ITV delivers another year of strong growth

Full Year Results 2013

26th February 2014

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Introduction & Highlights

Adam Crozier

26th February 2014

The strategy is working – ITV delivers another year of strong growth

A lean ITV that can create world class content, executed across multiple platforms and sold around the world

1

Create a lean, creatively dynamic and fit for purpose organisation

2

Maximise audience and revenue share from existing free-to-air broadcast business

3

Drive new revenue streams by exploiting our content across multiple platforms, free and pay

4

Build a strong international content business

ITV delivers another year of strong growth

Revenue:		
External revenue	£2,389m	9%
NAR	£1,542m	2%
Non-NAR	£1,211m	17%

Earnings:		
ITV Studios EBITA	£133m	24%
Broadcast & Online EBITA	£487m	20%
Group EBITA	£620m	21%
Adjusted PBT	£581m	27%
Adjusted EPS	11.2p	23%

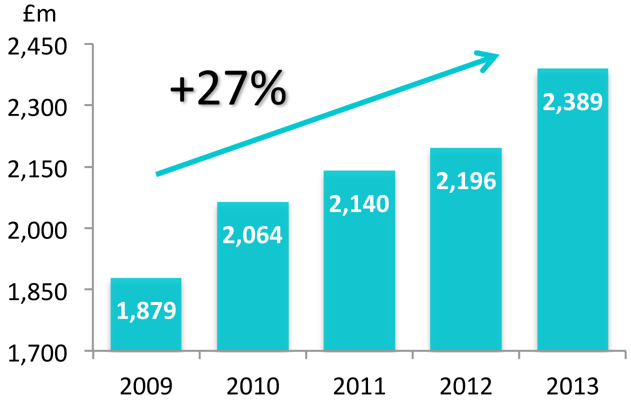
Shareholder returns:		
Ordinary dividend	3.5p	35%
Special dividend	4.0p	

2013 Highlights: strong growth and continued rebalancing

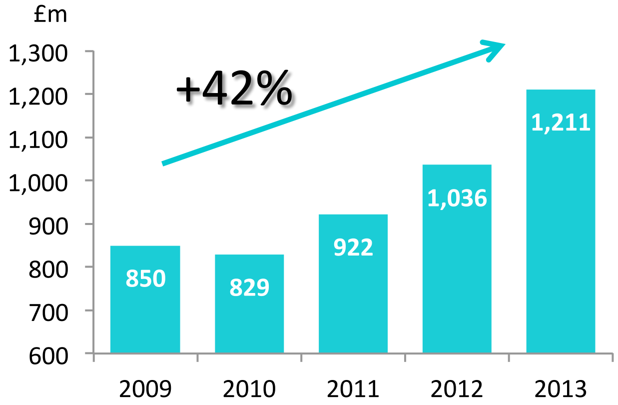
- Revenue growth and double digit profit growth for the fourth year in a row
  - → Improved margins
- UK advertising market returning to growth
- Improved on-screen and online performance:
  - → ITV Family SOV +4%
  - → Long form video requests up 16% driven by mobile and tablets
- Investing in high quality content is driving significant rebalancing of the business
  - → Online, Pay & Interactive revenue +16%
  - → ITV Studios revenues up 20% driven by organic growth and acquisitions
  - → Non-NAR revenue now 44% of total revenue
- Improved balance sheet efficiency
- Increased shareholder returns

2013 builds on consistently strong performance since 2009

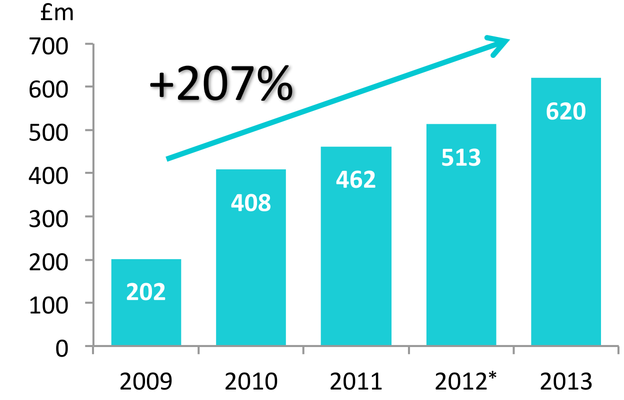
Group External Revenues



Non-NAR Revenues

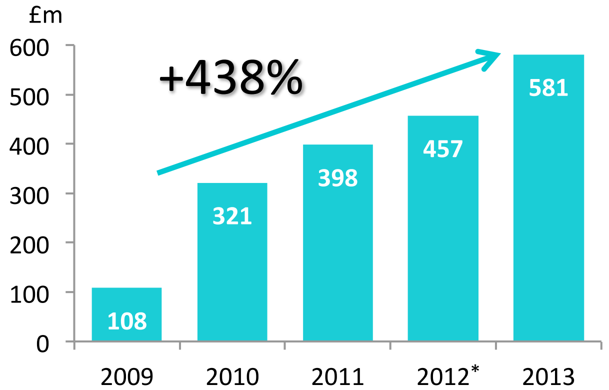


EBITA before exceptional items



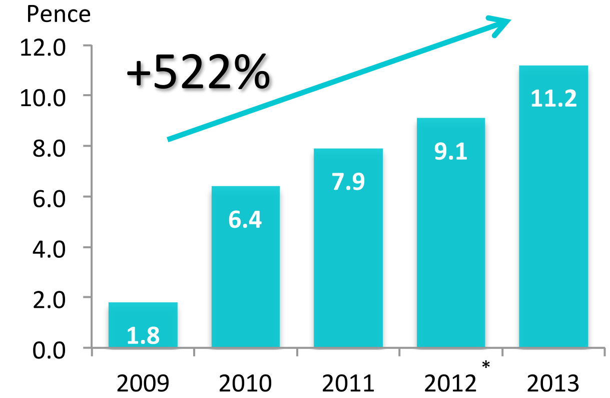
* Restated following adoption of IAS19

Adjusted profit before tax



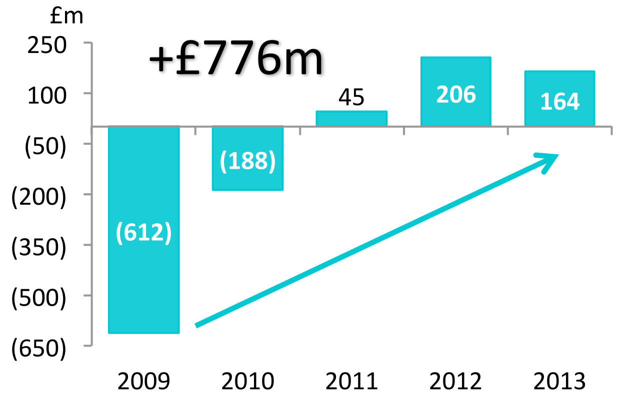
* Restated following adoption of IAS19

Adjusted EPS



* Restated following adoption of IAS19

Net Cash/(Debt)*



* Including distributions to shareholders, cash has increased by around £1.1 billion between 2009 to 2013.

2013 Full Year Financial Results

Ian Griffiths

26th February 2014

FY 2013 Financial Highlights

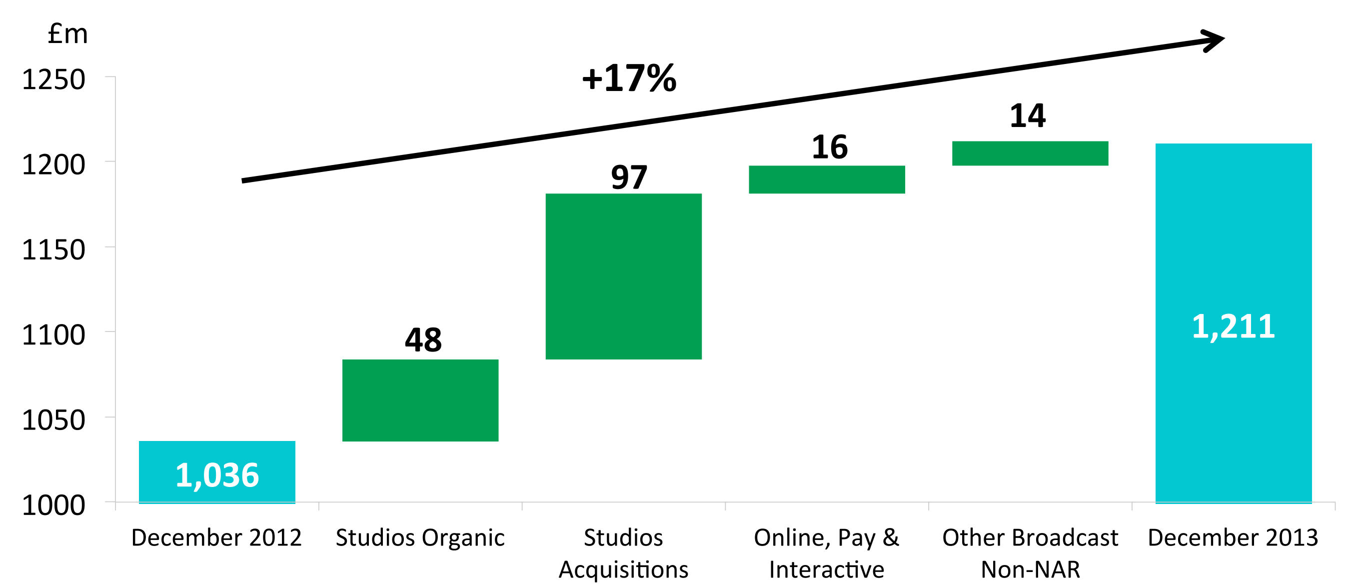
External revenue	£2,389m	Up 9%, £193m	Growth **across** the business
NAR	£1,542m	Up 2%, £32m	TV ad market returns to **growth**
Non-NAR	£1,211m	Up 17%, £175m	Continuing to **rebalance**
EBITA*	£620m	Up 21%, £107m	**Improved** group margins
EPS*	11.2p	Up 23%, 2.1p	4th year of **double digit** growth
Cash	£164m	£42m net cash outflow	**Strong** profit to cash conversion
Dividends	3.5p	Up 35%, 0.9p	**Progressive** dividend, 4p special

* EBITA is before exceptional items and EPS is adjusted

Revenue – growth across the business

£m	2013	2012	Change
Broadcast & Online	1,896	1,834	3%
ITV Studios	857	712	20%
Total revenue	**2,753**	**2,546**	**8%**
Internal supply	(364)	(350)	(4)%
Total External Revenue	**2,389**	**2,196**	**9%**

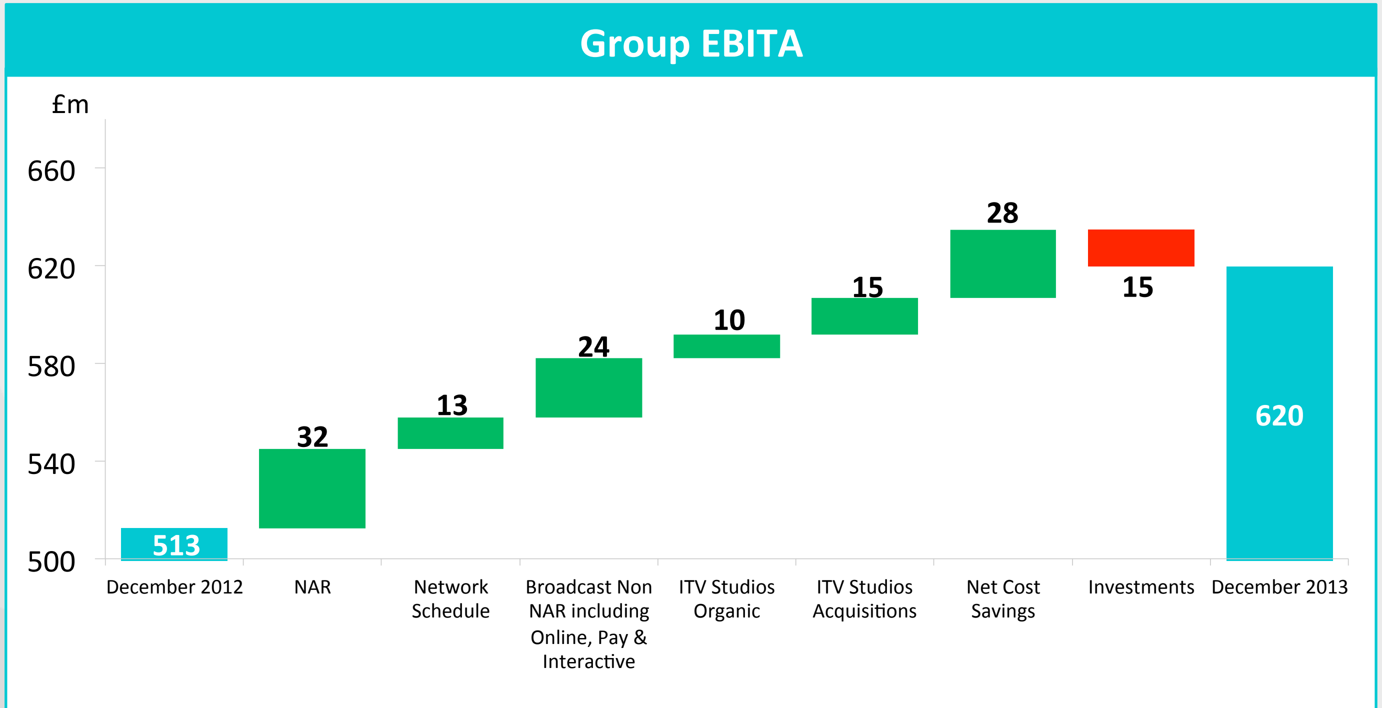
Non-NAR Revenue



- Revenue growth from both businesses
- ITV Family NAR up 2% to £1,542m after strong H2
- Significant growth in Non-NAR - up £175m or 17%
- £145m of additional revenue from ITV Studios
- UK and US acquisitions coming through as planned – just under £100m of revenue
- Strong growth Online, Pay & Interactive up £16m, 16%

Group EBITA – new revenues and cost savings improve profit and margins

£m	2013	2012 Restated	Change
Broadcast & Online	487	406	20%
ITV Studios	133	107	24%
Group EBITA*	**620**	**513**	**21%**
Group EBITA margin	26%	23%	



- Over £100m of EBITA growth from across the business
- 3% point improvement in margins
- Strong performance from Broadcast, profits up 20%
- Continued growth in new high margin revenue streams
- Studios profits up £26m, 24% with contribution from organic growth and acquisitions
- £28m of cost savings achieved, more than funding new investments

* EBITA is before exceptional items

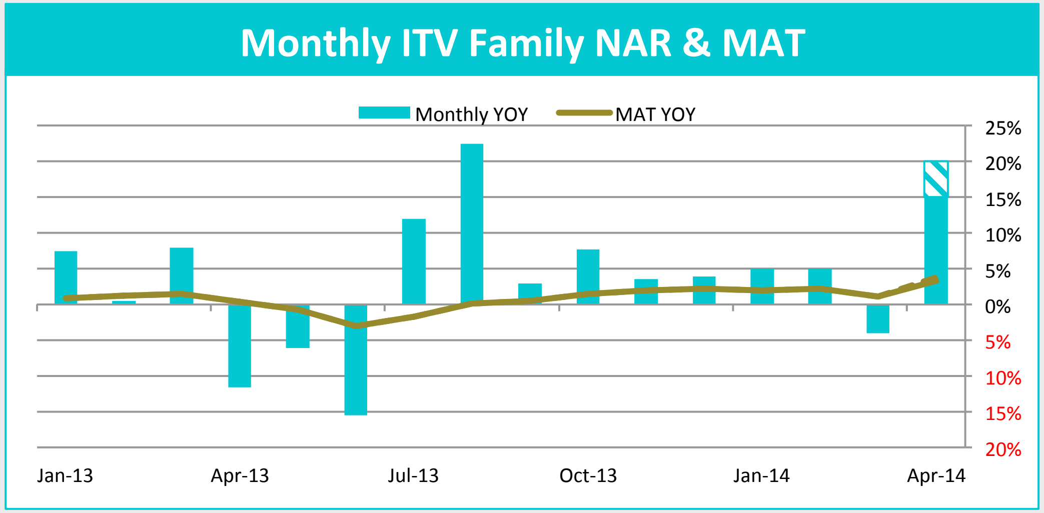
Broadcast & Online – strong performance across the business; revenues, profits and margins

£m	2013	2012 Restated	Change
ITV NAR	**1,542**	**1,510**	**2%**
SDN external revenue	71	62	15%
Online, Pay & Interactive	118	102	16%
Other commercial income	165	160	3%
Broadcast & Online non-NAR Revenue	**354**	**324**	**9%**
Total Broadcast & Online Revenue	**1,896**	**1,834**	**3%**
Schedule costs	(983)	(996)	1%
Other costs	(426)	(432)	1%
Broadcast & Online EBITA*	**487**	**406**	**20%**
EBITA margin	26%	22%	

- ITV Family NAR up 2%
- Strong growth in Non-NAR
- SDN benefitting from launch of 12th and 13th video streams
- Online viewing and new pay revenues deliver strong growth
- NPB benefits from lower sports costs partially offset by entertainment and drama
- Costs managed tightly
- Margins improve by 4% to 26%

* EBITA is before exceptional items

NAR – seasonality still a feature but 2013 saw a return to growth



Category	2013 (£m)	YOY % change
Retail	300	1
Entertainment & Leisure	159	3
Finance	148	(2)
Food	117	(6)
Cosmetics & Toiletries	114	(1)
Telecommunications	86	4
Cars and Car Dealers	73	8
Publishing and Broadcasting	72	30
Airlines Travel and Holidays	59	10
Household stores	57	6
Other	357	2

- ITV Family NAR up 2% after strong H2
- Market getting harder to measure
- Volatility continues across and within sectors
- Good growth in competitive technology and online based categories
  - Retail performance broadly flat - within this supermarkets spend was up year on year
  - Entertainment & Leisure growth from online businesses
  - Finance down with weak banks and building societies
  - Food was weak because of margin pressure
  - Publishing and Telecommunications blur together but growth across mobile, broadband and pay TV
- 2014 seasonality will remain a factor

NOTE: Category data based on ITV Family NAR

ITV Studios – good organic growth and acquisitions coming through as planned

£m	2013	2012	Change
UK Productions	456	408	12%
International Productions	266	171	56%
Global Entertainment	135	133	2%
Total Revenue	**857**	**712**	**20%**
Total Studio costs	(724)	(605)	(20)%
ITV Studios EBITA*	**133**	**107**	**24%**
EBITA Margin	16%	15%	

£m	2013	2012	Change
Internal – ITVS to ITV Network	364	350	4%
External Revenue	493	362	36%
Total Revenue	**857**	**712**	**20%**

- Revenue growth across the business, but particularly driven by international
- Organic revenue growth of 7%, 5% UK, 15% International Production
- UK revenue growth on ITV (4%) and off ITV (59%)
- Just under £100m of revenue growth from acquisitions, £27m UK, £70m International and mainly US
- International growth driven by the US, Germany and France
- New content should improve GE revenue prospects
- Continued focus on costs whilst investing in creative pipeline
- In 2014 UK programme budgets will be more sport biased so growth will come primarily from acquisitions in the UK and internationally

* EBITA is before exceptional items

Adjusted Results – double digit earnings growth and increased cash returns to shareholders

£m	2013	2012 Restated	Change
Total External revenue	**2,389**	**2,196**	**9%**
EBITA before exceptional items	**620**	**513**	**21%**
Associates and JVs	(2)	(1)	(100)%
Internally generated amortisation	(12)	(11)	(9)%
Financing costs	(25)	(44)	43%
Profit before tax	**581**	**457**	**27%**
Tax	(136)	(104)	(31)%
Profit after tax	**445**	**353**	**26%**
Non-controlling interests	(4)	(1)	-
Earnings	**441**	**352**	**25%**
Adjusted EPS (p)	**11.2p**	**9.1p**	**23%**
Diluted Adjusted EPS (p)	10.8p	8.7p	24%
Statutory EPS (p)	8.3p	6.6p	26%
Dividend (p)	3.5p	2.6p	35%
Special Dividend (p)	4.0p	4.0p	-

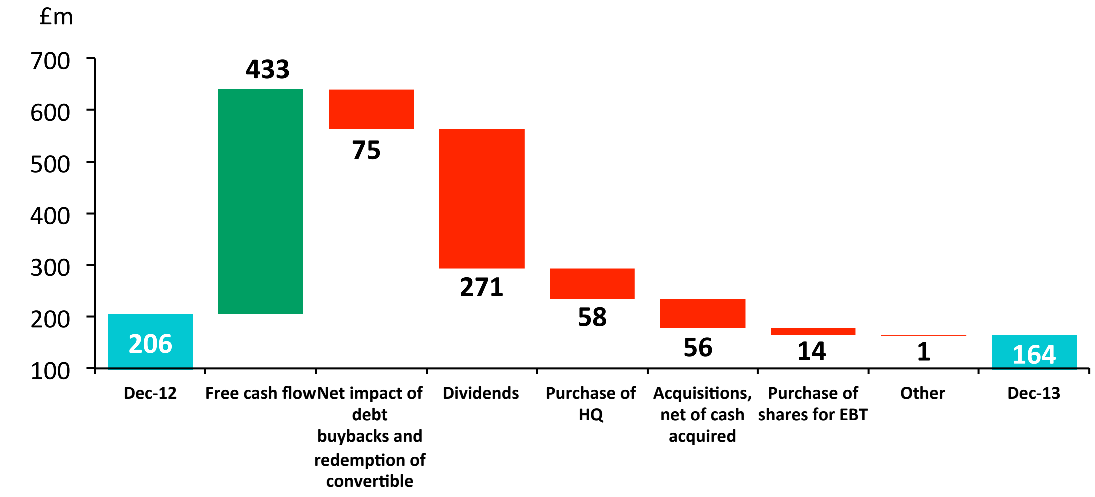
- Strong growth on all key profit lines and margins continue to improve
- Finance cost savings delivered from debt buybacks
- Tax rate held at 23%
- Double digit profit growth
- Statutory EPS also up 26%
- NCIs increasing to reflect US acquisitions
- 35% increase in full year dividend reflecting confidence in ongoing growth and cash generation
- Special dividend of 4.0p

Note: Following revisions to IAS 19, we have restated our prior year results which have resulted in changes including a £7m decrease in EBITA before exceptional items, a £7m decrease in adjusted profit before tax and a 0.1p decrease in adjusted EPS for 2012.

Profit to cash conversion – strong cash generation funds investment and shareholder returns

£m	2013	2012 Restated
EBITA before exceptional items	**620**	**513**
Working capital movement	(15)	1
Share based compensation and pension service costs	20	16
Capex	(45)	(61)
Depreciation	24	27
Adjusted cash flow	**604**	**496**
Profit to cash ratio	**97%**	**97%***

Net Cash Movements



£m	2013	2012 Restated
Adjusted cash flow	604	496
Net cash interest paid	(24)	(33)
Cash tax paid	(67)	(62)
Pension funding	(80)	(72)
Free cash flow	**433**	**329**

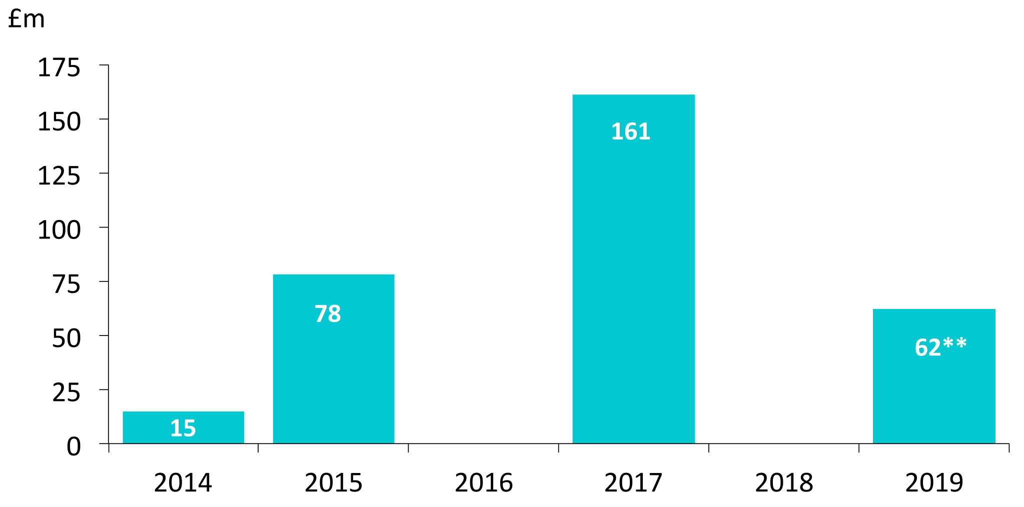
- Strong profit to cash conversion at 97% again above the rolling three year target of 90%
- Adjusted cash flow, after financing costs, tax and pension funding was up over £100m, 32%
- Healthy net cash position, similar to last year but after funding:
  - £56m of M&A acquisitions
  - £58m for acquisition of London HQ
  - £271m of dividends
  - £75m net impact of debt buybacks and redemption of the convertible

*2012 profit to cash conversion was restated as profit was restated as a result of revisions to IAS 19. Previously reported profit to cash conversion was 95%

Cash & Adjusted Net debt – financial position continues to improve; back to investment grade

£m	2013	2012
Net cash	164	206
M&A - contingent consideration	(97)	(36)
Pension deficit (IAS 19R)	(445)	(551)
Operating leases	(414)	(518)
Adjusted net debt	**(792)**	**(899)**
Adjusted net debt/EBITDA	**1.2x**	**1.7x**

Maturity profile at 31 December 2013*



- Investment grade credit with all three agencies
- Adjusted net debt/EBITDA 1.2x
- Over £1.1bn debt bought back
- Pension deficit reduced
- Leases reduced due to property acquisitions
- M&A contingent consideration – expected based on future performance

* Excludes £38m of finance leases
** The Group repurchased this loan in January 2014

2014 Planning assumptions – focus on costs and cash whilst investing behind the strategy

NPB	c. £1,010m	Total NPB spend excluding two new channels
Cost savings	£10m	Continued focus on non-programme **efficiency**
Investments	£15-20m	Across the business, including the launch of two new channels
Interest	£10-12m	Full year benefit of bond buybacks **reduces** interest costs
Tax	22-24%	**Holding** effective tax rate – change in profit mix offsets UK rate
Capex	£40-45m	**Reduced** from recent high levels associated with MediaCity
Pension	£89m	Cash funding to reflect 2013 profit

Strategic / Operating Review & Outlook

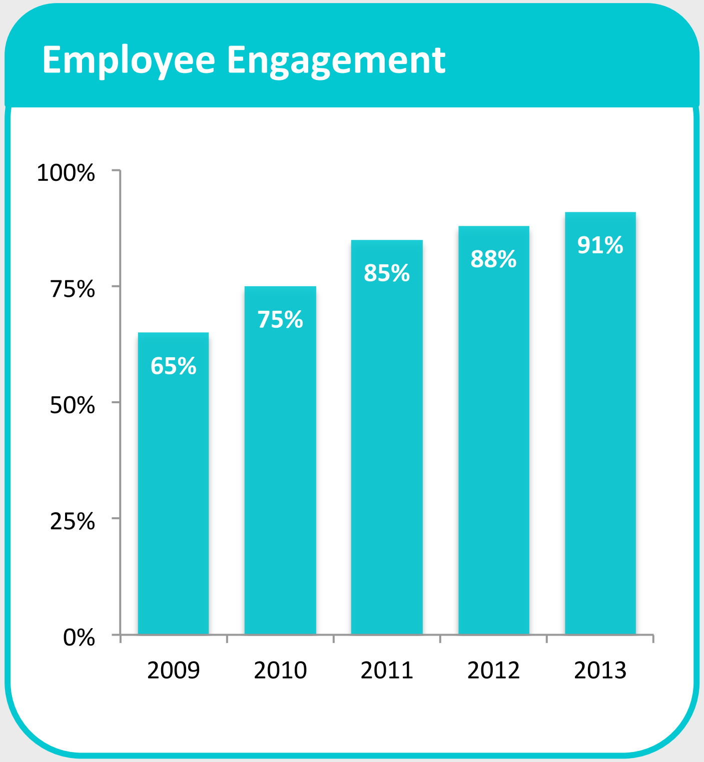
Adam Crozier

26th February 2014

Priority 1: Create a lean, creatively dynamic and fit for purpose organisation

2013 progress:

- Improving creative, commercial and management talent base
  - → Record employee engagement at 91%
- ITV rebrand completed
  - → Building a modern media brand that connects with viewers and customers
- Creative recognition
  - → ITV named Channel of the Year/ITV2 Digital Channel of the Year
- Relentless focus on cost efficiency
  - → £28m cost savings (£118m since 2009)
- Maintained focus on cash conversion and strong cash generation
  - → 97% profit to cash/free cash flow up 32%
- Fourth consecutive year of revenue growth and double digit profit growth as we rebalance ITV
  - → Improving margins
- Robust, flexible balance sheet to support future growth and reward shareholders



Priority 1: Create a lean, creatively dynamic and fit for purpose organisation

Focus for 2014:

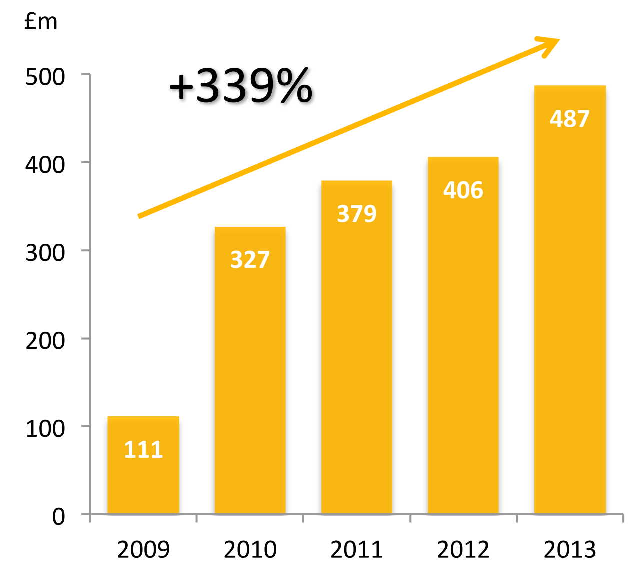
- Continue to improve and develop our people and organisational capabilities
- Further simplification of our operating structures as we grow in scale and geography
    - → £10m cost savings target for 2014
- Drive further value from our integrated producer broadcaster model
- Deliver growth across all parts of the business
- Focus on cash remains
- Maintain a robust and flexible balance sheet
    - → To invest in growth
    - → To deliver progressive shareholder returns

Priority 2: Maximise audience and revenue share from our existing free-to-air business

2013 progress:

- Improving economic conditions help TV advertising to return to growth
  - → ITV NAR up 2%
- Strong on-screen viewing performance driven by high quality schedule
  - → ITV Family SOV up 4% - best yoy performance in 10 years
  - → ITV Family SOCI flat
- Improved marketing performance building connections with our viewers
  - → ITV is biggest broadcaster on Twitter
  - → 'Most loved' commercial network in 2013 (YouGov)
- ITV increasingly the antidote to fragmentation
  - → 99.9% of all commercial programmes over 5m viewers
- Maximising the value of airtime
  - → sponsorship, interactivity and brand extensions

Broadcast & Online EBITA



Priority 2: Maximise audience and revenue share from our existing free-to-air business

Focus for 2014:

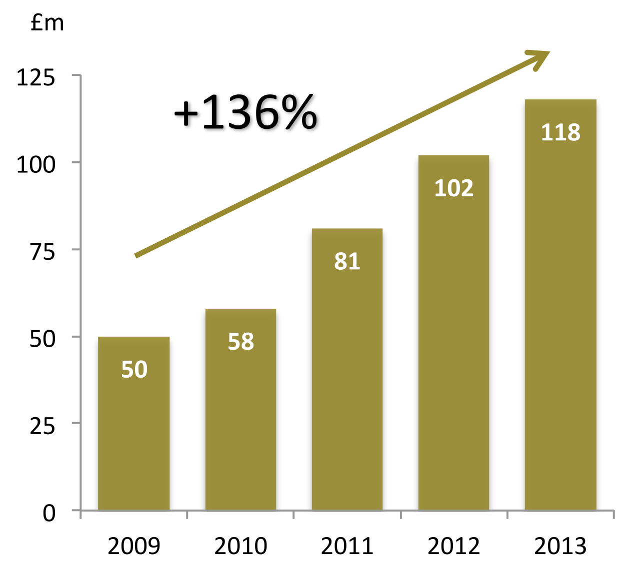
- Maintain strong on-screen viewing performance
- Outperform TV advertising market over the full year
  - → Driven by 2013 outturn; World Cup; strong schedule
- Continue to build our Broadcast Non-NAR revenues
- Launch new free to air channel – ITVBe.
  - → Target valuable young female audience
  - → Improve share of commercial market
  - → Reposition ITV2
- Finalise renewal of the new 10 year broadcasting license [✓]
- ITV Family NAR expected to be up between 5% and 6% over 4 months to end April
  - → The shape of the market will vary year on year

Priority 3: Drive new revenue streams by exploiting our content across multiple platforms

2013 progress:

- Improved distribution and quality of ITV Player
  - → ITV content is now available on 19 platforms
  - → 11.7m downloads of ITV player app
  - → YouView building momentum (>900k connections)
- Long form video requests up by 16% to 577m
  - → Driven by mobile and tablet viewing
- Strong demand from advertisers holding up Online rates and driving revenues
- Developing pay services
  - → Re-negotiated deals with Virgin and BT
  - → New deals with Amazon, EE
  - → Trialling pay opportunities e.g. ITV essentials/Ad free subscriptions
- Increasing 2nd screen interactivity with viewers and advertisers
- Online, Pay & Interactive revenues up by 16% to £118m – all organic

Online, Pay & Interactive Revenues



Priority 3: Drive new revenue streams by exploiting our content across multiple platforms

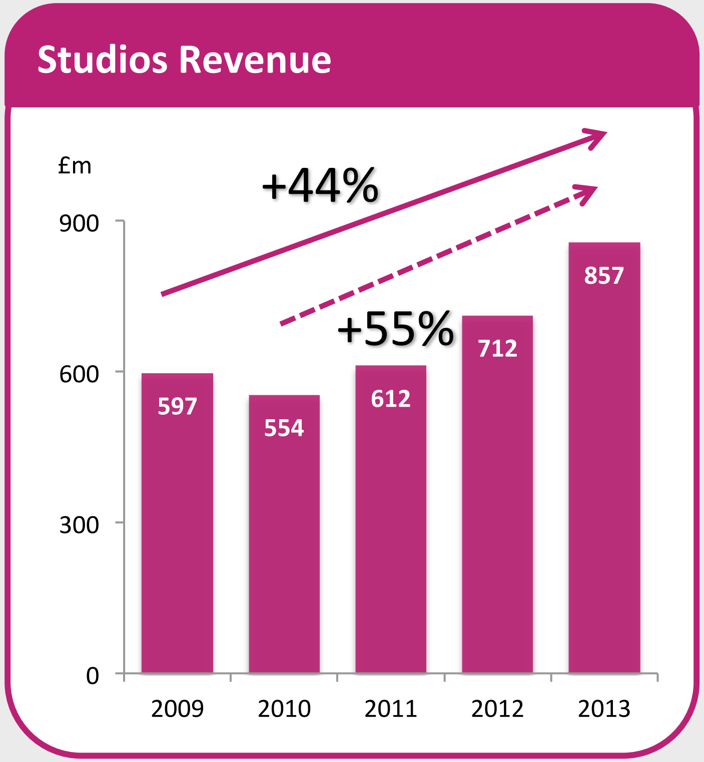
Focus for 2014:

- Continue to improve quality of ITV Player
- Further increase distribution of ITV Player
  - → Potential for new deals with platform owners
  - → Implement new deal with Sky
- Hold online advertising rates and drive revenues
  - → Launch advertising capability on catch up on Sky/Virgin
- Launch new Pay channel: ITV Encore
  - → ITV strength in drama - strengthen our brand
  - → Grow and diversify our revenue
  - → Increased opportunity to showcase original content that can travel
- Continue to develop further digital and pay services in the UK and internationally
- Increase the use of innovative digital advertising opportunities
- Deliver double digit growth in Online, Pay & Interactive

Priority 4: Build a strong international content business

2013 progress:

- Strong global demand for high quality content
- Investing in a healthy creative pipeline in key genres
  - → 121 new commissions/101 recommissions
  - → UK original hours: drama +55%; entertainment +16%; factual +49%
- Building on strong organic growth with strategic acquisitions and partnerships
  - → UK: The Garden, Big Talk
  - → USA: High Noon, Thinkfactory
- ITV Studios delivering strong revenue growth driven by International production
  - → Revenue +20%; EBITA +24%
  - → International Production +56%
  - → Off ITV UK revenue +59%
- Strengthening our international distribution business with both ITV and 3rd party content
  - → Traditional broadcasters and digital platforms



Priority 4: Build a strong international content business

Focus for 2014:

- Continue to invest in creative talent / healthy content pipeline
- Strengthen our global production capabilities as we become increasingly international
  - → Focus on key genres
  - → Make further strategic acquisitions where appropriate
    - DiGa [✓]
  - → Focus on growing 'off ITV' revenues in the UK
- Scale our international distribution business with both ITV and 3rd party content
  - → US Drama
  - → Growth from traditional broadcasters and digital platforms
- Expect good growth primarily driven by acquisitions we have made in UK and internationally

Summary & Outlook

Summary of 2013

- Revenue growth and double digit profit growth for the fourth year in a row
- Advertising market returning to growth
- Significant progress in rebalancing the business

- Investing in high quality content in driving growth across ITV

- Improved balance sheet efficiency
- Increased shareholder returns

Focus for 2014

Expect growth across all parts of ITV

→ **ITV Family NAR expected to be up between 5% and 6% over 4 months to end April**
→ **Double digit growth in Online, Pay & Interactive**
→ **Good Studios growth primarily driven by acquisitions in UK and internationally**

Continue to invest in high quality content

→ **Drive on-screen and online performance**
→ **M&A in key genres/territories**

Launch two new channels

→ **ITV Encore**
→ **ITVBe**

Maintain a robust, efficient and flexible balance sheet

→ **Invest in future growth**
→ **Progressive shareholder returns**

Appendix

Full Year Results 2013

26th February 2014

Reported numbers

£m	2013	2012 Restated	Change
Revenue	2,389	2,196	9%
EBITA before exceptional items	620	513	21%
Amortisation and Impairment	(66)	(60)	(10)%
Exceptional items (total)	(2)	(12)	83%
Associates and JVs	(2)	(1)	(100)%
Profit before interest and tax	**550**	**440**	**25%**
Net financing costs*	(115)	(106)	(8)%
Profit before tax	**435**	**334**	**30%**
Tax	(105)	(77)	(36)%
Profit after tax	**330**	**257**	**28%**
Non-controlling interests	(4)	(1)	-
Earnings	**326**	**256**	**27%**
Earnings per share (p)	**8.3p**	**6.6p**	**26%**

* Includes £61m exceptional cost relating to bond buybacks in 2013 (2012: £36m)

Reconciliation between 2013 reported and adjusted earnings

£m	Reported	Adjustments	Adjusted
EBITA before exceptional items	620	-	620
Exceptional items (total)	(2)	2	-
Amortisation and impairment	(66)	54	(12)
Financing costs	(115)	90	(25)
JVs and associates	(2)	-	(2)
Profit before tax	**435**	**146**	**581**
Tax	(105)	(31)	(136)
Profit after tax	**330**	**115**	**445**
Non-controlling interests	(4)	-	(4)
Earnings	**326**	**115**	**441**
Number of shares* (weighted average)	3,929		3,929
Earnings per share (p)	**8.3p**		**11.2p**

* - Weighted average diluted number of shares of 4,111m in 2013
- Weighted average number of shares expected to be 4,014m in 2014
- Weighted average diluted number of shares expected to be 4,059m in 2014

Reconciliation between 2012 reported and adjusted earnings

£m	Reported Restated	Adjustments	Adjusted
EBITA before exceptional items	513	-	513
Exceptional items (total)	(12)	12	-
Amortisation and impairment	(60)	49	(11)
Financing costs	(106)	62	(44)
JVs and associates	(1)	-	(1)
Profit before tax	**334**	**123**	**457**
Tax	(77)	(27)	(104)
Profit after tax	**257**	**96**	**353**
Non-controlling interests	(1)	-	(1)
Earnings	**256**	**96**	**352**
Number of shares*	3,888		3,888
Earnings per share (p)	**6.6p**		**9.1p**

* Diluted number of shares of 4,123m

Acquisitions

Acquisition	Country	Initial consideration	Expected total consideration*	Max total consideration*	Expected payment date
		£m		£m	
The Garden	UK	18	35	46	2018
Big Talk	UK	13	30	30	2015-18
Thinkfactory	US	19	31	61	2017-19
High Noon	US	16	34	61	2015-21
Total for 2013		**66**	**130**	**198**	
Total for 2012		**42**	**75**	**95**	
Total		**108**	**205**	**293**	

* Undiscounted and including initial consideration. All payments are performance related.

Equity interest currently not owned:

- Gurney 38.5%
- Thinkfactory 35%
- High Noon 40%

Broadcast schedule costs

£m	2013	2012	Change
Commissions	548	522	(5)%
Sport	128	157	18%
Acquired	36	45	20%
ITN News and Weather	44	45	2%
Total ITV	756	769	2%
Regional news and non-news	63	71	11%
ITV Breakfast	41	42	2%
Total ITV inc regional & Breakfast	860	882	2%
ITV2, ITV3, ITV4, CITV	123	114	(8)%
Total schedule costs	**983**	**996**	**1%**

Financing costs

£m	2013	2012 (restated)
€50m Eurobond at 10% Coupon Jun 14	(2)	(7)
£78m Eurobond at 5.375% Coupon Oct 15	2	(1)
£135m Convertible Bond at 4% Coupon Nov 16 (settled in 2013)	(3)	(5)
£161m Eurobond at 7.375% Coupon Jan 17	(9)	(12)
£62m Loan at 13.55% coupon Mar 19 (£138m repaid in H1)*	(6)	(13)
Financing costs directly attributable to bonds and loans	**(18)**	**(38)**
Other	(2)	3
Cash-related financing costs	**(20)**	**(35)**
Non-cash movements		
Amortisation of bonds	(5)	(9)
Adjusted net financing costs	**(25)**	**(44)**
Mark-to-Market on bonds and swaps	(9)	(11)
Imputed pension interest	(20)	(16)
Losses on buybacks	(61)	(36)
Other net financing income	-	1
Statutory net financing costs	**(115)**	**(106)**

* The Group repurchased this loan in January 2014

Exceptional costs

£m	2013	2012
Reorganisation and restructuring costs	-	(5)
Acquisition related expenses	(8)	(2)
Total operating exceptional items	**(8)**	**(7)**
Loss on the sale and impairment of non-current assets	-	(6)
Gain on sale and impairment of subsidiaries and investments	6	1
Total non-operating exceptional items	**6**	**(5)**
Total exceptional items	**(2)**	**(12)**

P&L tax charge and tax cash on reported basis

£m	2013	2012 Restated
Profit before tax	435	334
Exceptional items (net)	2	12
Amortisation and impairment of intangible assets*	54	49
Adjusted to net financing costs	90	62
Adjusted profit before tax	**581**	**457**
Tax charge as reported	(105)	(77)
Net charge for exceptional and other items	(1)	(2)
Charge in respect of amortisation and impairment of intangible assets*	(12)	(12)
Charge in respect of adjustments to net financing costs	(21)	(15)
Other tax adjustments	3	2
Adjusted tax charge	**(136)**	**(104)**
Effective tax rate on adjusted profits	**23%**	**23%**
Total cash paid	**(67)**	**(62)**

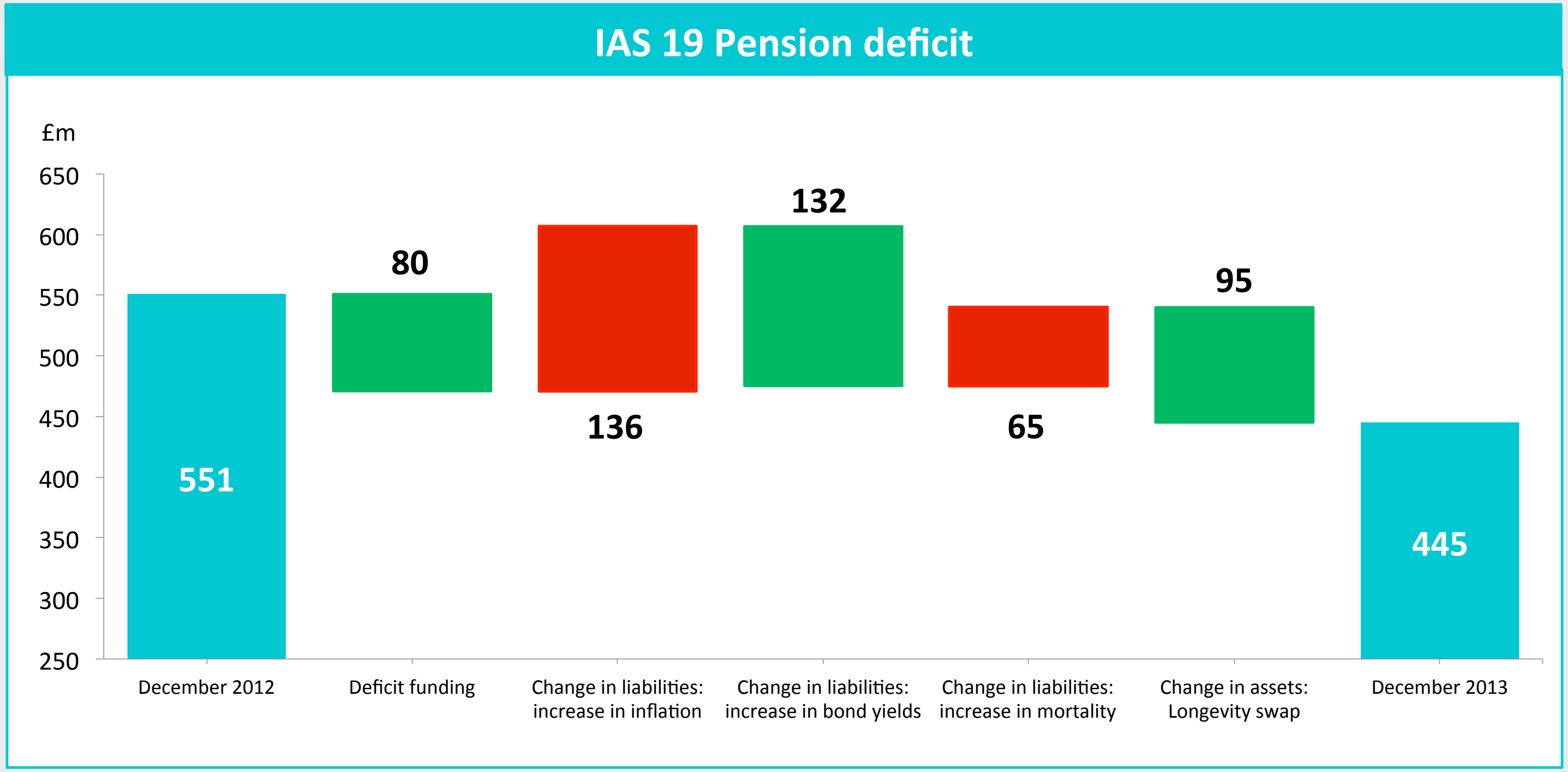
* In respect of intangible assets arising from business combinations

Analysis of net cash

£m	2013	2012
€50m Jun 14	(15)	(14)
£78m Oct 15	(78)	(78)
£135m Convertible Nov 16 (settled in 2013)	-	(132)
£161m Jan 17	(161)	(167)
£62m Mar 19 (£138m repaid in 2013)	(62)	(200)
Finance Leases	(38)	(45)
Amortised cost adjustment	-	7
£138m Gilts Mar 19	-	145
Cash and cash equivalents	518	690
Net cash	**164**	**206**

£m	2013	2012
Cash and cash equivalents	518	690
Debt	(354)	(484)
Net cash	**164**	**206**

Pension deficit



Impact of revised IAS19 £m	2013 - under revised IAS19	2012 - under revised IAS19*	2012 actual
Operating costs – pension service cost	13	14	7
Unadjusted financing costs	20	16	9

* This has been applied retrospectively

Pension contributions – 15 year plan

Section A:

The fixed payments to the main section of the scheme will be as follows:

- 2013 & 2014: £35 million plus an additional £5 million if there are no initiatives in the previous year which reduce the scheme deficit by at least £10 million, compared with the level had such initiatives not been implemented. This has not changed from the previous funding plan;
- 2015 to 2019: £48 million per annum in 2015 rising by £0.5 million per annum to £50 million in 2019;
- 2020 to 2025: £50 million per annum but may be reduced by the impact of additional profit-related contributions set out below

The performance related payments to the main section of the scheme will be as follows:

- During the period 2012 to 2020 if our reported EBITA before exceptional items exceed £300 million, we will contribute an amount representing 10% of EBITA before exceptional items over the threshold level. This is subject to an annual cap for total contributions which averages to £70 million per annum over the period 2015-2020. If the additional profit-related contributions are paid at the expected rate then the £50 million per annum fixed contributions scheduled to be paid between 2021 and 2025 (inclusive) should not be required.

In addition to the agreed deficit funding contributions above, the SDN partnership established in 2010 provides an annual distribution of £11 million to this section of the Scheme until 2022.

Section B and C:

Following completion of actuarial valuations of Sections B and C as at 1 January 2011 we have agreed with the Trustee to make deficit funding contributions of £5.5 million per annum in order to eliminate the deficits in these sections by 31 March 2021.

The next triennial valuation of the scheme will be as at 1 January 2014 and is expected to be agreed in 2015.