,831	-	7,831
Deferred tax on share-based payments	-	-	-	-	-	21	21
Total comprehensive income for the period ended 31 December 2008	-	-	-	-	7,831	4,202	12,033
Share-based payments	-	-	-	(14)	-	-	(14)
Dividends	-	-	-	-	-	(552)	(552)
Share issues	2	197	-	-	-	-	199
Balances at 31 December 2008 (audited)	922	39,388	20	2,305	7,554	63,483	113,672
Profit for the period	-	-	-	-	-	1,252	1,252

Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	(3,453)	-	(3,453)
Deferred tax on share-based payments	-	-	-	-	-	(8)	(8)
Total comprehensive income for the period ended 30 June 2009	-	-	-	-	(3,453)	1,244	(2,209)
Share-based payments	-	-	-	122	-	-	122
Dividends	-	-	-	-	-	(2,554)	(2,554)
Balances at 30 June 2009 (unaudited)	922	39,388	20	2,427	4,101	62,173	109,031

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
for the six months ended 30 June 2009

	6 months ended 30 June 2009 (unaudited) £'000	6 months ended 30 June 2008 (unaudited) £'000	Year ended 31 December 2008 (audited) £'000
Cash flows from operating activities			
Profit before tax	1,818	5,372	11,633
Adjustments for:			
Depreciation of property, plant and equipment	326	342	844
Amortisation of publishing relationships	158	18	102
Goodwill impairment	-	-	111
Loss / (profit) on sale of property, plant and equipment	11	(4)	(12)
Share-based payment charges	122	205	191
Investment income	(842)	(1,937)	(3,285)
Finance costs	90	16	51
	1,683	4,012	9,635
(Increase) / decrease in inventories	(354)	(784)	38
Decrease in trade and other receivables	9,092	39,527	33,350
Decrease in trade and other payables	(10,856)	(30,835)	(26,686)
Cash (used in) / generated from operations	(435)	11,920	16,337
Income taxes paid	(953)	(3,890)	(6,183)
Net cash (used in) / generated from operating activities	(1,388)	8,030	10,154
Cash flows from investing activities			
Purchase of property, plant and equipment	(161)	(211)	(354)
Proceeds from sale of property, plant and equipment	3	7	30
Purchase of businesses, net of cash acquired	-	(1,021)	(7,433)
Interest received	982	1,819	3,026
Net cash generated from / (used in) investing activities	824	594	(4,731)
Cash flows from financing activities			
Purchase of shares by the Employee Benefit Trust	-	(134)	(134)
Equity dividends paid	(2,554)	(2,428)	(2,980)
Interest paid	(90)	(16)	(51)
Net cash used in financing activities	(2,644)	(2,578)	(3,165)
Net (decrease) / increase in cash and cash equivalents	(3,208)	6,046	2,258
Cash and cash equivalents at beginning of period	51,908	47,558	47,558
Exchange (loss) / gain on cash and cash equivalents	(283)	236	2,092
Cash and cash equivalents at end of period	48,417	53,840	51,908

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2009 do not constitute full statutory accounts. The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ('IAS') 34 'Interim Financial Reporting'. They have also been prepared on a consistent basis with the financial statements for the year ended 31 December 2008 and under the historical cost convention.

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards ('IFRS') and International Financial Reporting Interpretations Committee ('IFRIC') pronouncements as adopted by the European Union. The financial information for the year ended 31 December 2008 does not constitute statutory accounts as defined in section 240 of the Companies Act 1985. This information was derived from the statutory accounts for the year ended 31 December 2008, a copy of which has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis of matter and did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

The accounting policies used in the preparation of the condensed consolidated interim financial statements for the six months ended 30 June 2009 are consistent with those that the directors intend to use in the statutory accounts for the year ending 31 December 2009.

The condensed consolidated interim financial statements are unaudited but have been reviewed by the auditors in accordance with International Standard on Review Engagements (UK and Ireland) 2410 'Review of the Interim Financial Information performed by the independent Auditor of the Entity'. The interim results do not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006.

The preparation of condensed consolidated financial statements requires the use of certain critical accounting assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas requiring a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements have been set out in the 2008 Annual Report.

IFRS 8 'Operating Segments' and IAS 1 (revised) 'Presentation of Financial Statements' are mandatory for the Group's accounting periods beginning on or after 1 January 2009. IFRS 8 requires segmental information reported to be based on that which management uses internally for evaluating performance of operating segments and requires increased disclosure relating to reportable segments. IAS 1 (revised) requires amendments to the structure of financial statements.

The following Standards, which were effective for this financial period, have no material impact on the financial statements of the Group:

- IFRS 2 'Share-based Payments' (effective for annual periods beginning on or after 1 January 2009); changes to vesting conditions and cancellations in relation to share-based remuneration.
- IAS 23 (amended) 'Capitalisation of Borrowing Cost' (effective for annual periods beginning on or after 1 January 2009).

There were no other Standards and Interpretations which were in issue but not effective at the date of authorisation of these financial statements that the directors anticipate will have a material impact on the financial statements of the Group.

The interim report complies with the Disclosure and Transparency Rules ('DTR') of the United Kingdom's Financial Services Authority in respect of the requirement to produce a half-yearly financial report. The interim report is the responsibility of, and has been approved by, the directors who each confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 as adopted by the EU;
- the interim management report includes a fair review of the important events during the first six months and description of the principal risks and uncertainties for the remaining six months of the year, as required by DTR 4.2.7R; and
- the interim management report includes a fair review of disclosure of related party transactions and changes therein, as required by DTR 4.2.8R.

The directors and their functions are:

J J O'B Wilson – Non-Executive Chairman
J N Newton – Chief Executive
C R Adams ACA – Group Finance Director
R D P Charkin – Executive Director
C A A Black – Vice Chairman and Senior Independent Non-Executive Director
M J Mayer – Independent Non-Executive Director

The financial information included in this document has been approved for issue by the directors on 27 August 2009.

2. Segmental analysis

As the main thrust of the Group's growth is to develop its international publishing strategy, the internal reporting to the chief operating decision maker is by geographical segments. Management has determined the operating segments based on these reports. The segments derive their revenue from book publishing, sale of publishing and distribution rights, sponsorship and database contracts. The analysis by geographical segment is shown below.

Six months ended 30 June 2009 (unaudited)	United Kingdom	North America	Continental Europe	Unallocated eliminations, costs, assets and liabilities	Total
	£'000	£'000	£'000	£'000	£'000
External revenue	22,207	8,708	4,375	-	35,290
Inter-segment revenue	206	-	55	(261)	-
Total revenue	22,413	8,708	4,430	(261)	35,290
Segment result	1,683	27	(494)	-	1,216
Unallocated central cost	-	-	-	(150)	(150)
Profit before investment income	1,683	27	(494)	(150)	1,066
Investment income	-	-	-	842	842
Finance costs	-	-	-	(90)	(90)
Profit before taxation	1,683	27	(494)	602	1,818
Total assets	113,773	22,290	8,489	(12,064)	132,488

Six months ended 30 June 2008 (unaudited)	United Kingdom	North America	Continental Europe	Unallocated eliminations, costs, assets and liabilities	Total
	£'000	£'000	£'000	£'000	£'000
External revenue	29,681	6,361	6,098	-	42,140
Inter-segment revenue	50	-	52	(102)	-
Total revenue	29,731	6,361	6,150	(102)	42,140
Segment result	3,466	(354)	506	-	3,618
Unallocated central cost	-	-	-	(167)	(167)
Profit before investment income	3,466	(354)	506	(167)	3,451
Investment income	-	-	-	1,937	1,937
Finance costs	-	-	-	(16)	(16)
Profit before taxation	3,466	(354)	506	1,754	5,372

Total assets	107,859	19,990	9,407	(8,159)	129,007

Year ended 31 December 2008 (audited)	United Kingdom	North America	Continental Europe	Unallocated eliminations, costs, assets and liabilities	Total
	£'000	£'000	£'000	£'000	£'000
External revenue	71,062	17,317	11,569	-	99,948
Inter-segment revenue	-	-	213	(213)	-
Total revenue	71,062	17,317	11,782	(213)	99,948
Segment result	8,152	378	185	-	8,715
Unallocated central cost	-	-	-	(316)	(316)
Profit before investment income	8,152	378	185	(316)	8,399
Investment income	-	-	-	3,285	3,285
Finance costs	-	-	-	(51)	(51)
Profit before taxation	8,152	378	185	2,918	11,633
Total assets	124,996	24,692	10,091	(11,162)	148,617

2. Segmental analysis (continued)

Business Divisions

The Group's business divisions are organised into three areas: Adult, Children's and Specialist. The following table provides the analysis for these areas.

Six months ended 30 June 2009

	Trade (Adult)	Trade (Children's)	Specialist	Unallocated eliminations, costs, assets and liabilities	Total
	£'000	£'000	£'000	£'000	£'000
External revenue	16,384	8,728	10,178	-	35,290
Inter-segment revenue	-	55	206	(261)	-
Total revenue	16,384	8,783	10,384	(261)	35,290
Contribution before administrative expenses	5,227	2,872	3,250	-	11,349
Administrative expenses	-	-	-	(10,283)	(10,283)
Profit before investment income	5,227	2,872	3,250	(10,283)	1,066
Investment income	-	-	-	842	842
Finance costs	-	-	-	(90)	(90)
Profit before taxation	5,227	2,872	3,250	(9,531)	1,818

Six months ended 30 June 2008

	Trade (Adult)	Trade (Children's)	Specialist	Unallocated eliminations, costs, assets and liabilities	Total
	£'000	£'000	£'000	£'000	£'000
External revenue	20,538	13,995	7,607	-	42,140
Inter-segment revenue	-	52	50	(102)	-
Total revenue	20,538	14,047	7,657	(102)	42,140
Contribution before administrative expenses	6,672	3,570	2,355	-	12,597
Administrative expenses	-	-	-	(9,146)	(9,146)
Profit before investment income	6,672	3,570	2,355	(9,146)	3,451
Investment income	-	-	-	1,937	1,937
Finance costs	-	-	-	(16)	(16)
Profit before taxation	6,672	3,570	2,355	(7,225)	5,372

Year ended 31 December 2008

	Trade	Trade	Specialist	Unallocated	Total

	(Adult)	(Children's)		eliminations, costs, assets and liabilities	
	£'000	£'000	£'000	£'000	£'000
External revenue	42,031	38,330	19,587	-	99,948
Inter-segment revenue	-	213		(213)	-
Total revenue	42,031	38,543	19,587	(213)	99,948
Contribution before administrative expenses	7,965	13,647	6,896	-	28,508
Administrative expenses	-	-	-	(20,109)	(20,109)
Profit before investment income	7,965	13,647	6,896	(20,109)	8,399
Investment income	-	-	-	3,285	3,285
Finance costs	-	-	-	(51)	(51)
Profit before taxation	7,965	13,647	6,896	(16,875)	11,633

Due to the seasonality of the business, the Group's sales and profit before investment income are weighted towards the second half of the year.

3. Earnings per share

The earnings per share for the six months to 30 June 2009 is based on the earnings of £1,252,000 (2008, £3,659,000) and on a weighted average number of Ordinary Shares in issue of 73,594,863 (2008, 73,561,799) after deducting 88,760 shares held by the Employee Benefit Trust. The earnings per share for the twelve months to 31 December 2008 is based on the earnings of £7,840,000 and a weighted average number of Ordinary Shares in issue after deducting 88,760 shares held by the Employee Benefit Trust of 73,503,495. The diluted earnings per share for the six months to 30 June 2009 has been calculated by reference to a weighted average number of Ordinary Shares of 73,594,863 (2008, 73,803,266, year ended 31 December 2008, 73,506,869) which takes account of share options.

The reconciliation between the weighted average number of shares for the basic earnings per share and the diluted earnings per share is as follows:

	6 months ended 30 June 2009 (unaudited)	**6 months ended 30 June 2008 (unaudited)**	**Year ended 31 December 2008 (audited)**
	Number	Number	Number
Weighted average number of shares for basic earnings per share	73,594,863	73,561,799	73,503,495
Dilutive effect of share options and awards	-	241,467	3,374
Weighted average number of shares for diluted earnings per share	73,594,863	73,803,266	73,506,869

4. Trade and other receivables

	30 June 2009 (unaudited) £'000	30 June 2008 (unaudited) £'000	31 December 2008 (audited) £'000
Amounts falling due within one year:			
Trade receivables	13,247	10,706	22,939
Other receivables	401	628	334
Prepayments and accrued income	20,611	21,777	23,212
	34,259	33,111	46,485
Amounts falling due after more than one year:			
Prepayments and accrued income	3,400	4,262	2,497
	37,659	37,373	48,982

As books are returnable by customers, the Group makes a provision against books sold in the accounting period which is then carried forward in trade receivables in the balance sheet in anticipation of book returns received subsequent to the year end. A provision for the Group of £6.16m (30 June 2008, £8.97m, 31 December 2008, £7.78m) at margin for future returns relating to 2009 and prior sales has been offset against trade receivables in the balance sheet at 30 June 2009.

The Group makes a provision against published titles' advances which may not be covered by anticipated future sales, paperback editions or contracts for subsidiary rights receivable. At the end of each financial year a review is carried out on all published titles' advances. If it is unlikely that royalties from future sales, paperback sales or subsidiary rights will fully earn down the advance, a provision is made to the income statement for the difference between the carrying value and the anticipated recoverable amount from future earnings ('the advance provision'). The advance provision for the Group has been increased by £1.3m since 31 December 2008 (6 months to 30 June 2008, £3.6m, year to 31 December 2008, £9.1m). The net advance is included within prepayments and accrued income.

Profit is stated after charging / (crediting) the following amounts in respect of the above:

	6 months ended 30 June 2009 (unaudited) £'000	6 months ended 30 June 2008 (unaudited) £'000	Year ended 31 December 2008 (audited) £'000
Advance provisions *	1,280	3,612	9,127
Write back of returns provision #	-	(2,000)	(5,160)

*Within this provision for unearned advances of £1.3m (6 months to 30 June 2008, £3.6m, year to 31 December 2008, £9.1m) made during the period is an additional amount provided on the basis that in light of the current economic climate management does not consider those amounts to be recoverable. The value of the additional write-off of author advances to the Income Statement is £nil (6 months to 30 June 2008, £2.3m, year to 31 December 2008, £5.4m).

The write-back of the returns provision relates to a provision brought forward from 2007 which, as a result of the level of returns actually received during the year, is no longer required. The value of the write back to the Income Statement account during the period was £nil (6 months to 30 June 2008, £2.0m, year to 31 December 2008, £5.2m).

5. Post balance sheet events

The directors have proposed an interim dividend of 0.78 pence per share (2008, 0.75 pence per share), which will be paid on 20 November 2009 to shareholders on the register at close of business on 23 October 2009. Based on the number of shares in issue at 30 June 2009, the interim dividend will be £575,000 (2008, £552,000).

A final dividend of 3.47 pence per share (£2,554,000) was paid to the equity shareholders on 1 July 2009, being the amount proposed by the directors, and subsequently approved by the shareholders at the 2009 Annual General Meeting (2008, final dividend for 2007 paid in 2008 of 3.30 pence per share, £2,428,000).

On 1 July 2009 Bloomsbury Publishing Plc acquired 100% of the share capital of Tottel Publishing Limited, an independent professional and academic publisher in the UK and Ireland, for a cash consideration of £9.96 million. The company will be renamed Bloomsbury Professional. It is not practical at this stage to give further financial information requested by IFRS 3, as we are still undertaking a detailed review of the assets acquired and their fair values.

On 9 July 2009 A&C Black acquired the Higher Education textbook lists in Media and Communications, History and English Literature from Hodder Education as an asset deal for a cash consideration of £0.46m. These lists will be managed under the Bloomsbury Academic imprint.

6. Own shares

'Own shares' are shares held by the Employee Benefit Trust for the purpose of satisfying certain equity-based awards where such shares have not vested unconditionally in employees of the Group. At 30 June 2009 the number of own shares held were 88,760 ordinary shares (30 June 2008, 88,760, 31 December 2008, 88,760).

INDEPENDENT REVIEW REPORT TO BLOOMSBURY PUBLISHING PLC

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2009 which comprises the condensed consolidated income statement, condensed consolidated statement of other comprehensive income, condensed consolidated balance sheet, condensed consolidated statement of changes in equity, condensed consolidated cash flow statement, and related explanatory notes set out on pages 15 to 23. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report, including the conclusion, has been prepared for and only for the Company for the purpose of meeting the requirements of the Disclosure Rules and Transparency Rules issued by the United Kingdom Listing Authority and for no other purpose. We do not, therefore, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Directors' Responsibilities

The half-yearly financial report, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing and presenting the half-yearly financial report in accordance with the Disclosure Rules and Transparency Rules issued by the United Kingdom Listing Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee ("IFRIC") pronouncements as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report 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 United Kingdom. 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-yearly financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union, and the Disclosure Rules and Transparency Rules issued by the United Kingdom Listing Authority.

Baker Tilly UK Audit LLP
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

27 August 2009