28 July 2016

JUST EAT plc

("JUST EAT", the "Company" or the "Group")

2016 Interim Results

JUST EAT delivers strong growth and upgrades 2016 guidance

JUST EAT plc (LSE: JE.), the world's leading digital marketplace for takeaway food delivery, today reports its results for the six months ended 30 June 2016 ("H1" or the "First Half"), with revenues up 59% to £171.6 million and Underlying EBITDA up 107% to £53.4 million.

Financial Highlights

- Revenues up 59% to £171.6 million (H1 2015: £107.8 million), up 57% on a forex neutral basis
- Orders up 55% to 64.9 million (H1 2015: 41.9 million), like-for-like[1] orders up 40%
- Underlying EBITDA[4] up 107% to £53.4 million (H1 2015: £25.8 million)
- Underlying EBITDA margin of 31.1% up 720 bps (H1 2015: 23.9%)
- Basic earnings per share ("EPS") up 118% to 3.7p (H1 2015: 1.7p)
- Adjusted basic earnings per share[5] up 81% to 5.6p (H1 2015: 3.1p)
- Net cash inflow from operating activities of £47.8 million (H1 2015: £26.5 million), representing 97% conversion of uEBITDA excluding restaurant cash[2] (H1 2015: 88%)

Operational and Strategic Highlights

- Active Users[3] up 45% to 15.9 million (as at 30 June 2015: 11.0 million)
- Orders via mobile devices account for 70% of total orders (H1 2015: over 60%)
- Our leading technology platform processed orders worth over £1.1 billion for our takeaway restaurants (H1 2015: £0.7 billion)
- Acquisition of businesses in Italy, Brazil and Mexico completed on 5 February 2016, and Spain completed on 4 April; business integrations are progressing well

David Buttress, Chief Executive Officer, commented

"JUST EAT has made a very strong start to 2016. Our consistently strong performance across the business in the First Half has delivered 55% more orders compared to the same period last year for our 66,200 restaurant partners whilst driving impressive growth of both revenues and profit. Particularly pleasing has been the continued scaling of our international markets in the period, highlighted by our success in creating the clear market leaders in Spain, Italy and Mexico. Our determination to enhance the JUST EAT service for both consumers and restaurants is paying off and gives us the confidence to increase our revenues and uEBITDA guidance for the full year as we continue to lead the sector. I would like to thank the entire JUST EAT team for their hard work and determination in achieving these results."

Outlook

JUST EAT is in a very strong position both operationally and financially. As a result, we are now increasing our forecasts for FY 2016 above market consensus. We will continue to invest in the business for profitable growth and our expectations for 2016 revenues increase from £358 million to £368 million assuming current exchange rates remain for the balance of the year. Of this £10 million upgrade to revenues, £7 million is as a result of improved trading and £3 million is due to changes in foreign currency exchange rates. We now expect uEBITDA of between £106-108 million (up from £102-104 million). This uEBITDA upgrade is driven by improved trading, net of investment in product, technology and marketing in the second half of 2016. At an uEBITDA level, the impact of foreign exchange is expected to be limited for 2016 as a whole.

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1 Excludes orders in both periods for countries where there has been a change in the basis of consolidation in either period. Namely Australia/New Zealand and Mexico for the six months ended 30 June 2016 (where the change in the basis of consolidation was in the comparative period).

2 Restaurant cash is excluded from operational balances and internal measure of cash flow.

3 An Active User represents an account that has placed at least one order within the last 12 months.

Summary Results

	Six months ended 30 June 2016	Six months ended 30 June 2015	Movement	Year ended 31 December 2015
Orders (millions)	**64.9**	41.9	55%	96.2
Average Revenue per Order (£)	**2.47**	2.36	5%	2.35
Revenue (£m)	**171.6**	107.8	59%	247.6
Underlying EBITDA[4] (£m)	**53.4**	25.8	107%	59.7
Profit after tax (£m)	**24.7**	9.4	163%	23.0
Basic EPS (p)	**3.7**	1.7	118%	3.8
Adjusted basic EPS[5] (p)	**5.6**	3.1	81%	6.6

Presentation

The Company will hold a presentation for analysts and investors today at 9.30am at Grange St. Paul's Hotel, 10 Godliman Street, London, EC4V 5AJ.

The presentation will be webcast live and will be accessible via the JUST EAT website[6] at www.just-eat.com/results-and-reports. A replay will also be available following the presentation.

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Forward-looking statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". By their nature, such statements involve risk and uncertainty since they relate to future events and circumstances. Actual results may, and often do, differ materially from any forward-looking statements. Any forward-looking statements in this announcement reflect management's view with respect to future events as at the date of this announcement. Save as required by law or by the Listing Rules of the UK Listing Authority, the Company undertakes no obligation to publicly revise any forward-looking statements in this announcement following any change in its expectations or to reflect subsequent events or circumstances following the date of this announcement.

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[4] Underlying EBITDA ("uEBITDA") is the main measure of profitability used by management to assess the performance of the Group's businesses. It is defined as earnings before finance income and costs, taxation, depreciation and amortisation ("EBITDA") and additionally excludes the Group's share of depreciation and amortisation of its associated undertaking (iFood), long-term employee incentive costs, exceptional items, foreign currency gains and losses and 'other gains and losses'. At a segmental level, uEBITDA also excludes intra-group franchise fee arrangements and incorporates an allocation of Group technology and central costs (all of which net out on a consolidated level). A reconciliation between operating profit and uEBITDA is shown in note 3 to the Interim Financial Statements.

[5] Adjusted basic earnings per share is the main measure of earnings per share used by the Group and is calculated using statutory profit attributable to the holders of Ordinary shares in the parent, before long-term employee incentive costs, acquired intangible asset amortisation, exceptional items, foreign currency gains and losses, 'other gains and losses' and the tax impact of the adjusting items.

[6] The content of the JUST EAT website should not be considered to form a part of or be incorporated into this announcement.

About JUST EAT
JUST EAT operates the world's leading digital marketplace for takeaway food delivery. Headquartered in London, we use proprietary technology to offer a quick and efficient digital ordering service for 15.9 million active users and 66,200 takeaway restaurants. JUST EAT is a member of the FTSE 250 Index.

CEO's Statement
In the first half of 2016 we sent our restaurant partners 64.9 million orders worth £1.1 billion, up 57% from the prior comparative period. This growth reflects our increasing scale in the 12 international markets in which we operate and our continued success in the UK. Our international business now accounts for 36% of Group revenues (H1 2015: 29%).

JUST EAT's revenues were up 59% to £171.6 million (H1 2015: £107.8 million). Underlying EBITDA increased 107% to £53.4 million and we generated £47.8 million of net cash from operating activities (H1 2015: £26.5 million). These are excellent results in a period in which we continued to make substantial investments for future growth in key areas such as technology, marketing and product development.

We saw strong revenue and uEBITDA improvements in our Australian and Established international markets, whilst in our Developing markets segment, consisting of Spain, Italy and Mexico, we achieved 164% year-on-year order growth, starting to reap the benefit of the acquisitions announced in February. Excluding recent acquisitions this segment still achieved triple digit year-on-year growth.

The UK business delivered 44% revenue growth and saw uEBITDA margin improve to 52% (H1 2015: 44%), further demonstrating the highly profitable nature of our business model at scale when clear local market-leadership is achieved.

Our continued success is driven by improving both the consumer experience and choice whilst ensuring that our restaurant partners also see real benefit from the channel shift to digital. More recently, JUST EAT has started to leverage, to the benefit of both restaurants and consumers, the unrivalled level of data available to us as clear market leader across the whole sector.

Leveraging our data
Consumers value the insight provided by customer-generated ratings and reviews, providing the most comprehensive and up-to-date restaurant information in the industry. Over the First Half, the number of reviews on the platform increased by four million. Our new Customer Relationship Marketing ("CRM") platform has been deployed in the UK and in four international markets, with international deployment continuing through the second half of the year.

As set out below, we are also now using our data to provide more targeted search results to consumers and greater personalisation, whilst for restaurants, we are using the JUST EAT partner centre to provide greater insight on pricing, demand and menu offerings. As we continue to develop the use of our data, we expect this to generate significant long-term benefit for our industry.

Improving the consumer experience
Product development is critical to improving the consumer experience and we have continued to make significant investment in this area. With over five million downloads in the First Half, consumers have continued to migrate to apps, which accounted for 42% of orders (H1 2015: 35%). Mobile web accounted for a further 28% of orders (H1 2015: 27%).

The pipeline of product launches remains strong, as some of the largest technology companies seek to partner with JUST EAT, recognising our scale and market leadership. An example is the introduction of ordering via Apple TV and Microsoft Xbox, and we are working with other global companies on enabling ordering via a number of smart TV platforms. We recently announced a partnership with Starship Technologies to trial self-driving delivery robots in London.

During the period we commenced the commercial rollout of our Orderpad terminals, with around 2,000 now installed in our partner restaurants, and are adding several hundred new units a month. Orderpad technology enables our restaurants to better manage their delivery pipeline and to offer "Order on its Way" notifications to consumers, which significantly improves the order experience. We remain on track to have one third of UK orders processed on an Orderpad by our 2016 full year results.

Bringing greater choice
Our network of contracted restaurant partners has continued to grow, and at 30 June 2016, we offered consumers food from 66,200 outlets, up from 61,500 at 31 December 2015. We continue to add newer food concepts and branded restaurants to bring our consumers as wide a choice as possible, working with delivery partners where appropriate to expand our offering.

Driving channel shift
Consumers continue to be drawn to the convenience of digital ordering of takeaway food, driven by innovative marketing campaigns in each of our markets supported by data-driven CRM. Over the First Half, we have introduced greater localisation of marketing. In the UK we have used engaging musical videos and a pun-based approach with lyrics and song titles, whilst in Australia we relaunched the Menulog brand with a campaign based on striking food imagery asking the question 'what do you feel like?', highlighting the wide selection of cuisine categories available on the platform.

Supporting our restaurant partners
The continued use of our Partner Centre in the UK, now accessed regularly by over 54% of our UK estate has enabled better restaurant interaction. They can read and respond to consumer reviews, improving communication, and can gain greater insight into their business through improved data sharing. Partner Centre also enables access to the increasing range of value adding agreements and services we offer our restaurants, such as the recently announced Booker cash and carry discount and partnership with Coca-Cola European Partners. Over the next 12 months we will roll out Partner Centre across our international markets and further expand the deals and services available.

M&A
During the First Half, we successfully acquired the number two operators to supplement our market-leading positions in each of our fastest growing markets of Spain, Italy, Mexico and Brazil. Following the period end, we announced the sale of Hellofood Brazil to iFood (IF-JE), our Brazilian associate.

Along with the Brazilian business, IF-JE also acquired a 49% stake in our enlarged Mexican business. The total net cash consideration received by JUST EAT for the transactions was USD11 million. In addition, JUST EAT will receive benefit of services provided by local IF-JE management in Mexico.

Our people
Our people remain critical to our success and we are focused on maintaining a high performance, entrepreneurial culture at JUST EAT. I would like to thank the entire team who have worked tirelessly to yet again deliver fantastic organic growth, secure several important acquisitions and drive innovation.

In March, we welcomed Fernando Fanton as our new Chief Product and Technology Officer. He joins the JUST EAT executive team alongside Mike, Adrian, Barnaby, Lisa and me, and his knowledge and experience will be a great asset as the Group continues to grow.

In June, we announced that Paul Harrison would be joining the Company as Chief Financial Officer on 26 September, replacing Mike Wroe who will be standing down at that date, but will remain in the business to ensure an orderly handover through to the end of the year.

All of us at JUST EAT are very grateful to Mike for the exceptional job he has done as Chief Financial and Fun Officer since 2008. Mike played a critical role in growing the business, establishing our Company culture and stewarding us through our transformative IPO. He has continued to make a considerable contribution to JUST EAT's strong performance since and all of us at JUST EAT wish him great success and happiness in the future.

David Buttress
Chief Executive Officer

CFO Update and Financial Review

Group result

The Group's revenues were £171.6 million (H1 2015: £107.8 million), up 59% compared to the same period last year (H1 2015: up 54%). On a forex neutral basis, revenue growth would have been 57% (H1 2015: 58%).

	Six months ended			Six months ended		
	30 June 2016 Orders million	30 June 2015* Orders million	Movement %	30 June 2016 Revenue £m	30 June 2015* Revenue £m	Movement %
Segment						
United Kingdom	**42.0**	30.7	**37%**	**110.5**	76.9	**44%**
Australia & New Zealand	**6.4**	0.4	**	**14.7**	0.9	**
Established markets	**10.7**	8.6	**24%**	**35.1**	26.4	**33%**
Developing markets	**5.8**	2.2	**164%**	**11.2**	3.5	**220%**
Head Office				**0.1**	0.1	**-**
Total	**64.9**	41.9	**55%**	**171.6**	107.8	**59%**
Revenue (forex neutral basis)					*109.2*	***57%***

** restated for change in reporting segments – see note 3 to the Interim Financial Statements.*
*** Completion of the acquisition of our Australia & New Zealand business occurred on 15 June 2015.*

Our UK business continues to grow strongly, with revenues up by 44% to £110.5 million (H1 2015: up 48% to £76.9 million).

The UK now represents 64% (H1 2015: 71%) of the Group's revenues demonstrating the increasing scale of our international operations, where growth, particularly in Australia & New Zealand (revenues up 77%, on a pro-forma basis) and in our Developing markets segment (revenues up 220% compared to the prior period) also drives significant profitability improvements and long-term margin potential. This profitability potential can be seen in our Established markets segment where our Danish business delivered uEBITDA margins of 47% and where total segment profitability increased to 17% (FY 2016: 16%). Unlike in 2015, where we saw significant second half cost expansion in our Established markets, we anticipate this level of segmental margin to be sustained through the end of 2016.

At 31%, the Group's First Half uEBITDA margin was slightly higher than is anticipated for the full year due to the phasing of spend in a number of key areas (H1 2015: 24%). These include marketing, where a UK Brand relaunch is planned for September and in product and technology where we anticipate a planned significant uplift in project and development spend following the arrival of our new CPTO in March 2016.

Orders and revenues of our highly successful iFood associate are not included in our Group results, but this business is yet another demonstration of the importance of high quality local execution and scale. Our Brazilian business achieved over 1.7 million orders in the month of June 2016, and in the First Half achieved year-on-year growth of 158% and for the first time was marginally profitable.

The key drivers of Group revenues growth included:

- a 55% increase in consumer orders compared with the same period last year;
- ARPO growth of 5% to £2.47;
- Active User base growing to 15.9 million; and
- Orders received via mobile devices increasing to 70% of Group orders, and 78% of orders in the UK.

Order-driven revenues now account for 93% (H1 2015: 92%) of total revenue, the largest element of which is commission on successful orders. Across the Group, orders grew by 55% to 64.9 million (H1 2015: up 52% to 41.9 million) and ARPO (a combination of commission on orders and card/administration fees) grew by 5% to £2.47 (H1 2015: up 4% to £2.36). The growth in ARPO benefited significantly from the increase in the UK commission rate to 13% from 12% with effect from 10 April 2016. Adjusting for this and commission rate changes elsewhere across the Group, ARPO increased broadly in line with food/service inflation.

	Six months ended 30 June 2016 £m	30 June 2015* £m	Movement %	Year ended 31 December 2015 £m
Underlying EBITDA by segment				
United Kingdom	**57.7**	34.2	69%	77.6
UK uEBITDA margin	***52%***	*44%*		*46%*
Australia & New Zealand	**2.3**	0.1	**	1.0
ANZ uEBITDA margin	***16%***	*11%*		*8%*
Established markets	**5.8**	4.1	41%	6.4
Established uEBITDA margin	***17%***	*16%*		*11%*
Developing markets	**(7.1)**	(7.6)	7%	(13.9)
Total segment Underlying EBITDA	**58.7**	30.8	91%	71.1
Share of equity accounted associate (excluding depreciation and amortisation)	**0.0**	(1.1)		(1.9)
Head Office costs	**(5.3)**	(3.9)	(36%)	(9.5)
Underlying EBITDA	**53.4**	25.8	107%	59.7
Group Underlying EBITDA margin	***31%***	*24%*		*24%*
Operating profit	**34.4**	13.6	153%	35.5
Net cash from operating activities	**47.8**	26.5	80%	74.2

** restated for change in reporting segments – see note 3 to the Interim Financial Statements.*
*** Completion of the acquisition of our Australia & New Zealand business occurred on 15 June 2015.*

UK
Strong growth in the UK business continued in the period, with revenues up by 44% to £110.5 million (H1 2015: up 48% to £76.9 million).

The increase in UK Revenues was driven by order growth of 37% (H1 2015: 49%) and ARPO growth of 6% (H1 2015: 3%) bolstered by increasing traffic to the website, and improvements to both conversion and consumer reorder rates. Key drivers in the First Half included:

- increasing the UK commission rate from 12% to 13% for existing restaurant partners in April 2016;
- introducing a 14% commission rate for new restaurant partners from November 2015;
- an overall 35% increase in the number of Active Users;
- a higher percentage of orders placed via our apps (app users typically order more frequently); and
- investment in UK marketing of £17.1 million in the period (H1 2015: £12.4 million).

Underlying EBITDA margin in the UK grew to 52% (H1 2015: 44%). Marketing spend as a percentage of revenue fell to 15% (H1 2015: 16%) although we will invest more heavily in the second half as we relaunch the UK brand in September. Staff costs as a percentage of revenues fell to 12% from 16% as our UK business benefited from both on-going economies of scale and improved underlying efficiency, with those scale efficiencies also reducing overhead percentages. On a full year basis, despite the expected increase in marketing spend in the second half, we remain confident that UK uEBITDA margins will remain over 50%.

Australia & New Zealand
Over the First Half, the Menulog Group achieved pro-forma revenue growth of 77%, generating £14.7 million of revenues and £2.3 million of uEBITDA, up 130% on a pro-forma basis. Revenues grew significantly faster than orders driven in part by new and improved b2b revenue streams, such as top placement, introduced since we bought the business. We are pleased that all these metrics, along with key operational metrics, including orders (up 56% to 6.4 million) are in line or ahead of plan in a period of significant transition.

Over the First Half, we:

- appointed a new country manager, Alistair Venn (formerly CEO of Groupon Australia), who started in late May;
- strengthened the broader management team with a mix of internal transfers and external hires;
- undertook a major review and relaunch in May of the Menulog brand;
- migrated the Menulog platform onto Amazon Web Services to give longer term stability and scalability; and
- supported the ACCC (Australian competition authority) in their ongoing review of our sector.

Established markets
This segment comprises seven territories with a range of revenue growth rates but representing similar relative maturity and market positions. Canada is the only loss-making country within this segment, being at a slightly earlier stage of market development. Specific items of note within this segment include:

The Danish core business achieved First Half revenue growth of 12% at a uEBITDA margin of 47% and has now returned to monthly year on year order growth after the commission changes pushed through in mid-2015.

In France, we have been investing heavily to grow our business outside of Paris. Parisian order growth is in line with Group like-for-like rates, whereas outside of the capital, order growth was almost twice as strong. We will continue to drive profitable French growth in the second half.

Segmental margins improved to 17% (H1 2015: 16%), a significant improvement on full year 2015 margins of 11%. For 2016 as a whole, we anticipate margins within this segment remaining at a similar level to that achieved in the First Half, driven by improved margins in countries such as Ireland and Switzerland.

The Benelux business is the Group's only number-two market position. It generated £1.8 million of revenues and a small uEBITDA profit in the First Half, with relatively low year-on-year order growth.

Developing markets
This segment consists of our high potential, but earlier stage markets of Spain, Italy and Mexico. Our businesses in each of these geographies are now the clear market leader following the acquisition of our nearest competitors during the First Half. The integration in Mexico is complete and those in the much larger and more complex Spanish and Italian businesses are progressing ahead of plan with both our core and acquired businesses trading very well. This strong progress means that we now expect the 2016 uEBITDA benefit from the acquisitions to slightly exceed the original £2 million communicated and we remain on target to deliver at least £10 million uplift in 2018 and beyond.

Orders grew 164% over the First Half, whilst revenues were up 203% on a forex neutral basis, up 220% to £11.2 million on a reported basis (H1 2015: £3.5 million).

This segment continues to receive significant investment relative to its current size. Underlying EBITDA losses reduced to £7.1 million (H1 2015: £7.6 million loss) and uEBITDA margin (losses) again improved year-on-year. We will continue to invest in Spain, Italy and Mexico in the second half of 2016 and beyond, targeting breakeven for this segment during 2018. Given their continued excellent order growth, Spain and Italy both have the potential to be significant contributors to Group revenues and profitability over the medium term with Mexico an early stage, longer term opportunity.

Share of results from associates
IF-JE, our Brazilian associate, is the clear market leader in its home market and is now processing over 1.7 million orders per month, and grew 157% year-on-year in the First Half, generating £9.9 million of revenues and for the first time was marginally profitable. We have a 30% shareholding in what is becoming a highly valuable business. The local team is undertaking controlled expansion into Colombia and Argentina, leveraging their platform and local knowledge. In addition, as recently announced, the Brazilian iFood team are now responsible for day-to-day management as important minority shareholders in JUST EAT Mexico.

Head Office costs
Head Office/central costs increased to £5.3 million (H1 2015: £3.9 million), slower than the growth of the business as a whole. We made a number of important senior hires, developed our existing teams, and completed significant M&A. Under the leadership of our new CPTO, we are making further important investment in product and technology; costs which are predominantly expensed as incurred. Most technology costs and a portion of Head Office costs are recharged to the Group's operational businesses such that segmental uEBITDA includes all appropriate costs. Specific, identifiable development costs totalling £3.4 million were capitalised (H1 2015: £0.5 million).

Overall Group results
In the first six months, consolidated Group uEBITDA increased by 107% to £53.4 million (H1 2015: £25.8 million), giving a Group uEBITDA margin of 31% (H1 2015: 24%), slightly higher than is anticipated for the full year due to the phasing of spend in a number of key areas.

Operating profit increased to £34.4 million from £13.6 million in the same period last year.

Underlying EBITDA and operating profit differ due to three material items: depreciation and amortisation, long-term employee incentive costs and exceptional items.

Depreciation and amortisation was £11.6 million (H1 2015: £4.3 million) of which £7.1 million was acquired amortisation (H1 2015: £2.0 million). This has increased primarily as a result of the intangible assets recognised as part of the Menulog acquisition in June 2015 and the four acquisitions completed in the current period. Depreciation and amortisation is expected to rise to approximately £24 million by the end of the year (full year 2015: £14.8 million).

Long-term employee incentive costs were £1.7 million (H1 2015: £1.7 million) which primarily relate to share awards granted to employees, which are recognised over the vesting period of the awards.

Exceptional items were £5.9 million (H1 2015: £5.5 million) which primarily relate to M&A transaction and acquisition integration costs. M&A transaction costs include legal, third party due diligence and other third party costs incurred as a result of the Group's acquisitions, disposals and aborted transactions. The acquisition integration costs relate to the integration into the Group of Menulog and the four businesses acquired from Rocket Internet. They include the costs of running two offices and platforms during employee consultation processes, redundancy costs, lease termination costs and related advisors fees. In addition, they include the cost of recruiting the new Menulog senior management team and advisors' costs in respect of litigation and other matters that pre-dated the Menulog acquisition.

Profit before tax
Profit before tax for the period was £33.8 million (H1 2015: £14.0 million), up 141% demonstrating the continued flow through from operating profits.

Taxation
The income tax expense was recognised based on management's best estimate of the annual income tax rate expected for each jurisdiction for the full financial year, applied to profit before tax for the interim period, jurisdiction by jurisdiction. On this basis, the Group's tax charge was £9.1 million (H1 2015: £4.6 million). The Adjusted Effective Tax Rate, after adjusting for the impact of long-term employee incentive costs, exceptional items, foreign exchange gains and losses, "other gains and losses", amortisation of acquired intangibles and their associated tax impact, was 23.5% (H1 2015: 25.1%). The Effective Tax Rate, based on PBT, was 26.9% (H1 2015: 32.9%).

Profit after tax
Profit after tax was £24.7 million, up 163% from £9.4 million in the same period last year.

Earnings per share
Basic earnings per share for the period were 3.7p (H1 2015: 1.7p) and adjusted basic earnings per share for the period were 5.6p (H1 2015: 3.1p).

Cash Flow and Balance Sheet

The Group continued its high level of cash conversion, benefiting from collecting the gross order value ahead of making net payments to its restaurant partners. Since 1 April 2016, settlement with UK restaurants has been made weekly, which historically was made twice a month. Cash generated from operations was £47.8 million in the First Half (H1 2015: £26.5 million). When compared with uEBITDA, and using a more conservative basis that excludes movements in amounts due to restaurants, this represents a conversion of 97% of earnings to cash (H1 2015: 88%). The Group also continues to benefit from a low level of ongoing operational capital expenditure.

The Group has £1.1 million borrowings on its balance sheet at 30 June 2016 (30 June 2015: £0.2 million), all of which was acquired in recent M&A. JUST EAT has a £90 million Revolving Credit Facility providing funding flexibility which remains undrawn.

The key movements of note in the balance sheet since 31 December 2015 include:

- a number of balances were impacted by the acquisition of four businesses in the First Half (net cash consideration £98.6 million); and
- an increase in the Group's net assets as a result of foreign exchange movements due to the weaker sterling.

Dividend and Dividend Policy

No dividends were declared during the First Half (H1 2015: nil), as the Company intends to retain any earnings to expand the growth and development of the business. The Board does not anticipate paying dividends in the foreseeable future.

Related Party Transactions

Related party transactions are disclosed in note 13 to the Interim Financial Statements. The only material related party transactions relate to the loans issued to certain employees and Directors in relation to the Joint Share Option Plan ("JSOP") in February 2014.

Principal Risks and Uncertainties

The principal risks and uncertainties set out in the last annual report remain valid at the date of this report. In summary, these include:

- the competitive position of the Group;
- challenges in growing and scaling the business;
- changes in regulation and legislation;
- loss of the Group's culture;
- high dependency on technology and advanced information systems; and
- the risk of online security breaches and disruptions to operations due to hacking, viruses, fraud and malicious attack.

The Group is required to value acquired intangible assets, share-based payments, financial instruments and apply judgement to impairing assets, revenue recognition, deferred tax and taxation. A more detailed description of these estimations and uncertainties are included in the 2015 Annual Report, which can be obtained from the Company's registered office or from the Company's website www.just-eat.com.

Increased Macro-economic Uncertainty

We are an increasingly international business with 36% of Group revenues being in currencies other than sterling. Should current post-Brexit GBP weakness continue, our reported sterling revenues would be higher. For 2016 as a whole, our international businesses are expected to generate a small net uEBITDA profit; therefore any foreign exchange impact should be limited.

With regard to the impact of increased economic uncertainty in the UK, our experience in multiple countries suggests that our growth is typically unaffected as, in such an environment, overall consumer demand for online takeaway food continues.

Going Concern

As stated in note 2 to the Interim Financial Statements, the Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Interim Financial Statements.

Cautionary Statement

This report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The Interim Management Report should not be relied on by any other party or for any other purpose.

In making this report, the Company is not seeking to encourage any investor to either buy or sell shares in the Company. Any investor in any doubt about what action to take is recommended to seek financial advice from an independent financial advisor authorised by the Financial Services and Markets Act 2000.

Directors' Responsibility Statement

The Directors confirm that, to the best of their knowledge:

- the Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting;
- the Interim Management Report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the Interim Management Report includes a fair review of the information required by DTR 4.2.8R (disclosure of relates parties' transactions and changes therein).

David Buttress
Chief Executive Officer
27 July 2016

Mike Wroe
Chief Financial Officer
27 July 2016

Condensed Consolidated Income Statement
For the six months ended 30 June 2016

	Note	Six months ended 30 June 2016 Unaudited £m	Six months ended 30 June 2015 Unaudited £m	Year ended 31 December 2015 Audited £m
Continuing operations				
Revenues	3	**171.6**	107.8	247.6
Cost of sales		**(15.7)**	(9.9)	(24.2)
Gross profit		**155.9**	97.9	223.4
Long-term employee incentive costs	4	**(1.7)**	(1.7)	(2.9)
Exceptional items	5	**(5.9)**	(5.5)	(6.6)
Other administrative expenses		**(113.7)**	(75.8)	(176.2)
Total administrative expenses		**(121.3)**	(83.0)	(185.7)
Share of results of associate (iFood)		**(0.2)**	(1.3)	(2.2)
Operating profit		**34.4**	13.6	35.5
Other gains and losses	6	**(0.7)**	0.4	(0.7)
Net finance income	3	**0.1**	-	(0.2)
Profit before tax		**33.8**	14.0	34.6
Taxation	7	**(9.1)**	(4.6)	(11.6)
Profit for the period		**24.7**	9.4	23.0
Attributable to:				
Owners of the Company		**24.7**	9.4	23.1
Non-controlling interests		**-**	-	(0.1)
		24.7	9.4	23.0
Earnings per Ordinary Share (p)	8			
Basic		**3.7**	1.7	3.8
Diluted		**3.6**	1.6	3.7
Adjusted earnings per Ordinary Share (p)	8			
Basic		**5.6**	3.1	6.6
Diluted		**5.5**	3.0	6.4
Underlying EBITDA				
Operating profit		**34.4**	13.6	35.5
Depreciation and amortisation	3	**11.6**	4.3	14.8
Long-term employee incentive costs	4	**1.7**	1.7	2.9
Exceptional items	5	**5.9**	5.5	6.6
Foreign exchange gains and losses		**(0.2)**	0.7	(0.1)
Underlying EBITDA	3	**53.4**	25.8	59.7

Underlying EBITDA is the main measure of profitability used by management to assess the performance of the Group's businesses. It is defined as earnings before finance income and costs, taxation, depreciation and amortisation ("EBITDA") and additionally excludes the Group's share of depreciation and amortisation of its associated undertaking (iFood), long-term employee incentive costs, exceptional items, foreign exchange gains and losses and "other gains and losses".

Condensed Consolidated Statement of Other Comprehensive Income
For the six months ended 30 June 2016

	Six months ended 30 June 2016 Unaudited £m	Six months ended 30 June 2015 Unaudited £m	Year ended 31 December 2015 Audited £m
Profit for the period	**24.7**	9.4	23.0
Items that may be classified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	**80.1**	(16.3)	(11.3)
Exchange differences on translation of foreign operations reclassified to income statement	**-**	(0.1)	(0.1)
Fair value adjustment on available for sale financial asset	**-**	0.1	-
Fair value gains/(losses) arising on cash flow hedges	**2.2**	(6.2)	(6.2)
Tax related to fair value (gains)/losses on cash flow hedges	**(0.5)**	-	1.2
Fair value (gains)/losses on cash flow hedges reclassified to goodwill	**(1.9)**	6.2	6.2
Tax related to fair value losses/(gains) on cash flow hedges reclassified to goodwill	**0.5**	-	(1.2)
Items that will not be reclassified subsequently to profit or loss:			
Tax on share options	**-**	1.0	-
Other comprehensive income/(loss) for the period	**80.4**	(15.3)	(11.4)
Total comprehensive income/(loss) for the period	**105.1**	(5.9)	11.6
Attributable to:			
Owners of the Company	**105.0**	(5.9)	11.7
Non-controlling interests	**0.1**	-	(0.1)
	105.1	(5.9)	11.6

Condensed Consolidated Balance Sheet
As at 30 June 2016

	Note	30 June 2016 Unaudited £m	30 June 2015 Unaudited £m	31 December 2015 Audited £m
Non-current assets				
Goodwill	9	**612.2**	446.6	457.1
Other intangible assets		**85.8**	72.5	72.6
Property, plant and equipment		**10.3**	7.7	8.6
Investment in associates		**24.0**	19.0	16.6
Other investments		**0.3**	0.3	0.1
Deferred tax assets		**10.5**	4.0	6.5
		743.1	550.1	561.5
Current assets				
Operating cash		**96.5**	127.0	148.9
Cash to be paid to restaurant partners		**39.9**	31.6	43.8
Cash and cash equivalents		**136.4**	158.6	192.7
Inventories		**1.1**	1.0	1.2
Trade and other receivables		**14.0**	15.2	10.5
Current tax assets		**1.0**	-	0.3
Other financial assets		**0.3**	-	-
Assets classified as held for sale		**2.2**	-	-
		155.0	174.8	204.7
Total assets		**898.1**	724.9	766.2
Current liabilities				
Trade and other payables		**(107.4)**	(77.4)	(99.4)
Current tax liabilities		**(17.9)**	(3.5)	(6.0)
Deferred revenue		**(3.5)**	(4.0)	(3.7)
Provisions for liabilities		**(1.1)**	(5.0)	(0.3)
Borrowings		**(1.1)**	(0.2)	-
		(131.0)	(90.1)	(109.4)
Net current assets		**24.0**	84.7	95.3
Non-current liabilities				
Deferred tax liabilities		**(22.6)**	(20.9)	(19.9)
Deferred revenue		**(1.1)**	(1.2)	(1.1)
Provisions for liabilities		**(9.9)**	(8.3)	(9.3)
Other long-term liabilities		**(0.6)**	(0.4)	(0.6)
		(34.2)	(30.8)	(30.9)
Total liabilities		**(165.2)**	(120.9)	(140.3)
Net assets		**732.9**	604.0	625.9
Equity				
Share capital		**6.8**	6.7	6.8
Share premium account		**555.7**	555.3	555.5
Translation reserve		**69.0**	(15.9)	(11.0)
Other reserves		**(6.0)**	(6.4)	(6.4)
Retained earnings		**106.9**	63.9	80.6
Equity attributable to owners of the Company		**732.4**	603.6	625.5
Non-controlling interest		**0.5**	0.4	0.4
Total equity		**732.9**	604.0	625.9

Condensed Consolidated Statement of Changes in Equity
Six months ended 30 June 2016

	Share capital	Share premium account	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2016 (audited)	6.8	555.5	(11.0)	(6.4)	80.6	625.5	0.4	625.9
Profit for the period	-	-	-	-	24.7	24.7	-	24.7
Exchange differences on translation of foreign operations	-	-	80.0	-	-	80.0	0.1	80.1
Fair value gain arising on cash flow hedge	-	-	-	2.2	-	2.2	-	2.2
Tax related to fair value gain on cash flow hedge	-	-	-	(0.5)	-	(0.5)	-	(0.5)
Fair value gain on cash flow hedge reclassified to goodwill	-	-	-	(1.9)	-	(1.9)	-	(1.9)
Tax related to fair value gain on cash flow hedge reclassified to goodwill	-	-	-	0.5	-	0.5	-	0.5
Total comprehensive income for the period	-	-	80.0	0.3	24.7	105.0	0.1	105.1
Issue of capital (net of costs)	-	0.2	-	-	-	0.2	-	0.2
Share based payment charge	-	-	-	-	1.7	1.7	-	1.7
Exercise of JSOPs	-	-	-	0.1	-	0.1	-	0.1
Tax on share options	-	-	-	-	(0.1)	(0.1)	-	(0.1)
At 30 June 2016 (unaudited)	**6.8**	**555.7**	**69.0**	**(6.0)**	**106.9**	**732.4**	**0.5**	**732.9**

Condensed Consolidated Statement of Changes in Equity
Year ended 31 December 2015

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
At 1 January 2015 (audited)	5.7	120.5	0.4	(6.7)	63.1	183.0	0.8	183.8
Profit for the period	-	-	-	-	9.4	9.4	-	9.4
Exchange differences on translation of foreign operations	-	-	(16.3)	-	-	(16.3)	-	(16.3)
Exchange differences on translation of foreign operations reclassified to income statement	-	-	(0.1)	-	-	(0.1)	-	(0.1)
Fair value adjustment on available for sale financial asset	-	-	-	0.1	-	0.1	-	0.1
Fair value losses arising on cash flow hedges	-	-	-	(6.2)	-	(6.2)	-	(6.2)
Fair value losses on cash flow hedges reclassified to goodwill	-	-	-	6.2	-	6.2	-	6.2
Tax on share options	-	-	-	-	1.0	1.0	-	1.0
Total comprehensive (loss)/income for the period	-	-	(16.4)	0.1	10.4	(5.9)	-	(5.9)
Issue of capital (net of costs)	1.0	434.8	-	-	-	435.8	-	435.8
Share based payment charge	-	-	-	-	1.4	1.4	-	1.4
Treasury shares	-	-	-	(0.2)	-	(0.2)	-	(0.2)
NCI foreign exchange movements	-	-	0.1	-	-	0.1	(0.1)	-
Acquisition of minority interest in Eat.ch	-	-	-	-	(11.0)	(11.0)	(0.3)	(11.3)
Exercise of JSOPs	-	-	-	0.4	-	0.4	-	0.4
At 30 June 2015 (unaudited)	6.7	555.3	(15.9)	(6.4)	63.9	603.6	0.4	604.0
Profit for the period	-	-	-	-	13.7	13.7	(0.1)	13.6
Exchange differences on translation of foreign operations	-	-	5.0	-	-	5.0	-	5.0
Fair value adjustment on available for sale financial asset	-	-	-	(0.1)	-	(0.1)	-	(0.1)
Income tax related to fair value losses on cash flow hedges	-	-	-	1.2	-	1.2	-	1.2
Income tax related to fair value losses on cash flow hedges reclassified to goodwill	-	-	-	(1.2)	-	(1.2)	-	(1.2)
Tax on share options	-	-	-	-	(1.0)	(1.0)	-	(1.0)
Total comprehensive income/(loss) for the period	-	-	5.0	(0.1)	12.7	17.6	(0.1)	17.5
Tax on share options	-	-	-	-	2.8	2.8	-	2.8
Issue of capital (net of costs)	0.1	(0.3)	-	-	-	(0.2)	-	(0.2)
Exercise of share options	-	0.5	-	-	-	0.5	-	0.5
Share based payment charge	-	-	-	-	1.2	1.2	-	1.2
Treasury shares	-	-	-	0.1	-	0.1	-	0.1
NCI foreign exchange movements	-	-	(0.1)	-	-	(0.1)	0.1	-
31 December 2015 (audited)	6.8	555.5	(11.0)	(6.4)	80.6	625.5	0.4	625.9

Condensed Consolidated Cash Flow Statement
For the six months ended 30 June 2016

	Note	Six months ended 30 June 2016 Unaudited £m	Six months ended 30 June 2015 Unaudited £m	Year ended 31 December 2015 Audited £m
Net cash inflow from operating activities	11	**47.8**	26.5	74.2
Investing activities				
Interest received		**0.3**	0.2	0.4
Funding provided to associate (iFood)		**(1.8)**	-	(2.5)
Net cash outflow on increase in shareholdings in associate		**(2.1)**	(4.4)	(3.4)
Net cash outflow on acquisition of businesses	10	**(98.0)**	(440.4)	(448.4)
Net cash outflow on financial instruments		**-**	(3.9)	(3.9)
Cash inflow on disposal of investment in associate		**-**	-	3.1
Purchases of property, plant and equipment		**(4.3)**	(2.4)	(5.8)
Purchases of intangible assets		**(4.3)**	(1.0)	(4.8)
Other net cash outflows		**-**	(0.4)	(0.2)
Net cash used in investing activities		**(110.2)**	(452.3)	(465.5)
Financing activities				
Net proceeds from placing and open offer		**-**	436.4	435.6
Proceeds arising on exercise of options and warrants		**0.2**	0.3	0.5
Proceeds from sale of shares by the employee benefit trust		**1.4**	0.4	0.6
Net cash outflow on acquisition of minority interest		**(0.2)**	(11.3)	(11.3)
Movement on borrowings		**-**	-	(0.3)
Net cash from financing activities		**1.4**	425.8	425.1
Net (decrease)/increase in cash and cash equivalents		**(61.0)**	-	33.8
Cash and cash equivalents at beginning of the period		**192.7**	164.1	164.1
Effect of foreign exchange rate changes		**4.7**	(5.7)	(5.2)
Cash and cash equivalents at end of the period		**136.4**	158.4	192.7

Notes to the Interim Financial Statements

1. General information

The Directors of JUST EAT plc (the "Company") present their interim report and the unaudited condensed consolidated financial statements for the six months ended 30 June 2016 ("Interim Financial Statements").

The Company is a public limited company, incorporated and domiciled in the UK. Its registered address is Masters House, 107 Hammersmith Road, London, W14 0QH.

The Interim Financial Statements have been reviewed, but not audited, by Deloitte LLP and were approved by the Board of Directors on 27 July 2016.

The information for the six months ended 30 June 2016 does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The Interim Financial Statements should be read in conjunction with the Annual Report and Financial Statements, for the year ended 31 December 2015, which were prepared in accordance with European Union endorsed International Financial Reporting Standards ("IFRS") and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Annual Report and Financial Statements for the year ended 31 December 2015 were approved by the Board of Directors on 29 February 2016 and delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498(2) or (3) of the Companies Act 2006.

2. Basis of preparation

The Interim Financial Statements have been prepared in accordance with IAS 34, 'Interim Financial Reporting' as endorsed by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

The Interim Financial Statements are presented in sterling, rounded to the nearest £0.1 million, unless otherwise stated. They were prepared under the historical cost convention, except for assets and liabilities acquired as part of a business combination, deferred contingent consideration and provisions for social security costs on the exercise of options by employees, which were measured at fair value.

Going concern

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Interim Financial Statements.

Accounting policies

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2015.

3. Segmental analysis

Historically the Group reported its results under three operating segments: the UK, Denmark and Other. The UK and Danish operations were shown separately as they were, and remain, our most established markets in terms of market penetration and profitability. The Other segment contained all other controlled businesses, regardless of the stage of growth and development. Some markets were profitable, while others were at an earlier stage requiring significant investment.

From December 2015, the Group reports four operating segments: the UK, Australia & New Zealand, Established markets and Developing markets. Established markets comprise Benelux, Canada, Denmark, France, Ireland, Norway and Switzerland. Developing markets comprise Italy, Mexico and Spain. This presentational change is designed to better align the Group's businesses by their stage of development and give greater transparency to our shareholders and users of the accounts.

Each segment includes businesses with similar operating and marketing characteristics. Underlying EBITDA is the main measure of profit used by the Chief Operating Decision Maker ("CODM") to assess and manage performance. The CODM is David Buttress, the Group's Chief Executive Officer. Underlying EBITDA is based on EBITDA (defined as earnings before finance income and costs, taxation, depreciation and amortisation) and additionally excludes the Group's share of depreciation and amortisation of its associated undertaking (iFood), long-term employee incentive costs, exceptional items, foreign exchange gains and losses and "other gains and losses". At a segmental level, uEBITDA also excludes intra-group franchise fee arrangements and incorporates an allocation of Group technology central costs (both of which net out on a consolidated level).

	Six months ended 30 June 2016	Six months ended 30 June 2015 restated	Year ended 31 December 2015
Segment revenues:	**£m**	**£m**	**£m**
United Kingdom	**111.5**	77.7	171.2
Less inter-segment sales	**(1.0)**	(0.8)	(1.6)
United Kingdom	**110.5**	76.9	169.6
Australia & New Zealand	**14.7**	0.9	12.4
Established markets	**35.1**	26.4	55.8
Developing markets	**11.2**	3.5	9.5
Head Office	**0.1**	0.1	0.3
Revenues for the period	**171.6**	107.8	247.6

Prior to the change in operating segments, in the second half of 2015, the businesses now comprising the Established markets and Developing markets operating segments were reported as Denmark (core business) and Other. For the six months ended 30 June 2016, the segmental revenues for Denmark (core business) were £7.4 million (six months ended 30 June 2015: £6.7 million; year ended 31 December 2015: £13.2 million) and its uEBITDA was £3.5 million (six months ended 30 June 2015: £2.7 million; year ended 31 December 2015: £5.4 million). For the six months ended 30 June 2016, the Other segment's revenues were £38.9 million (six months ended 30 June 2015: £23.2 million; year ended 31 December 2015: £52.1 million) and its uEBITDA was a loss of £5.0 million (six months ended 30 June 2015: loss of £6.1 million; year ended 31 December 2015: loss of £12.9 million).

	Note	Six months ended 30 June 2016 £m	Six months ended 30 June 2015 restated £m	Year ended 31 December 2015 £m
Segment Underlying EBITDA and result:				
United Kingdom		**57.7**	34.2	77.6
Australia & New Zealand		**2.3**	0.1	1.0
Established markets		**5.8**	4.1	6.4
Developing markets		**(7.1)**	(7.6)	(13.9)
Total segment Underlying EBITDA		**58.7**	30.8	71.1
Share of results of associate - iFood (excluding depreciation and amortisation)		**-**	(1.1)	(1.9)
Head Office costs		**(5.3)**	(3.9)	(9.5)
Underlying EBITDA		**53.4**	25.8	59.7
Long-term employee incentive costs	4	**(1.7)**	(1.7)	(2.9)
Exceptional items	5	**(5.9)**	(5.5)	(6.6)
Foreign exchange gains and losses		**0.2**	(0.7)	0.1
EBITDA		**46.0**	17.9	50.3
Depreciation - Subsidiaries		**(3.0)**	(1.9)	(4.2)
Amortisation - Acquired intangible assets		**(7.1)**	(1.8)	(8.6)
Amortisation - Other intangible assets		**(1.3)**	(0.4)	(1.7)
Depreciation and amortisation - Associate (iFood)		**(0.2)**	(0.2)	(0.3)
Operating profit		**34.4**	13.6	35.5
Other gains and losses	6	**(0.7)**	0.4	(0.7)
Finance income		**0.3**	0.2	0.4
Finance costs		**(0.2)**	(0.2)	(0.6)
Profit before tax		**33.8**	14.0	34.6

	Additions of non-current assets			**Depreciation and amortisation**		
	Six months ended 30 June 2016 £m	**Six months ended 30 June 2015 restated £m**	**Year ended 31 December 2015 £m**	**Six months ended 30 June 2016 £m**	**Six months ended 30 June 2015 restated £m**	**Year ended 31 December 2015 £m**
United Kingdom	**0.3**	1.2	3.3	**1.8**	1.6	3.7
Australia & New Zealand	**0.2**	452.3	452.4	**4.7**	0.3	5.0
Established markets	**0.3**	0.3	8.0	**1.9**	1.2	2.6
Developing markets	**96.5**	22.4	23.0	**1.6**	0.5	1.1
Head Office	**4.9**	1.1	6.6	**1.4**	0.5	2.1
Total	**102.2**	477.3	493.3	**11.4**	4.1	14.5

The non-current asset additions represent additions of goodwill, other intangible assets and property, plant and equipment.

4. Long-term employee incentive costs

During the six months ended 30 June 2016, the Group recognised a charge in respect of long-term employee incentive costs of £1.7 million (half year ended 30 June 2015: £1.7 million; year ended 31 December 2015: £2.9 million). This charge was in respect of the Group's share-based long-term incentive plans and related employer's national insurance (or local equivalent). During the First Half, the Company granted awards over 1,496,000 shares under the Group's long-term employee incentive plans (six months to 30 June 2015: 978,000).

5. Exceptional items

	Six months ended 30 June		Year ended 31 December
	2016	**2015**	**2015**
	£m	**£m**	**£m**
M&A transaction costs	**1.4**	5.5	6.6
Acquisition integration costs	**4.5**	-	-
Total exceptional items	**5.9**	5.5	6.6

M&A transaction costs relate to legal, third party due diligence and other third party costs incurred as a result of the Group's acquisitions, disposals and aborted transactions.

The acquisition integration costs relate to the integration into the Group of Menulog and the four businesses acquired from Rocket Internet. They include the costs of running two offices and platforms during employee consultation processes, redundancy costs, lease termination costs and related advisors fees. In addition, they include the cost of recruiting the new Menulog senior management team and advisors' costs in respect of litigation and other matters that pre-dated the Group's acquisition of Menulog in June 2015.

6. Other gains and losses

	Six months ended 30 June		Year ended 31 December
	2016	**2015**	**2015**
	£m	**£m**	**£m**
Gain on disposal of Achindra Online Marketing Private Limited	**-**	2.9	3.0
Fair value gain on convertible debt	**-**	0.3	0.2
Losses on financial instruments	**-**	(3.9)	(3.9)
Movements in minority shareholder buy-out liabilities	**(0.7)**	1.1	(0.2)
Other gains	**-**	-	0.2
Net other (losses)/gains	**(0.7)**	0.4	(0.7)

The Group is committed to the future acquisition of the minority shareholdings of its subsidiaries. The estimated liabilities for these commitments increased by £0.7 million during the period (six months ended 30 June 2015: decreased £1.1 million), due to the impact of foreign exchange movements partially offset by a reduction in the estimated liability.

In the prior year, a £3.9 million loss was recognised on a foreign exchange option taken out to hedge the sterling amount of the Menulog acquisition consideration, which was payable in Australian dollars.

In January 2015 the Group recognised a gain of £2.9 million on the sale of its shares in Achindra Online Marketing Private Limited, the Group's Indian associated undertaking, to foodpanda.

7. Taxation

	Six months ended 30 June		Year ended 31 December
	2016	**2015**	**2015**
	£m	**£m**	**£m**
Current tax			
Current period	**13.8**	5.2	15.8
Adjustment for prior years	**-**	-	0.1
	13.8	5.2	15.9
Deferred tax			
Temporary timing differences	**(4.7)**	(0.6)	(4.4)
Adjustment for prior years	**-**	-	0.1
Total tax charge for the period	**9.1**	4.6	11.6

The income tax expense was recognised based on management's best estimate of the annual income tax rate expected for each jurisdiction for the full financial year, applied to the profit before tax for the six months ended 30 June 2016, on a jurisdiction by jurisdiction basis. The effective tax rate on profit before tax was 24.3% (six months ended 30 June 2015: 32.9%; year ended 31 December 2015: 33.5%). The effective tax rate on underlying profits (i.e. profits before adjusting items) for the half year ended 30 June 2016 was 23.5% (six months ended 30 June 2015: 25.1%; year ended 31 December 2015: 24.8%). The adjusting items comprise long-term employee incentive costs, exceptional items, foreign exchange gains and losses, "other gains and losses", amortisation in respect of acquired intangible assets and their associated tax impact.

The net deferred tax liability recognised at 30 June 2016 was £12.1 million (30 June 2015: £16.9 million deferred tax liability; 31 December 2015: £13.4 million deferred tax liability). This comprised deferred tax assets relating primarily to equity settled shared-based incentives and tax losses recognised on consolidation totalling £10.5 million (30 June 2015: £4.0 million; 31 December 2015: £6.5 million) and a deferred tax liability primarily arising on acquired intangibles totalling £22.6 million (30 June 2015: £20.9 million; 31 December 2015: £19.9 million).

At 30 June 2016 there was a net unrecognised deferred tax asset of £21.9 million (30 June 2015: £5.2 million; 31 December 2015: £6.3 million) primarily relating to unrecognised tax losses.

8. Earnings per share

Basic earnings per share was calculated by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period, excluding unvested shares held pursuant to the Group's Joint Share Ownership Plan ("JSOP") and Share Incentive Plan ("SIP").

Diluted earnings per share was calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive shares. The Group had potentially dilutive shares in the form of share options and awards, and unvested shares held pursuant to the Group's JSOP and SIP.

Adjusted earnings per share is the main measure of earnings per share used by the Group and is calculated using statutory profit attributable to the holders of Ordinary shares in the parent, which is defined as profit attributable to the holders of Ordinary shares in the parent before long-term employee incentive costs, exceptional items, "other gains and losses", foreign exchange gains and losses, amortisation of acquired intangible assets and the tax impact of the adjusting items.

Basic and diluted earnings per share have been calculated as follows:

	Six months ended 30 June		Year ended 31 December
	2016	**2015**	**2015**
	£m	**£m**	**£m**
Profit attributable to the holders of Ordinary shares in the parent	**24.7**	9.4	23.1
Long-term employee incentive costs	**1.7**	1.7	2.9
Exceptional items	**5.9**	5.5	6.6
Other gains and losses	**0.7**	(0.4)	0.7
Foreign exchange gains and losses	**(0.2)**	0.7	(0.1)
Amortisation in respect of acquired intangible assets (including associate)	**7.3**	2.0	8.9
Tax impact of the adjusting items	**(2.4)**	(1.3)	(1.7)
Adjusted profit attributable to the holders of Ordinary shares in the parent	**37.7**	17.6	40.4

	Number of shares ('000)		
	Six months ended 30 June		Year ended 31 December
	2016	**2015**	**2015**
Weighted average number of Ordinary shares for basic earnings per share	**673,625**	568,913	616,111
Effect of dilution:			
- Share options and awards	**5,095**	6,864	5,970
- Unvested JSOP and SIP shares	**7,354**	10,311	9,602
Weighted average number of Ordinary shares adjusted for the effect of dilution	**686,074**	586,088	631,683
Earnings per Ordinary share	**Pence**	**Pence**	**Pence**
Basic	**3.7**	1.7	3.8
Diluted	**3.6**	1.6	3.7
Adjusted earnings per Ordinary share			
Basic	**5.6**	3.1	6.6
Diluted	**5.5**	3.0	6.4

9. Goodwill

	Total £m
Carrying amount as at 1 January 2015	51.2
Recognised on acquisition of subsidiaries	410.4
Foreign exchange losses	(15.0)
As at 30 June 2015	446.6
Recognised on acquisition of subsidiaries	4.9
Foreign exchange gains	5.6
As at 31 December 2015	457.1
Recognised on acquisition of subsidiaries (note 10)	88.7
Foreign exchange gains	66.4
As at 30 June 2016	**612.2**

Goodwill in respect of previous acquisitions
Note 14 to the Group's financial statements for the year ended 31 December 2015 included the following statement: "With the exception of the Australia & New Zealand and the Mexican cash generating units ("CGU"), no reasonably expected change in the key assumptions used in the value-in-use calculations would give rise to an impairment charge". Whilst the Group's annual impairment review will not be undertaken until later in the year, the Directors continue to believe that reasonable changes in the key assumptions used in the value in use calculations for the Australia & New Zealand and the Mexican CGU could give rise to impairment charges.

10. Acquisition of businesses

On 5 February 2016 the Group agreed to acquire the entire share capital of La Nevera Roja, Pizzabo, Hellofood Mexico and Hellofood Brazil for €125.0 million. These businesses are in the digital marketplace for takeaway delivery food in Spain (La Nevera Roja), Italy (Pizzabo), Mexico and Brazil. The acquired businesses are highly complementary to JUST EAT's existing businesses in these important territories and the acquisition is in line with JUST EAT's strategic ambition to be a clear market-leader in the geographies in which it operates, bringing scale, focus and new talent to the local operations. Completion of these acquisitions occurred immediately with the exception of La Nevera Roja which completed on 4 April 2016, following the receipt of approval from the local competition authority, the Comisión Nacional de los Mercados y la Competencia.

	Total £m
Provisional fair values of net assets acquired*	
Intangible assets - Restaurant contracts	**7.0**
Deferred tax liabilities in respect of the intangible assets	**(1.7)**
Deferred tax asset in respect of losses	**1.6**
Borrowings	**(1.0)**
Other net current assets	**0.5**
Fair value losses on cash flow hedges reclassified from other comprehensive income	**1.9**
Income tax related to fair value gains on cash flow hedges	**(0.5)**
Asset classified as held for sale	**2.1**
	9.9
Goodwill	**88.7**
Total consideration	**98.6**
Satisfied by:	
Cash consideration	**99.4**
Amounts due from sellers	**(0.8)**
	98.6
Net cash outflow arising on acquisition	
Cash consideration	**99.4**
Cash acquired	**(1.8)**
Net cash outflow arising	**97.6**

* The acquisition accounting is provisional as the net working capital adjustment to consideration has yet to be agreed.

** In the period after acquisition, the orders of the acquired businesses were diverted to the relevant Group platforms, from which it was not possible to track separately their results. For this reason it is not possible to disclose the contribution since control was obtained, or their results had the acquisitions completed on 1 January 2016.

Prior to the business combination, the Group agreed in principle to sell Hellofood Brazil to the Group's Brazilian associated undertaking (iFood). The sale completed on 20 July 2016. As a result Hellofood Brazil is included in the 30 June balance sheet as an asset classified as held for sale.

The goodwill arising on the business combination was principally attributable to the future growth of the enlarged business we now have in Italy, Mexico and Spain and iFood now has in Brazil, through expansion of their networks of restaurant partners and the number of orders per restaurant. In addition, the goodwill balances represented the value of the businesses' active consumer bases, assembled workforces and cost saving synergies. None of the acquired goodwill is deductible for tax purposes.

Net cash outflow on acquisition of businesses

The net cash outflow of businesses during the half year ended 30 June 2016 as shown in the table above was £97.6 million. The amount in the Consolidated Cash Flow Statement also includes £0.4 million of deferred consideration paid during the year in respect of the 2015 acquisition of Clicca e Mangia in Italy.

11. Net cash inflow from operating activities

	Six months ended 30 June 2016 £m	Six months ended 30 June 2015 £m	Year ended 31 December 2015 £m
Operating profit for the period	**34.4**	13.6	35.5
Adjustments for:			
Share of loss of associate (iFood)	**0.2**	1.3	2.2
Depreciation of property, plant and equipment	**3.0**	1.9	4.2
Amortisation of intangible assets	**8.4**	2.3	10.3
Non-cash long-term incentive costs	**1.7**	1.5	2.6
Other non-cash items	**0.7**	(1.1)	0.4
Operating cash flows before movements in working capital	**48.4**	19.5	55.2
Decrease/(increase) in inventories	**0.1**	(0.1)	(0.3)
(Increase)/decrease in receivables	**(0.6)**	(0.1)	1.9
Increase in payables	**2.8**	11.1	27.2
(Decrease)/increase in deferred income	**(0.3)**	0.1	(0.4)
Cash generated by operations	**50.4**	30.5	83.6
Income taxes paid	**(2.0)**	(3.1)	(8.2)
Interest paid	**(0.3)**	(0.2)	(0.5)
Facility fees paid	**(0.3)**	(0.7)	(0.7)
Net cash from operating activities	**47.8**	26.5	74.2

12. Financial instruments

In accordance with the Group's existing accounting policy, the Group entered into the following derivative instruments during the period:

La Nevera Roja acquisition

In connection with the acquisition of 100% share capital in La Nevera Roja, the Group entered into a foreign exchange forward contract to mitigate the foreign exchange risk of the agreed consideration. Hedge accounting was adopted with both the foreign exchange forward contract and the Euro denominated funds being jointly held as a cash flow hedge. The net gain of £1.9 million was basis adjusted to the consideration paid for La Nevera Roja (the non-financial hedged item), rather than the income statement.

Foreign exchange forward contracts

The Group entered into eight forward contracts to cover US$7 million of highly probable forecasted operating costs denominated in USD. The Group designated all of the foreign exchange forward contracts as cash flow hedges and at 30 June 2016 has recognised the following:

- the aggregate amount of the gains of the matured US$2 million foreign exchange forward contracts was recognised in the income statement in the same line as the hedged item and totalled less than £0.1 million; and
- a financial asset of £0.3 million has been recognised to reflect the fair value of the US$5 million foreign exchange forward contracts that had yet to mature. This balance is currently held in other reserves and will be released to the income statement when the contracts mature. All of these foreign exchange forward contracts will mature before 31 December 2016.

13. Related-party transactions

On 24 March 2014, prior to the IPO, the Company called all the unpaid subscription amounts, totalling £13.2 million, in respect of certain shares issued under the JSOP. In order to facilitate this, the Company made loans to participants of the JSOP and Appleby Trust (Jersey) Limited totalling £5.3 million and £7.9 million, respectively. The loans provided to the participants of the JSOP included loans to key management personnel totalling £4.9 million.

On 30 June 2016, the amount due from key management personnel in respect of these loans was £1.7 million (30 June 2015: £3.1 million, 31 December 2015 £3.0 million). This included £1.4 million in respect of Directors of the Company (30 June 2015: £2.3 million, 31 December 2015 £2.3 million).

Amounts recognised as long-term incentive costs during the First Half in respect of key management personnel were £0.6 million (half year ended 30 June 2015: £0.9 million; year ended 31 December 2015: £1.5 million).

14. Post balance sheet events

On 20 July 2016, the Group announced that it had completed the sale of its 100% shareholding in Hellofood Brazil and 49% of its stake in its enlarged Mexican business, formed of SinDelantel, acquired in February 2015, and Hellofood Mexico, acquired in February 2016 to IF-JE (the Group's Brazil joint venture). The net cash consideration received by JUST EAT for the transactions was US$11 million. The Group will receive benefit of services provided by local IF-JE management in Mexico. JUST EAT will retain a 51% stake in the enlarged Mexican business.

Independent review report to JUST EAT plc

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 which comprises the income statement, the statement of other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and related notes 1 to 14. 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 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. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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 formed.

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 Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility
Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2016 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom
27 July 2016

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G. Burr
D. Buttress (CEO)
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