



INTERIM RESULTS

For the six months ended 31 December 2015

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Six Month Key Highlights

- Revenue from operations up 29% to £12.9m from £10.0m in the previous interim period
- Recurring monthly revenue from dotmailer's SaaS based usage charges up 35% to £10.0m
- Email related creative and managed service up 36% to £1.5m
- Recurring revenue charges from market automation functionality has increased by 156% compared to the previous interim period
- Profit before tax up 30% to £3.3m
- Earnings per share has increased by 35% to 1.04 from 0.77 in the previous interim period
- Healthy growth in net cash generated from operating activities of 139% to £3.3m
- Strong net cash position of £14.8m as at 31 December 2015

dotmailer

- Over 200 new clients signed in the period including Paul Smith, Asana, Jet2, Woodland Trust, Huntress, TUI Travel, Stagecoach, Dune and Hawes & Curtis
- Average monthly recurring spend across all clients increased from £400 to £525

dotmailer's Magento Connector

- Chosen by Magento as the only Platinum Technology Partner for Marketing Automation globally (November 2015)
- Over 250 active clients now using dotmailer's Magento connector
- Average recurring spend from clients of £1,200 per month compared to £775
- Annualised revenues of more than £3.0m

International Initiatives

- Revenue from the US region grew by 91% to US\$2.1m from US\$1.1m, reflecting good progress made in building both our presence and the number of clients
- Strong pipeline now started via relationships built across the APAC region

OVERVIEW

As announced in the trading update on the 19 January 2016, dotdigital delivered strong revenue growth in line with expectation. Profits for the interim period were slightly ahead of market expectation.

dotmailer: Email Marketing and Marketing Automation Software – SaaS Products

The performance from the SaaS product based email marketing platform continues to grow with revenue increasing by 29% for the six month period to £12.9m (H1 2015: £10m) with strong recurring revenue continuing to form a significant part of this total.

Profit before tax grew by 30% to £3.3m after further investment in building out the Mid and West of America, Australia and the addition of the hybrid cloud infrastructure in the US which will assist with the future organic growth of the business.

This focus on winning higher value clients, as well as growth in recurring spend from existing clients and higher levels of client retention driven by clients signing up longer term contracts has led to strong organic growth. This is evident by the average monthly billing from all clients increasing by 31% from £400 per month to £525.

Revenues from the US region have continued to build strongly. The New York sales office maintains its focus on sector niches including Magento and higher value corporate ecommerce clients, identified as being the most attractive for the dotmailer product platform. The Magento team has been strengthened and now mirror's key Magento system integrators on the East Coast, the Mid West and West Coast. It is anticipated that further investment will be made in expanding the US sales, channel and account management and support teams in the next 12 months.

We successfully opened our APAC office, based in Australia in July 2015, and have already seen strong relationships built with influential and successful partners.

Globally, our email creative and managed services revenue again grew this time from £1.1m to £1.5m during the period. Hence, highlighting further revenue growth potential that can be unlocked from these new services. This offering helps generate positive return on investment (ROI) for our clients and helps time-poor marketers to outsource their creative and campaign management/strategy to email marketing experts. These activities are also designed to encourage further technology uptake across the customer base thereby leading to greater adoption of the latest product innovation which in turn delivers better results for customers and higher recurring revenues for dotdigital.

Further Product Innovation

The dotmailer platform continues to evolve to provide higher levels of marketing automation for our eCommerce, B2C and B2B clients and the product releases in July and November 2015 including some exciting new capabilities e.g.

- A new connector for the new Magento 2 platform;
- Hyper personalised emails using Advanced Personalisation;

- Hyper personalised Landing Pages;
- Omni-channel marketing automation within our Program Builder with Channel Extensions;
- Lead scoring

We have now seen an increase of 156% in incremental recurring revenues by the adoption of our recently built marketing automation feature add-ons from our clients, which has also helped in delivering strong margins.

Financial Summary

Balance Sheet & Cash Position

dotdigital continues with its strong cash generation from operations with the interim end net cash balance growing to £14.8m after a total capital expenditure of £1.1m invested mainly in hardware/software upgrades of £0.3m and product development of £0.8m. The Group continues to maintain a healthy balance sheet with gross assets of £25.4m and has no debt.

Dividend Policy

A dividend of 0.36p per ordinary share, (an increase of 80% on the prior period), was proposed by the Company at the time of its Final Results in October last year hence clearly demonstrating a commitment from the Board to deliver value by focusing on total shareholder return in the future. This dividend was approved by shareholders at the Annual General Meeting on the 15 December 2015 and paid on 29 January 2016. The Group's current policy continues to be that a full review of dividends will be held at the time of the year end, therefore the Board is not proposing an interim dividend.

Current Trading & Outlook

The core business continues to perform strongly and the strategy to continue to invest in the business is delivering pleasing results.

The Group's organic growth strategy continues to be focussed around four main areas:

1. Geographic expansion;
2. Developing strategic partnerships;
3. Product Innovation and Features;
4. Identifying new customer niches.

In the six months to 31 December 2015, key performance highlights against these areas were:

1. Geographic expansion

- Growth of our US region revenue, which grew by approximately 91% from US\$1.1m to US\$2.1m

- During the six months period to 31 December 2015 dotmailer explored a series of options and strategies for growth via channel/reseller in the US market. As a result, rather than find, hire and build a team with appropriate expertise, in December dotdigital engaged with a US based specialist Marketing Management Consultancy company to assist with this initiative. Often engaged by US Venture Capitalists to kick start growth, the chosen organisation has specific expertise, credentials and manpower to define and roll out a robust plan for dotdigital in the US in H2 2016. The Board are confident that this more concentrated approach will ultimately be more successful and quicker.
- H2 2016 (Jan – June 2016) will see a period of refinement across product, marketing, pricing and support to ensure the business is well placed to compete, and a period of aggressive sales-focussed effort.
- In alignment with this approach, in February 2016, a new Sales and Marketing focussed SVP/General Manager of dotmailer USA was hired to strengthen our senior operating team within the market and to provide local leadership for this important growth initiative.

Growth in our APAC region:

- The operations in Australia (which will act as the hub for broader APAC) has now been established. We have signed up eight key partners that help underpin our indirect channel sales strategy. A strong sales pipeline has now started to be built from these partnerships. The APAC region has already generated \$AUS 0.3m in the interim period.

2. Developing strategic partnerships

- dotdigital was delighted to announce on 17 November 2015 that we had been appointed by Magento* as their only choice of Platinum Provider of Email and Marketing Automation for their entire customer base globally. The only other provider to achieve this accreditation (in a different sector) was PayPal, whose credentials underpin the significance of this appointment.
- *“When we seek out partners, we look for companies that like Magento Commerce drive exceptional experiences across every stage of the commerce lifecycle and provide merchants with a distinct competitive advantage”, said Mark Lavelle, CEO of Magento Commerce. “dotmailer’s ease-of-use and ease-of-integration is in complete alignment with our strategy to enable retailers to extend Magento with the most advanced capabilities provided by our partners.”*
- *“We are obviously delighted that following an extremely successful relationship between dotmailer and Magento over the last two years we have been awarded this prestigious global Platinum Partnership status which clearly recognises the unique strengths of our dotmailer platform”, said Simone Barratt, CEO of dotdigital. “We believe that this enhanced relationship will provide greater opportunities for dotmailer particularly as part of our international growth strategy.”*

*About Magento Commerce

Trusted by more than 240,000 businesses worldwide, Magento Commerce is the leading provider of open omnichannel innovation to retailers, brands and branded manufacturers across retail B2C and B2B industries. In addition to its flagship open source digital commerce platform, Magento Commerce boasts a strong portfolio of cloud-based omnichannel solutions empowering merchants to successfully integrate digital and physical shopping experiences. With over \$50B in gross merchandise volume transacted on the platform annually, Magento Commerce is the dominant provider to the Internet Retailer Top 1000, counting more than double the clients to the next closest competitor, and to the Internet Retailer Hot 100. Magento Commerce is supported by a vast global network of solution and technology partners, a highly active global developer community and the largest eCommerce marketplace for extensions available for download on the Magento Marketplace. More information can be found at www.magento.com.

- The dotdigital Magento team has been considerably strengthened resulting in a well-seasoned and experienced team which now covers the geo footprint of key Magneto system integrators on the East Coast, Mid-West and West Coast.
- The Magento connector revenue stream has been growing and now generates more than £3.0m on an annualised basis.

3. Product innovation and features

- Key product features which were released in July and November 2015 included; a new connector for the new Magento 2 platform, hyper personalised Landing pages, Advanced personalisation and Omni-channel Channel Extensions
- Deployment of a new dotmailer platform instance into the US utilising the latest hybrid-cloud technology, enabling new US customers a performant hosting environment that will cater for in-region data privacy requirements
- A new Support centre and Developer hub implemented to enhance customer experience and drive the developer eco-system
- The product development team had its annual 'Hackathon', where new ideas and technologies are rapidly developed in a short time frame. New and exciting innovations, solving customer's pain points, created in the event are making their way onto the product roadmap and future releases
- dotdigital's agile product team develop to 4 cycles per annum of formalised and managed releases. Input for prioritisation comes from:
 - Externally from client and prospects needs and requests
 - Internally from a continuous focus on efficiencies to support dotdigital's growth and scale

- Commercially from the identification of additional opportunities for technology adoption which, in turn drives recurring revenues
- Strategically to exploit any potential strategic partnerships/initiatives that will drive value for the business

4. Identifying new customer niches

- dotmailer continues to explore the 'localisation and translation' capabilities of the core platform through strategic partnerships where the cost of sales and marketing is borne by the partner. This low-risk approach protects shareholder value whilst at the same time enables dotdigital to learn, test and make prudent decisions regarding further investment.

Outlook Summary

The strategy of focusing on fast growing medium/light-enterprise businesses and Magento clients has driven average monthly spend up by 31%. This combined with a focus on longer term contracts and client retention is leading to notably higher client lifetime values.

H2 2016 will see a keen focus on developing a robust channel and reseller pipeline especially in support of our geographic ambitions in USA and APAC.

Based on the strong performance at the half year to 31 December 2015, the growing demand for marketing automation, the newly released product features and investment strategy, the Board remains confident of delivering strong growth, underlying profitability and increasing shareholder value for this year. The investments were slower than expected in 15/16 and therefore will lead to an increased EBITDA in the current year but will see a marginally slower revenue growth in 16/17. The long term outlook for dotdigital remains positive and we look forward to providing further progress at the time of our year end trading update in July 2016.

dotdigital Group Plc

Consolidated Income Statement
For the six months ended 31 December 2015

		6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Continuing operations				
Revenue	4	12,851	9,992	21,366
Cost of sales		<u>(1,358)</u>	<u>(1,166)</u>	<u>(2,292)</u>
Gross profit	4	11,493	8,826	19,074
Administrative expenses		<u>(8,204)</u>	<u>(6,298)</u>	<u>(13,858)</u>
Operating profit		3,289	2,528	5,216
Finance income		<u>24</u>	<u>12</u>	<u>27</u>
Profit before income tax		3,313	2,540	5,243
Income tax expense		<u>(319)</u>	<u>(353)</u>	<u>(587)</u>
Profit for the period attributable to the owners of the parent		<u>2,994</u>	<u>2,187</u>	<u>4,656</u>
Earnings per share from continuing operations				
(pence per share)				
Basic	6	1.04	0.77	1.63
Diluted	6	1.03	0.75	1.61

dotdigital Group Plc

Consolidated Statement of Comprehensive Income
For the six months ended 31 December 2015

	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Profit for the period	2,994	2,187	4,656
Other comprehensive income			
Items that may be subsequently reclassified to profit and loss:			
Exchange differences on translating foreign operations	<u>(26)</u>	<u>28</u>	<u>3</u>
Total comprehensive income attributable to:			
Owners of the parent	4 <u><u>2,968</u></u>	<u><u>2,215</u></u>	<u><u>4,659</u></u>

dotdigital Group Plc

Consolidated Statement of Financial Position
For the six months ended 31 December 2015

	<i>Note</i>	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Assets				
<i>Non-current assets</i>				
Goodwill		609	609	609
Intangible assets		3,608	3,277	3,444
Property, plant and equipment		<u>1,144</u>	<u>1,113</u>	<u>1,097</u>
		<u>5,361</u>	<u>4,999</u>	<u>5,150</u>
<i>Current assets</i>				
Trade and other receivables		5,213	4,552	5,328
Cash and cash equivalents		<u>14,813</u>	<u>9,503</u>	<u>11,932</u>
		<u>20,026</u>	<u>14,055</u>	<u>17,260</u>
Total assets	4	<u>25,387</u>	<u>19,054</u>	<u>22,410</u>
Equity attributable to the owners of the parent				
Called up share capital	8	1,471	1,426	1,435
Share premium		6,045	5,295	5,382
Reverse acquisition reserve		(4,695)	(4,695)	(4,695)
Other reserves		26	48	(25)
Retranslation reserve		(29)	22	(3)
Retained earnings	9	<u>19,291</u>	<u>14,398</u>	<u>16,297</u>
Total equity		<u>22,109</u>	<u>16,494</u>	<u>18,391</u>

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Consolidated Statement of Financial Position
For the six months ended 31 December 2015

	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
<i>note</i>			
Liabilities			
<i>Non-current liabilities</i>			
Deferred tax	582	314	383
	<u>582</u>	<u>314</u>	<u>383</u>
<i>Current liabilities</i>			
Trade and other payables	2,575	2,034	3,437
Current tax payable	121	212	199
	<u>2,696</u>	<u>2,246</u>	<u>3,636</u>
Total liabilities	<u>3,278</u>	<u>2,560</u>	<u>4,019</u>
Total equity and liabilities	<u>25,387</u>	<u>19,054</u>	<u>22,410</u>

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Consolidated Statement of Changes in Equity
For the six months ended 31 December 2015

	Share capital	Share premium	Retained earnings	Other reserves	Reverse acquisition reserve	Retranslation Reserve	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
As at 1 July 2014	1,414	5,147	12,211	82	(4,695)	(6)	14,153
Profit for the period	-	-	2,187	-	-	-	2,187
Retranslation reserve	-	-	-	-	-	28	28
Issue of share capital	12	148	-	-	-	-	160
Share repurchase	-	-	-	(81)	-	-	(81)
Share based payments	-	-	-	47	-	-	47
As at 31 December 2014	1,426	5,295	14,398	48	(4,695)	22	16,494
As at 1 January 2015	1,426	5,295	14,398	48	(4,695)	22	16,494
Profit for the period	-	-	2,469	-	-	-	2,469
Dividends	-	-	(570)	-	-	-	(570)
Issue of share capital	9	87	-	-	-	-	96
Retranslation reserve	-	-	-	-	-	(25)	(25)
Share repurchase	-	-	-	(132)	-	-	(132)
Share based payments	-	-	-	59	-	-	59
As at 30 June 2015	1,435	5,382	16,297	(25)	(4,695)	(3)	18,391
As at 1 July 2015	1,435	5,382	16,297	(25)	(4,695)	(3)	18,391
Profit for the period	-	-	2,994	-	-	-	2,994
Retranslation reserve	-	-	-	-	-	(26)	(26)
Issue of share capital	36	663	-	-	-	-	699

Share based payments	-	-	-	51	-	-	51
As at 31 December 2015	<u>1,471</u>	<u>6,045</u>	<u>19,291</u>	<u>26</u>	<u>(4,695)</u>	<u>(29)</u>	<u>22,109</u>

dotdigital Group Plc

**Consolidated Statement of Changes in Equity
For the six months ended 31 December 2015**

- Share capital is the amount subscribed for shares at nominal value.
- Share premium represents the excess of the amount subscribed for Share Capital over the nominal value net of the share issue expenses.
- Retained earnings represents the cumulative earnings of the Group attributable to equity shareholders.
- The reverse acquisition reserve relates to the adjustment required to account the reverse acquisition in accordance with International Financial Reporting Standards.
- Other reserves relate to the charge for the share based payments in accordance with International Financial Reporting Standard 2.
- Retranslation reserve relates to the retranslation of a foreign subsidiary into the functional currency of the Group.

dotdigital Group Plc

Consolidated Statement of Cash Flows
For the six months ended 31 December 2015

	<i>note</i>	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Cash flow from operating activities	7	3,539	1,487	5,667
Tax paid		(197)	(89)	(263)
Net cash generated from operating activities		3,342	1,398	5,404
Cash flow from investing activities				
Purchase of intangible fixed assets		(812)	(825)	(1,612)
Purchase of tangible fixed assets		(280)	(467)	(667)
Sale of tangible fixed assets		-	-	1
Interest received		24	12	27
Net cash used in investing activities		(1,068)	(1,280)	(2,251)
Cash flows from financing activities				
Equity dividends paid		-	-	(570)
Share repurchase		-	(81)	(213)
Share issue		607	160	256
Net cash generated from financing activities		607	79	(527)
Increase in cash and cash equivalents		2,881	197	2,626
Cash and cash equivalents at beginning of period		11,932	9,306	9,306
Cash and cash equivalents at end of period.		14,813	9,503	11,932

The above does not include the effect of foreign exchange rate changes on cash and cash equivalents due to its immaterial nature.

dotdigital Group Plc

**Notes to interim financial statements
For the six months ended 31 December 2015**

1. GENERAL INFORMATION

Dotdigital Group Plc is a company incorporated in England and Wales and quoted on the AIM market.

2. BASIS OF INFORMATION

These consolidated interim financial have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and on a historical basis, using the accounting policies which are consistent with those set out in the Group's annual report and accounts for the year ended 30 June 2015. The interim financial information for the six months to 31 December 2015, which complies with IAS 34 'Interim Financial Reporting' has been approved by the Board of Directors on 23 February 2016.

The unaudited interim financial information for the period ended 31 December 2015 does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The comparative figures for the year ended 30 June 2015 are extracted from the statutory financial statements which have been filed with the Registrar of Companies and contain an unqualified audit report and did not contain statements under Section 498 to 502 of the Companies Act 2006.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2015, as described in those financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total earnings.

4. SEGMENTAL REPORTING

The Group's single line of business is the provision of web based marketing services. The chief operating decision maker considers the Group's only reportable segment to be by geographical location this being UK and rest of the world("RoW") operations are shown below:

	6 months to 31 December 2015		
	UK	RoW	Total
	Operations	Operations	
	£'000s	£'000s	£'000s
Income statement			
Revenue	10,757	2,094	12,851
Gross profit	9,680	1,813	11,493
Profit before income tax	2,775	538	3,313

Total comprehensive income attributable to the owners of the parent	<u>2,456</u>	<u>512</u>	<u>2,968</u>
Financial position			
Total assets	24,198	1,189	25,387
Net current assets	<u>17,038</u>	<u>292</u>	<u>17,330</u>

dotdigital Group Plc

**Notes to interim financial statements
For the six months ended 31 December 2015**

4. SEGMENTAL REPORTING (cont...)

	6 months to 31 December 2014		
	UK	RoW	
	Operations	Operations	Total
	£'000s	£'000s	£'000s
Income statement			
Revenue	8,697	1,295	9,992
Gross profit	7,827	999	8,826
Profit before income tax	<u>2,174</u>	<u>366</u>	<u>2,540</u>
Total comprehensive income attributable to the owners of the parent	<u>1,821</u>	<u>394</u>	<u>2,215</u>
Financial position			
Total assets	18,539	515	19,054
Net current assets	<u>11,344</u>	<u>465</u>	<u>11,809</u>
	12 months to 30 June 2015		
	UK	RoW	
	Operations	Operations	Total
	£'000s	£'000s	£'000s
Income statement			
Revenue	18,274	3,092	21,366
Gross profit	16,676	2,398	19,074
Profit before income tax	<u>3,476</u>	<u>1,767</u>	<u>5,243</u>
Total comprehensive income attributable to the owners of the parent	<u>2,895</u>	<u>1,764</u>	<u>4,659</u>
Financial position			

Total assets	21,591	819	22,410
Net current assets	<u>12,964</u>	<u>660</u>	<u>13,624</u>

Dotdigital Group Plc

Notes to interim financial statements For the six months ended 31 December 2015

5. DIVIDENDS

The proposed final dividend of £1,056,689 for the year ended 30 June 2015 of 0.36p per share was paid on the 29 January 2016.

6. EARNINGS PER SHARE

	6 months to 31 Dec 2015 Unaudited	6 months to 31 Dec 2014 Unaudited	12 months to 30 June 2015 Audited
Continuing operations			
Earnings per Ordinary share:			
Basic (pence)	1.04	0.77	1.63
Diluted (pence)	<u>1.03</u>	<u>0.75</u>	<u>1.61</u>
	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Profit for the period from continuing operations for the purpose of basic earnings per share excluding discontinued operations	<u>2,994</u>	<u>2,187</u>	<u>4,656</u>

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Notes to interim financial statements
For the six months ended 31 December 2015

6. EARNINGS PER SHARE (cont..)

Weighted average number of shares in issue as follows:

	6 months to 31 Dec 2015 Unaudited	6 months to 31 Dec 2014 Unaudited	12 months to 30 June 2015 Audited
Weighted average number			
Basic	288,046,571	284,907,065	284,804,914
Diluted	290,951,657	292,274,982	289,806,680

7. RECONCILIATION OF PROFIT BEFORE CORPORATION TAX TO NET CASH GENERATED FROM OPERATIONS

	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Profit before income tax from all operations	3,313	2,540	5,243
Adjustments for:			
Depreciation and amortisation	879	724	1,556
Loss on disposal of fixed assets	-	-	(1)
Share based payments	51	47	106
Finance income	(24)	(12)	(27)
Currency revaluation	(26)	28	3
Decrease/(Increase) in trade and other receivables	114	(890)	(1,666)
(Decrease)/Increase in trade and other payables	(768)	(950)	453
Net cash from operations	3,539	1,487	5,667

8. CALLED UP SHARE CAPITAL

During the period ended 31 December 2015, 7,182,724 Ordinary Shares of £0.005 per share (31 December 2014: 2,430,000 Ordinary Shares of £0.005 per share, 30 June 2015: 4,220,000 Ordinary Shares of £0.005 per share) were issued.

The issued share capital as at 31 December 2015 was 294,184,789 Ordinary Shares of £0.005 per share (31 December 2014: 285,212,065 Ordinary Shares of £0.005 per share, 30 June 2015: 287,002,065 Ordinary Shares of £0.005 per share as per the audited accounts).

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**Notes to interim financial statements
For the six months ended 31 December 2015**

9. RETAINED EARNINGS

In the 6 months to December 2014, 285,000 £0.005 Ordinary Shares with an aggregate nominal value of £1,425 were purchased and are held in treasury. A further 375,000 £0.005 Ordinary Shares with an aggregate value of £1,875 were purchased in the 6 months to 30 June 2015 and are held in treasury. As a result, 660,000 Ordinary shares are now held in treasury and distributable reserves have been reduced by £212,475, being the consideration paid for these shares. The interim figures for the 6 months to 31 December 2014 have been restated to reflect this transaction.

10. RELATED PARTY NOTE

Transactions between the company and its subsidiaries, who are related parties, have been eliminated on consolidation and are not disclosed in this note.

Key management remuneration:

Key management include Directors and non-executive Directors

The remuneration paid for key management for employee services are as follows:

	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
Remuneration and other short term benefits	368	384	1,002
Share based payments	9	-	20
Pension cost	22	28	60
	399	412	1,082

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**Notes to interim financial statements
For the six months ended 31 December 2015**

10. RELATED PARTY NOTE (cont....)

	6 months to 31 Dec 2015 Unaudited £'000s	6 months to 31 Dec 2014 Unaudited £'000s	12 months to 30 June 2015 Audited £'000s
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The following transactions were carried out with related parties

Sale of services

Entities controlled by non - executive director of the Group:

Coms.com - Email marketing services	-	-	4
Cadence Performance Ltd - Email marketing services	2	2	3
	<u>2</u>	<u>2</u>	<u>7</u>

Purchase of services

Entities controlled by non-executive directors of the Group:

Barretts of Old Limited	-	3	8
	<u>-</u>	<u>3</u>	<u>8</u>

11. SUBSEQUENT EVENTS TO 31 DECEMBER 2015

As at the date of these statements and the date they were approved by the Board of Directors there were no such events to report.

Copies of this interim statement are available from the Company at its registered office at, No 1 London Bridge London, SE1 9BG. The interim financial information document will also be available on the Company's website www.dotdigitalgroup.com.