BLOOMSBURY PUBLISHING Plc
("Bloomsbury" or "the Group")

Unaudited Interim Results for the six months ended 31 August 2013

Bloomsbury Publishing Plc today announces six month results for the period ended 31 August 2013.

Financial highlights

- Turnover £49.2 million (2012: £43.5 million) +13%
- Profit before taxation and highlighted items* £2.8 million (2012: £2.1 million) +33%
- Profit before taxation £1.1 million (2012: £0.9 million) +33%
- Interim dividend pence per share 0.98 pence (2012: 0.94 pence) +4%
- Diluted earnings per share before highlighted items* 2.89 pence (2012: 2.13 pence) +36%
- Diluted earnings per share of 1.17 pence (2012: 0.84 pence) +39%

Operating highlights

- **Academic and Professional business growing**
  - Division now represents 43% of Group adjusted operating profit (2012: 27%)
  - Acquisition of the academic law publisher, Hart Publishing, for up to £6.9 million
  - Drama Online subscriptions exceeded expectations
  - Winner of IPG Independent Publisher of the Year, Frankfurt Book Fair Academic & Professional Publisher of the Year and Academic, Educational and Professional Publisher of the Year

- **Adult division excellent first half sales and profits, strong second half list**
  - The Signature of All Things – Elizabeth Gilbert
  - MasterChef: the Finalists
  - Paul Hollywood's Pies and Puds
  - Tom Kerridge's Proper Pub Food

- **Bestsellers across the Group include:**
  - And the Mountains Echoed – Khaled Hosseini
  - Crown of Midnight – Sarah J. Maas
  - Shh! Don't Wake the Royal Baby – Martha Mumford and Ada Gray
  - MaddAddam – Margaret Attwood
  - The Bone Season – Samantha Shannon

* Highlighted items comprise amortisation of intangible assets, acquisition related costs, relocation costs and, in the prior year, Bloomsbury India set up costs.

Commenting on the results, Nigel Newton, Chief Executive, said:

"The Group has made a good start to the year. In line with the Company's growth strategy, Bloomsbury has made significant progress in developing the Academic & Professional division, most notably with the acquisition of Hart Publishing. Our Adult division enjoyed a very good interim result, reflecting an impressive new book programme including And the Mountains Echoed by Khaled Hosseini and The Bone Season by Samantha Shannon, as well as a flourishing cookery list.

We start the second half with a strong programme including MasterChef: The Finalists and The Signature of All Things by Elizabeth Gilbert."

For further information, please contact:

Daniel de Belder/Guy Scarborough, Pelham Bell Pottinger	+44 (0) 20 7861 3232
Nigel Newton, Chief Executive, Bloomsbury Publishing Plc	+44 (0) 20 7494 6015

Note: Adjusted results in the following statement exclude highlighted items.

Chief Executive's Review

Overview

The Bloomsbury Group performed very well in the first half of the financial year with revenue increasing by 13% to £49.2 million and adjusted profit before tax increasing by 33% to £2.8 million. This follows a successful new book programme which included And the Mountains Echoed by Khaled Hosseini and The Bone Season by Samantha Shannon, which was acquired this week by 20th Century Fox and Chernin Entertainment for a major new film. These titles helped drive the 77% increase in Adult division adjusted operating profit to £1.1 million. The Academic & Professional division continues to grow with a strong performance for the interim period. In line with our strategy to increase the proportion of revenues delivered by the Academic & Professional division, in September 2013 Bloomsbury acquired Hart Publishing ("Hart"), the Oxford-based academic law publisher, for a consideration of up to £6.9 million.

Traditionally sales of trade titles peak for Christmas and sales of academic titles peak in the autumn, at the beginning of the academic year. We expect our results therefore to continue to be significantly second half weighted.

Summary of results

Adjusted profit before tax for the six months ended 31 August 2013 increased by 33% to £2.8 million (2012: £2.1 million). Profit before tax was £1.1 million (2012: £0.9 million). Revenue increased by 13% to £49.2 million. Within this, print sales were up 13% to £39.6 million (2012: £34.9 million), digital sales increased 22% to £5.8 million (2012: £4.8 million) and rights and services sales were £3.8 million (2012: £3.8 million).

In the first half of the last financial year we acquired Fairchild Books and Applied Visual Arts Publishing. These two businesses contributed £0.9 million of profit in this interim period, an increase of £0.4 million year on year and £3.0 million of revenues, an increase of £0.8 million. Underlying Group revenue, excluding the results of these acquisitions grew by 12% year on year.

Bloomsbury's excellent print sales this period reflect the successful front list releases. Digital sales are now 12% of Group sales (2012: 11%). They mainly comprise sales of e-books (10% of Group revenue), which are up 14% year on year to £5.1 million (2012: £4.5 million). In the UK e-book sales were up 58% year on year; in the US, following bestsellers last year, e-book sales were down 20%. According to Nielsen Bookscan data as at 9 June 2013, 19% of the UK adult population have now bought e-books compared to 12% at the same time last year.

Bloomsbury India is now one year old and has grown quickly and successfully. During the period it generated turnover of £0.8 million and contributed a small profit to the Group, ahead of its budget. We have recently signed bestselling author Shiv Khera, renowned for his successful self-help books.

The Group continues to implement cost-saving initiatives. During the period we have tendered our colour print purchasing which will deliver savings starting in the second half of the year, equivalent to £0.4 million per annum. Bloomsbury continues to develop towards a digital-based workflow model and we have successfully transferred internal resources accordingly. In addition, during the period, we have invested in new staff in IT, Digital Development and Production to facilitate further the strategic move to digital workflows. This move includes a Group-wide shift to content-led XML-based workflows to expedite the print and digital production process. Combined with additional investment in Operations in the second half of the year, total additional investment in these areas will be £0.6 million per annum.

The adjusted operating profit margin has increased from 4.7% to 5.7% year on year.

Highlighted items of £1.7 million (2012: £1.3 million) include £1.3 million (2012: £1.1 million) of recurring amortisation of intangible assets. Other highlighted items in this period include costs of acquisition for Hart and staff restructuring costs following the integration of Fairchild Books.

The effective rate of tax for the period was 23% (2012: 26%) reflecting the reduction in the rate of corporation tax and the recognition of further trading losses. Adjusted diluted earnings per share were 2.89 pence (2012: 2.13 pence). Diluted earnings per share for the period were 1.17 pence (2012: 0.84 pence).

The business had £10.0 million of cash as at 31 August 2013 (31 August 2012: £10.6 million). During the period £2.0 million was paid as instalments for the acquisitions of Fairchild Books and Applied Visual Arts Publishing. On 2 September 2013, after the period end, Bloomsbury paid £6.4 million in cash for the acquisition of Hart.

Divisional review

Academic & Professional

The Academic & Professional division generated strong organic growth in the interim period, coupled with a further high-quality acquisition. During the period the division won three major awards recognising our rapid ascent as an academic publisher: IPG Independent Publisher of the Year; Frankfurt Book Fair Academic & Professional Publisher of the Year; and Academic, Educational and Professional Publisher of the Year at the Bookseller Industry Awards.

The division generated 28% of Group revenue this period (2012: 28%) and 43% of Group adjusted operating profits (2012: 27%). Revenue was up 13% year on year by £1.6 million to £13.9 million. Adjusted operating profit was up 117% to £1.2 million (2012: £0.6 million). With an increasing focus on digital publishing, the division’s digital revenues are growing quickly. 9% of revenues in the division were digital compared to 7% in the same period last year. These have grown by 49% year on year to £1.2 million in the period boosted by a robust performance from online subscription revenue.

Continuing its strategy of acquiring high-quality assets in areas which complement its existing academic and professional lists, Bloomsbury acquired the academic law publisher, Hart, in September. The initial consideration of £6.4 million was paid in cash on completion from Bloomsbury's cash reserves and is subject to a working capital adjustment following a completion audit. A further cash consideration of up to a maximum of £0.5 million will be payable on the achievement of certain revenue and title number targets for the year ending 31 March 2014. The acquisition will be immediately earnings-enhancing, contributing approximately £1.4 million of revenue to Bloomsbury in the year ending 28 February 2014.

The acquisition is consistent with Bloomsbury's strategy to increase its proportion of academic and professional revenues to 50% of total sales in five years' time. These revenues are more predictable and have lower related costs of sale with higher margins and are much less reliant on retail bookshop sales. Around 50% of Hart's revenue is generated outside the UK, thereby increasing Bloomsbury's benefit from the global book market. The acquisition will also enable the Group to further develop its e-book publishing and expand Bloomsbury Professional's digital services.

Hart was founded in 1996 and has developed an important academic list with leading authors including Michael Fordham QC, Andrew Burrows, Grainne de Burca, J. W. Carter, Peter Cane, Simon Deakin, Vernon Bogdanor, Robert O'Donoghue, Philip Coppel QC and Michael Beloff QC amongst others. Hart generated £2.6 million of revenue and £0.5 million of profit before tax in the year ended 31 March 2013.

In the first half, Bloomsbury Professional published the fourth edition of Law of Torts in Ireland. This is a leading title for the Irish Market and has been long awaited with outstanding sales since publication. The Irish business also produced the fifth edition of Irish Land Law, by Professor J. C. W. Wylie, to great acclaim.

Bloomsbury Professional's UK legal list saw the publication of the second edition of Licensed Premises: Law, Practice and Policy and the long-awaited text Thornton's Legislative Drafting fifth edition, both leading books in their field. In addition the third edition of Drafting and Negotiating IT Contracts was published in July. In the second half Bloomsbury Professional will be launching its first legal online service, National Infrastructure Planning service, the new sixth edition of The A–Z of Contract Clauses written by Deborah Fosbrook and Adrian C. Laing and the Manual of Accounting New UK GAAP on behalf of PricewaterhouseCoopers.

Online sales in both the UK and Ireland continue to grow at a very good rate with notable wins in the Irish Legal market and the UK Financial reporting market in the first half.

The Berg Fashion Library won the 2013 Popular Culture Association/American Culture Association Electronic Reference Award. The Chair of the PCA/ACA Award Committee commented: "Not only was the quality of research astoundingly well developed, but its use of web-specific dynamics, including images and links to secondary materials, provided a thorough and insightful investigation of the history of fashion." The Berg Fashion Library continues to outperform our expectations; a new update including images from the Philadelphia Museum of Art and 1000 images from the Fashion Museum at Bath went live in August.

Fairchild Books has been integrated into Bloomsbury USA, including its distribution, which was successfully moved to Bloomsbury's US distributor in July. The business is performing ahead of its budget. AVA has been rebranded as Fairchild Books and will benefit from the market strength associated with the Fairchild Books brand.

In July, Methuen Drama launched https://www.actorsandperformers.com. Actors and Performers is a professional networking site for the acting community with essential career information, including the leading industry contacts directory Actors Yearbook, which is now available online for annual subscription. Authors, casting directors, actors and industry practitioners, such as Richard Eyre, appear as guest bloggers and contributors to offer advice and insight into the profession.

We are currently developing a new platform, Bloomsbury Collections, for launch in spring 2014, which will deliver unique online collections of scholarly e-books for the library market. This new service will respond to the growing demand for e-books from academic libraries worldwide, and will offer new opportunities for scholars and students to discover and make the most of the full wealth of Bloomsbury's academic publishing portfolio. The site will launch with around 1,700 books in 12 subject areas, bringing together innovative current research publications alongside more than a century's worth of authoritative scholarship from the backlists of imprints such as T&T Clark, Bristol Classical Press, Continuum, Berg and the Arden Shakespeare. New collections in further subject areas will follow in future releases, and in future all newly published academic monographs will go directly on to the Bloomsbury Collections site in digital form. There will be flexible options for libraries, which will be able to purchase access to the texts in subject-based collections in any combination.

Bloomsbury's Business Advice and Compliance service is also launching online early in 2014.

Drama Online subscriptions exceeded their annual budget after only four months of trading. At its 2013 award for Publishing Innovation in September, The Association of Learned Society and Professional Publishers highly commended Drama Online. The judges stated: "The platform offers robust original functionality beneath a clear and simple user interface, providing a tool which clearly enhances the study and performance of drama." The service now offers access to 1,000 plays, including the Arden Shakespeare Series.

Adult

It has been an excellent first half for the division in terms of bestsellers, repeatable income from backlist stalwarts, literary prizes and awards and a robust and creative commissioning programme for the future. Digital sales make up an ever more important element of our sales and activity but print is showing resilience way beyond many predictions.

The Adult division generated 47% of Group revenue in the six months ended 31 August 2013 (2012: 46%). Revenue for the period was up by 16% to £23.2 million (2012: £20.1 million). Adjusted operating profit increased by 77% to £1.1 million (2012: £0.6 million). The increase in revenue came largely from print sales which were up £2.6 million, 16% to £18.5 million. Digital sales grew by 17% to £3.6 million.

These results reflect our first half new book programme. Major new novels such as And the Mountains Echoed by Khaled Hosseini, Flora by Gail Godwin, TransAtlantic by Colum McCann, MaddAddam by Margaret Atwood and The Bone Season by Samantha Shannon have all made bestseller charts around the world with critical acclaim. The proportion of e-book sales compared to print sales for these titles has been as high as 50% in some markets. Return of a King by William Dalrymple has been shortlisted for the Samuel Johnson Prize for Non-Fiction 2013. The Lowland by Jumpha Lahiri was shortlisted for the Man Booker Prize.

The cookery list has also performed well with strong sales of books by Paul Hollywood, Hugh Fearnley-Whittingstall, Heston Blumenthal, Atul Kochhar, Philip Howard, Vivek Singh, the Galvin Brothers and many others. The most recent bestseller is Tom Kerridge's Proper Pub Food, which is accompanied by a six-part BBC television series. Polpo: A Venetian Cookbook (Of Sorts) by Russell Norman won the Gourmand Award for Best Cookbook on Italian Cuisine. In October, we will publish Paul Hollywood's Pies and Puds which will tie in with a twenty-part BBC television series.

In September, Google paid tribute to John Wisden, legendary cricketer and publisher of the world-famous Wisden Cricketers' Almanack, by creating a distinctive Doodle in his honour viewed by millions in India, Australasia and the UK. It was a celebration of both John Wisden's birthday and the 150th edition of the most famous sports book in the world, which was published in April this year.

On the digital front we saw a significant uplift in sales for the Aberdeen Asset Management Reed's Nautical Almanac app for the iPad, an excellent reception for the Helm series of Bird Identification Guides in e-versions with embedded audible bird tweets. Bloomsbury Reader and Public Library Online continue to innovate and generate new revenue streams. In September, we launched a self-publishing comparison site under the brand Writers & Artists at https://www.writersandartists.co.uk/self-publishing. The site helps aspiring writers cut through publishing jargon, offering an independent view, guiding to a list of self-publishing providers that is relevant to that writer.

International sales have always been important to this division but the development of our offices in India, Australia and USA have found and developed opportunities for promotions, special distributions, intensive marketing and significant market share growth.

Children's & Educational

The Children's & Educational division generated 21% of Group revenue in the six months ended 31 August 2013 (2012: 22%). Against the backdrop of a significant reduction in revenue in both the UK and US Children's book markets year on year, revenue at Bloomsbury's Children's & Educational division for the period was up by 12% year on year to £10.4 million (2012: £9.3 million). Adjusted operating profit was nil, as last year, partly reflecting the investment we have made in staff for our new illustrated and activity books list. Bloomsbury's market share increased, mostly in the picture book and Young Adult categories, in line with our strategy.

Our strategy to acquire global title rights continues – with world rights secured in Urban Outlaws by Peter J. Black and Take Back the Skies by Lucy Saxon, both to publish in spring 2014. We also continue to acquire strong picture book texts and sign up illustrators to grow our illustrated list which launched this year.

Sales highlights in the period included Wednesdays at the Castle by Jessica Day George which featured at number 7 in the New York Times bestseller list and Crown of Midnight by Sarah J. Maas – the sequel to Throne of Glass – which also reached number 7 in the New York Times bestseller list, following a strong global sales and marketing campaign to support global publication in August. Shh! Don't Wake the Royal Baby by Martha Mumford and Ada Gray reached number 8 in the UK Nielsen BookScan Children's chart and Fortunately, the Milk... by Neil Gaiman, illustrated by Chris Riddell, reached number 4 in the UK Nielsen Children's Hardback BookScan chart.

Printz winner In Darkness by Nick Lake and The Weight of Water by Sarah Crossan were shortlisted for the Carnegie Medal. Sarah Crossan won the CBI Children's Book Award and also the UKLA award with her debut novel The Weight of Water.

A market research project was carried out on the Harry Potter series in this new post-film era. The results will be used to direct future Harry Potter publishing and marketing strategies.

This half saw the launch of our first colour e-books across devices with supporting audio from leading actors like Lenny Henry and Emilia Fox. Bloomsbury Spark, our e-first imprint for Young Adult readers, launches this December.

Bloomsbury Activity Books sales continued to grow with support from the supermarket sector. We also launched two apps – My Fairy Activity App and My Pirate Activity App – which made the New and Noteworthy section of the iTunes App store; "App of the Week" The Bookseller; "20 Best iPhone and iPad apps" The Guardian online; "50 Best Apps for Kids 2013" The Guardian.

We continue to build global communities to enhance sales of our education and music titles. We are currently developing a new edition of Music Express to fit the new curriculum to support primary school teachers delivering music lessons in the classroom. This will be launched in print and online as a subscription product in September 2014.

Information

Bloomsbury Information's core activities are the development of IP-rich knowledge hubs in cooperation with external partners and the provision of management and publishing services to third parties. The division generated 3% of Group sales in the six months ended 31 August 2013 (2012: 4%) and 17% of Group adjusted operating profit (2012: 41%). Turnover in the Information division this period was £1.6 million (2012: £1.8 million). Adjusted operating profit was £0.5 million compared to £0.8 million in 2012, the latter benefitting from a £0.3 million one-off cost write back relating to prior years.

During this period the division has been progressing its comprehensive information resource for the IZA, the highly respected German research Institute for the Study of Labor. The resource will help politicians make policy decisions on labor issues. The launch for the website is due on 18 November in Washington, DC.

Dividend

The Directors have declared an interim dividend of 0.98 pence per share which is a 4% increase on the dividend paid for the six months ended 31 August 2012 of 0.94 pence per share. The dividend will be paid on 29 November 2013 to shareholders on the register at close of business on 1 November 2013.

Board

In July, Sarah Jane Thomson stepped down as a Non-Executive Director following the expiry of her term. Sarah made a significant contribution to the Board with her specialist digital expertise which has helped to promote the strong digital culture that now exists across Bloomsbury. Also in July, Jill Jones was appointed as an Independent Non-Executive Director. Jill brings to the Board exceptional experience in digital and print publishing and digital content products centred on Bloomsbury's key strategic area of academic publishing. She was CEO of Cengage EMEA. In August, Stephen Page was appointed as an Independent Non-Executive Director. Stephen is the Chief Executive of Faber and Faber, an independent publisher.

During this period Bloomsbury announced the appointment of Sir Anthony Salz to the Board as an Independent Non-Executive Director and Chairman of the Board. This follows the retirement from the Board of Jeremy Wilson after eight years as an Independent Non-Executive Director, including six as its Chairman. Jeremy made a substantial contribution to Bloomsbury and the Board thanks him for his tremendous contribution. Sir Anthony Salz is Executive Vice Chairman of Rothschild and was senior partner at Freshfields Bruckhaus Deringer.

Outlook

Bloomsbury's strong second half list includes The Signature of All Things by Elizabeth Gilbert, MasterChef: the Finalists, Paul Hollywood's Pies and Puds and Tom Kerridge's Proper Pub Food.

Traditionally sales of trade titles peak for Christmas and sales of academic titles peak in the autumn, at the beginning of the academic year. We expect our results therefore to continue to be significantly second half weighted.

As usual, the Group is targeting a number of contracts from which we expect to deliver Rights & Services income in the second half of our financial year, some of which are not yet contracted.

The Group-wide shift to XML-based workflows, designed to expedite the print and digital production process, is now well advanced with all relevant Bloomsbury content passing through this workflow from January 2014 onwards. This shift in emphasis from 'book' to 'content' will enable our IP to be offered on a multi-format, platform-neutral basis in the global market.

As well as significant success in sales of new trade titles, the Group has also grown its academic and professional profits and increased its digital revenues, two core strategic areas for growth. The Group is well positioned to build on the success of the first half of the year and continue to progress its strategy of leveraging Bloomsbury's significant intellectual property, its strong brand and innovative staff.

Condensed Consolidated Interim Income Statement
For the six months ended 31 August 2013

	Notes	**6 months ended 31 August 2013 £'000**	6 months ended 31 August 2012 £'000	Year ended 28 February 2013 £'000
Continuing operations				
Revenue	3	**49,173**	43,463	98,479
Cost of sales		**(21,851)**	(18,882)	(41,242)
Gross profit		**27,322**	24,581	57,237
Marketing and distribution costs		**(7,378)**	(6,295)	(12,733)
Administrative expenses		**(18,826)**	(17,498)	(34,748)
Operating profit before highlighted items		**2,791**	2,052	12,414
Highlighted items	4	**(1,673)**	(1,264)	(2,658)
Operating profit		**1,118**	788	9,756
Finance income		**17**	76	117
Finance costs		**(2)**	(14)	(26)
Profit before taxation and highlighted items		**2,806**	2,114	12,505
Highlighted items	4	**(1,673)**	(1,264)	(2,658)
Profit before taxation	3	**1,133**	850	9,847
Taxation		**(256)**	(221)	(2,029)
Profit for the period from continuing operations		**877**	629	7,818
Discontinued operation				
Loss for the period from discontinued operation		**-**	-	(352)
Profit for the period attributable to owners of the Company		**877**	629	7,466
Earnings per share attributable to owners of the Company - continuing operations				
Basic earnings per share	6	**1.21p**	0.87p	10.81p
Diluted earnings per share	6	**1.17p**	0.84p	10.46p

The accompanying notes form an integral part of this condensed consolidated interim financial report.

Condensed Consolidated Interim Statement of Comprehensive Income
For the six months ended 31 August 2013

	6 months ended 31 August 2013 £'000	6 months ended 31 August 2012 £'000	Year ended 28 February 2013 £'000
Profit for the period	**877**	629	7,466
Other comprehensive income			
Items that may be reclassified to the income statement:			
Currency translation differences on foreign operations	**(900)**	268	1,428
Deferred tax on share-based payments	**-**	109	(20)
Other comprehensive (expense)/ income for the period net of taxation	**(900)**	377	1,408
Total comprehensive (expense)/income for the period attributable to owners of the Company	**(23)**	1,006	8,874

Arises from:			
Continuing operations	**(23)**	1,006	9,226
Discontinued operation	**-**	-	(352)
Total comprehensive (expense)/income for the period attributable to the owners of the Company	**(23)**	1,006	8,874

Condensed Consolidated Interim Statement of Financial Position
At 31 August 2013

	Notes	31 August 2013 £'000	31 August 2012 £'000	28 February 2013 £'000
Assets				
Goodwill		**35,064**	35,397	35,134
Other intangible assets		**19,147**	19,886	20,111
Property, plant and equipment		**3,341**	3,152	3,006
Deferred tax assets		**2,341**	2,394	1,943
Total non-current assets		**59,893**	60,829	60,194
Inventories		**29,920**	23,348	25,584
Trade and other receivables	7	**53,766**	49,867	53,630
Cash and cash equivalents		**10,011**	10,633	14,625
Total current assets		**93,697**	83,848	93,839
Total assets		**153,590**	144,677	154,033
Liabilities				
Retirement benefit obligations		**119**	160	128
Deferred tax liabilities		**2,925**	3,425	3,306
Other payables		**474**	2,391	2,548
Provisions		**450**	507	377
Total non-current liabilities		**3,968**	6,483	6,359
Trade and other payables		**32,887**	26,783	31,579
Current tax liabilities		**1,567**	862	1,230
Provisions		**23**	98	57
Total current liabilities		**34,477**	27,743	32,866
Total liabilities		**38,445**	34,226	39,225
Net assets		**115,145**	110,451	114,808
Equity				
Share capital		**924**	924	924
Share premium		**39,388**	39,388	39,388
Translation reserve		**4,144**	3,884	5,044
Other reserves		**3,130**	1,583	2,314
Retained earnings		**67,559**	64,672	67,138
Total equity attributable to owners of the Company		**115,145**	110,451	114,808

Condensed Consolidated Interim Statement of Changes in Equity

For the six months ended 31 August 2013

	Share capital £'000	Share premium £'000	Translation reserve £'000	Capital redemption reserve £'000	Share-based payment reserve £'000	Own shares held by the EBT £'000	Retained earnings £'000	Total equity £'000
At 1 March 2013	924	39,388	5,044	22	3,985	(1,693)	67,138	114,808
Profit for the period	-	-	-	-	-	-	877	877
Other comprehensive income								
Exchange differences on translating foreign operations	-	-	(900)	-	-	-	**-**	**(900)**
Total comprehensive income for the period	**-**	**-**	**(900)**	**-**	**-**	**-**	**877**	**(23)**
Transactions with owners								
Share options exercised	-	-	-	-	-	491	(491)	-
Share-based payment transactions	-	-	-	-	325	-	-	325
Deferred tax on share-based payment transactions	-	-	-	-	-	-	35	35
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**325**	**491**	**(456)**	**360**
At 31 August 2013	**924**	**39,388**	**4,144**	**22**	**4,310**	**(1,202)**	**67,559**	**115,145**
At 1 March 2012	924	39,388	3,616	22	3,438	(2,142)	63,934	109,180
Profit for the period	-	-	-	-	-	-	629	629
Other comprehensive income								
Exchange differences on translating foreign operations	-	-	268	-	-	-	-	268
Deferred tax on share-based payment transactions	-	-	-	-	-	-	109	109
Total comprehensive income for the period	**-**	**-**	**268**	**-**	**-**	**-**	**738**	**1,006**
Transactions with owners								
Share-based payment transactions	-	-	-	-	265	-	-	265
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**265**	**-**	**-**	**265**
At 31 August 2012	**924**	**39,388**	**3,884**	**22**	**3,703**	**(2,142)**	**64,672**	**110,451**

	Share capital £'000	Share premium £'000	Translation reserve £'000	Capital redemption reserve £'000	Share-based payment reserve £'000	Own shares held by the EBT £'000	Retained earnings £'000	Total equity £'000
At 1 March 2012	924	39,388	3,616	22	3,438	(2,142)	63,934	109,180
Profit for the year	-	-	-	-	-	-	7,466	7,466
Other comprehensive income								
Exchange differences on translating foreign operations	-	-	1,428	-	-	-	-	1,428
Deferred tax on share-based payment transactions	-	-	-	-	-	-	(20)	(20)
Total comprehensive income for the year	**-**	**-**	**1,428**	**-**	**-**	**-**	**7,446**	**8,874**
Transactions with owners								
Dividend to equity holders of the Company	-	-	-	-	-	-	(3,793)	(3,793)
Share options exercised	-	-	-	-	-	449	(449)	-
Share-based payment transactions	-	-	-	-	547	-	-	547
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**547**	**449**	**(4,242)**	**(3,246)**
At 28 February 2013	**924**	**39,388**	**5,044**	**22**	**3,985**	**(1,693)**	**67,138**	**114,808**

Condensed Consolidated Interim Statement of Cash Flows
For the six months ended 31 August 2013

	6 months ended 31 August 2013 £'000	6 months ended 31 August 2012 £'000	Year ended 28 February 2013 £'000
Cash flows from operating activities			
Continuing operations			
Profit before taxation	**1,133**	850	9,847
Finance income	**(17)**	(76)	(117)
Finance costs	**2**	14	26
Operating profit	**1,118**	788	9,756
Adjustments for:			
Depreciation of property, plant and equipment	**300**	277	546
Amortisation of intangible assets	**1,317**	1,069	2,321
Gain on bargain purchase	**-**	-	(210)
Loss on sale of property, plant and equipment	**30**	-	-
Share-based payment charges	**364**	265	615
	3,129	2,399	13,028
Increase in inventories	**(4,791)**	(68)	(1,536)
(Increase) / decrease in trade and other receivables	**(583)**	5,206	883
Increase / (decrease) in trade and other payables	**1,899**	(6,831)	(3,935)
Cash (used in) / generated from continuing operations	**(346)**	706	8,440
Discontinued operation	**-**	-	-
Cash (used in) / generated from operating activities	**(346)**	706	8,440
Income taxes (paid) / refunded	**(1,106)**	196	(552)
Net cash (used in) / generated from operating activities	**(1,452)**	902	7,888
Cash flows from investing activities			
Purchase of property, plant and equipment	**(700)**	(411)	(526)
Purchase of businesses, net of cash acquired	**(2,001)**	(1,687)	(1,686)
Purchases of intangible assets	**(382)**	(921)	(2,366)
Sale of discontinued operations	**-**	-	2,158
Interest received	**17**	74	41
Net cash used in investing activities	**(3,066)**	(2,945)	(2,379)
Cash flows from financing activities			
Equity dividends paid	**-**	-	(3,793)
Interest paid	**(2)**	(11)	(1)
Net cash used in financing activities	**(2)**	(11)	(3,794)
Net (decrease) / increase in cash and cash equivalents	**(4,520)**	(2,054)	1,715
Cash and cash equivalents at beginning of period	**14,625**	12,639	12,639
Exchange (loss) / gain on cash and cash equivalents	**(94)**	48	271
Cash and cash equivalents at end of period	**10,011**	10,633	14,625

Notes to the Condensed Consolidated Interim Financial Statements

1. Reporting entity

Bloomsbury Publishing Plc (the "Company") is a Company domiciled in the United Kingdom. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 August 2013 comprises the Company and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in the publication of books and other related services.

2. Significant accounting policies

a) Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' as adopted by the European Union ("EU"). They are unaudited and do not constitute statutory accounts. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 28 February 2013.

Except as described below, the condensed set of financial statements have been prepared on a consistent basis with the financial statements for the year ended 28 February 2013 and should be read in conjunction with the Annual Report 2013. The annual consolidated 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 EU. The 2013 Annual Report refers to other new standards effective from 1 March 2013. None of these standards have had a material impact in these financial statements.

The comparative financial information for the year ended 28 February 2013 does not constitute statutory accounts for that financial year. This information was extracted from the statutory accounts for the year ended 28 February 2013, 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 498(2) or (3) of the Companies Act 2006.

The condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on 24 October 2013.

b) Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the condensed consolidated interim financial statements. The factors taken into account in developing this expectation include the level of cash within the business, the Group's bank facilities, the limited impact of the economic downturn on book sales and continuing sources of revenue. The Group's bank facilities consist of a one year £2 million overdraft facility repayable on demand and a £10 million revolving committed loan facility which expires in July 2016.

c) Uses of estimates and judgments

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities, income and expenses. Actual results may differ from these estimates. Critical judgments and areas where the use of estimates is significant are set out in the 2013 Annual Report.

3. Segmental analysis

The Group is comprised of four worldwide publishing divisions: Adult, Children's & Educational, Academic & Professional and Information. These divisions are the basis on which the Group primarily reports its segment information. Segments derive their revenue from book publishing, sale of publishing and distribution rights, management and other publishing services. The analysis by segment for continuing operations is shown below:

Six months ended 31 August 2013	Adult £'000	Children's & Educational £'000	Academic & Professional £'000	Information £'000	Unallocated £'000	Total £'000
External revenue	23,237	10,441	13,856	1,639	-	49,173
Cost of sales	(11,966)	(5,016)	(4,648)	(221)	-	(21,851)
Gross profit	11,271	5,425	9,208	1,418	-	27,322
Marketing and distribution costs	(3,492)	(1,805)	(2,061)	(20)	-	(7,378)
Contribution before administrative expenses	7,779	3,620	7,147	1,398	-	19,944
Administrative expenses excluding highlighted items	(6,632)	(3,665)	(5,934)	(922)	-	(17,153)
Operating profit/(loss) before highlighted items	1,147	(45)	1,213	476	-	2,791
Intangible asset amortisation	(119)	(90)	(850)	(3)	(255)	(1,317)
Other highlighted items	-	-	-	-	(356)	(356)
Operating profit / (loss)	1,028	(135)	363	473	(611)	1,118
Finance income	-	-	-	-	17	17
Finance costs	-	-	-	-	(2)	(2)
Profit / (loss) before taxation	1,028	(135)	363	473	(596)	1,133
Taxation	-	-	-	-	(256)	(256)
Profit / (loss) for the period from continuing operations	1,028	(135)	363	473	(852)	877

Six months ended 31 August 2012	Adult £'000	Children's & Educational £'000	Academic & Professional £'000	Information £'000	Unallocated £'000	Total £'000
External revenue	20,073	9,332	12,237	1,821	-	43,463
Cost of sales	(10,165)	(4,291)	(4,429)	3	-	(18,882)
Gross profit	9,908	5,041	7,808	1,824	-	24,581
Marketing and distribution costs	(2,857)	(1,710)	(1,692)	(36)	-	(6,295)
Contribution before administrative expenses	7,051	3,331	6,116	1,788	-	18,286
Administrative expenses excluding highlighted items	(6,402)	(3,329)	(5,557)	(946)	-	(16,234)
Operating profit before highlighted items	649	2	559	842	-	2,052
Intangible asset amortisation	(42)	(100)	(749)	(3)	(175)	(1,069)
Other highlighted items	-	-	-	-	(195)	(195)
Operating profit / (loss)	607	(98)	(190)	839	(370)	788
Finance income	-	-	-	-	76	76
Finance costs	-	-	-	-	(14)	(14)
Profit / (loss) before taxation	607	(98)	(190)	839	(308)	850
Taxation	-	-	-	-	(221)	(221)
Profit / (loss) for the period from continuing operations	607	(98)	(190)	839	(529)	629

Year ended 28 February 2013	Adult £'000	Children's & Educational £'000	Academic & Professional £'000	Information £'000	Unallocated £'000	Total £'000
External revenue	44,340	21,290	29,038	3,811	-	98,479
Cost of sales	(22,010)	(10,090)	(9,041)	(101)	-	(41,242)
Gross profit	22,330	11,200	19,997	3,710	-	57,237
Marketing and distribution costs	(5,962)	(3,304)	(3,397)	(70)	-	(12,733)
Contribution before administrative expenses	16,368	7,896	16,600	3,640	-	44,504
Administrative expenses excluding highlighted items	(12,658)	(6,756)	(11,361)	(1,315)	-	(32,090)
Operating profit before highlighted items	3,710	1,140	5,239	2,325	-	12,414
Intangible asset amortisation	(150)	(181)	(1,562)	(5)	(423)	(2,321)
Other highlighted items	-	-	-	-	(337)	(337)
Operating profit / (loss)	3,560	959	3,677	2,320	(760)	9,756
Finance income	-	-	-	-	117	117
Finance costs	-	-	-	-	(26)	(26)
Profit / (loss) before taxation	3,560	959	3,677	2,320	(669)	9,847
Taxation	-	-	-	-	(2,029)	(2,029)
Profit / (loss) for the year from continuing operations	3,560	959	3,677	2,320	(2,698)	7,818

Due to the seasonality of the business, the Group's sales and divisional results are weighted towards the second half of the year.

Total assets

	31 August 2013 £'000	31 August 2012 £'000	28 February 2013 £'000
Adult	**13,840**	10,967	10,623
Children's & Educational	**10,043**	8,732	10,598
Academic & Professional	**53,675**	51,849	52,550
Information	**600**	236	505
Unallocated	**75,432**	72,893	79,757
Total assets	**153,590**	144,677	154,033

4. Highlighted items

	Six months ended 31 August 2013 £'000	Six months ended 31 August 2012 £'000	Year ended 28 February 2013 £'000
Other highlighted items:			
Professional fees on acquisitions	**108**	66	76
Office relocation	**52**	-	-
Restructuring costs	**196**	-	342
Business set up costs	**-**	129	129
Gain on bargain purchase	**-**	-	(210)
Other highlighted items	**356**	195	337
Amortisation of intangible assets	**1,317**	1,069	2,321
Highlighted items attributable to continuing operations	**1,673**	1,264	2,658
Highlighted items attributable to discontinued operation	**-**	-	139
Total highlighted items	**1,673**	1,264	2,797

Highlighted items charged to operating profit comprise significant non-cash charges and non-recurring items which are highlighted in the income statement because, in the opinion of the Directors, separate disclosure is helpful in understanding the underlying performance of the business.

Legal and other costs to 31 August 2013 of £108,000 arose on the acquisition of Hart Publishing Limited and the New Holland list (six months to 31 August 2012: £66,000 arose on the acquisition of Fairchild Books and Applied Visual Arts Publishing and year ended 28 February 2013: £76,000 was incurred in relation to the acquisition of Fairchild Books and Applied Visual Arts).

Relocation costs of £52,000 were incurred on the relocation and consolidation of the Bloomsbury US offices to new premises in New York.

Restructuring costs of £196,000 were incurred as a result of the Group's acquisition activities (year ended 28 February 2013: £342,000).

In the prior period to 31 August 2012 and year to 28 February 2013 £129,000 was incurred in relation to the set-up of Bloomsbury India.

A gain on a bargain purchase of £210,000 was recognised in relation to the acquisition of Fairchild Books in the year to 28 February 2013.

5. Dividends

	Six months ended 31 August 2013 £'000	Six months ended 31 August 2012 £'000	Year ended 28 February 2013 £'000
Amounts arising in respect of the period			
Interim dividend for the period	**714**	679	679
Final dividend for the year	**-**	-	3,310
Total dividend for the period	**714**	679	3,989

The proposed interim dividend of 0.98 pence per ordinary share will be paid to the equity shareholders on 29 November 2013 to shareholders registered at close of business on on 1 November 2013.

6. Earnings per share

The basic earnings per share for the six months ended 31 August 2013 is based on a weighted average number of Ordinary Shares in issue of 72,718,689 (31 August 2012: 72,244,114 and 28 February 2013: 72,331,464) after deducting 983,953 (31 August 2012: 1,600,610 and 28 February 2013: 1,265,313) shares held by the Employee Benefit Trust.

The diluted earnings per share is calculated by adjusting the weighted average number of Ordinary shares to take account of all dilutive potential Ordinary shares, which are in respect of unexercised share options and the performance share plan.

	Six months ended 31 August 2013 Number	Six months ended 31 August 2012 Number	Year ended 28 February 2013 Number
Weighted average shares in issue	**72,718,689**	72,244,114	72,331,464
Dilution	**2,325,902**	2,257,017	2,439,186
Diluted weighted average shares in issue	**75,044,591**	74,501,131	74,770,650

	£'000	£'000	£'000
Profit after tax from continuing operations	**877**	629	7,818
Loss after tax from discontinued operation	**-**	-	(352)
Profit after tax attributable to owners of the Company	**877**	629	7,466
Basic earnings per share	**1.21p**	0.87p	10.32p
From continuing operations	**1.21p**	0.87p	10.81p
From discontinued operation	**-**	-	(0.49)p
Diluted earnings per share	**1.17p**	0.84p	9.99p
From continuing operations	**1.17p**	0.84p	10.46p
From discontinued operation	**-**	-	(0.47)p

	£'000	£'000	£'000
Adjusted profit from continuing operations[1]	**2,168**	1,588	9,799
Adjusted loss from discontinued operation[1]	**-**	-	-
Adjusted profit attributable to owners of the Company[1]	**2,168**	1,588	9,799
Adjusted basic earnings per share	**2.98p**	2.20p	13.55p
From continuing operations	**2.98p**	2.20p	13.55p
From discontinued operation	**-**	-	-
Adjusted diluted earnings per share	**2.89p**	2.13p	13.11p
From continuing operations	**2.89p**	2.13p	13.11p
From discontinued operation	**-**	-	-

[1] Adjusted profit is pre-tax earnings before taking account of highlighted items less normalised tax. Normalised tax is tax at the applicable UK corporation tax rate adjusted for recurring tax adjustments in the period (totaling a £9,000 credit for the period ended 31 August 2013).

7. Trade and other receivables

	31 August 2013 £'000	31 August 2012 £'000	28 February 2013 £'000
Gross trade receivables	**31,543**	28,059	29,900
Less: provision for impairment of receivables	**(675)**	(942)	(815)
Less: provision for returns	**(5,649)**	(5,931)	(5,347)
Net trade receivables	**25,219**	21,186	23,738
Income tax recoverable	**471**	439	-
Other receivables	**1,160**	1,309	1,612
Prepayments and accrued income	**26,916**	26,933	28,280
Total trade and other receivables	**53,766**	49,867	53,630

As at 31 August 2013 £4,372,000 (31 August 2012: £1,687,000 and 28 February 2013: £4,403,000) of prepayments and accrued income are expected to be recovered after more than 12 months.

Trade receivables principally comprise amounts receivable from the sale of books due from distributors. The majority of trade debtors are secured by credit invoices, third party distributors and letters of credit on the main UK third party distributor.

A provision for the return of books by customers is made with reference to the historic rate of returns.

Prepayments and accrued income include net advances. A provision is held against gross advances payable in respect of published titles advances which may not be fully earned down by anticipated future sales.

8. Subsequent events

On 2 September 2013 the Group acquired the share capital of Hart Publishing Limited for a cash consideration of £6.4 million (after an initial £0.1 million working capital adjustment). The cash consideration is subject to further working capital adjustments and contingent consideration of £0.5 million will be payable on the achievement of certain revenue and title number targets for the year ending 31 March 2014.

Responsibility Statement of the Directors in Respect of the Interim Financial Statements

Directors	
Sir Anthony Salz	Independent Non-Executive Chairman
Nigel Newton	Chief Executive
Ian Cormack	Independent Non-Executive Director Senior Independent Director Chair of the Audit Committee
Jill Jones	Independent Non-Executive Director Chair of the Remuneration Committee
Stephen Page	Independent Non-Executive Director
Richard Charkin	Executive Director
Wendy Pallot	Finance Director

Each of the directors confirms 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 European Union;

- the interim management report includes a fair review of the information required by:

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

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

By order of the Board

Nigel Newton Wendy Pallot

24 October 2013

Principal risks and uncertainties

Bloomsbury has a systematic and embedded risk management process for identifying and addressing the short to long-term risks and uncertainties for its operations worldwide. The strategy implemented by the Board aims to mitigate the main risks and exploit opportunities to create sustainable returns for shareholders. A summary of the risks to the business that the Board considers to be most significant (in no priority order) is as follows:

- The book market is evolving from print to digital and from high street to internet bookshops. There is uncertainty, especially for trade publishing, over whether migration to e-books will result in changes in consumer book-spending patterns.
- The timing for completing rights and services deals depends on performance by third parties.
- The profit from trade publishing depends significantly on the unpredictable sales of a small number of front-list titles.
- Although the UK economy is improving, the risk remains that UK growth could be slow for a protracted period.
- Government cutbacks or constraints on institutional library budgets and student spending could affect academic sales.
- The increasing importance of digital publishing places demands on the Group's technology systems. A risk is that systems could fail to keep pace.
- Copyright could be eroded by government or other agencies.
- Piracy of titles in print or digital form remains a threat.

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 31 August 2013 which comprises condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of financial position, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows and the related explanatory notes. 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 is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA. The annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-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 UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 August 2013 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

John Bennett
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL