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2009 HALF YEAR RESULTS

Rightmove plc, the UK's no. 1 property search website, announces half year results for the six months ended 30 June 2009.

Financial and operational highlights for the six months ended 30 June 2009

- Revenue down 11% to £33.6m (2008: £37.8m)
- Operating costs reduced by 19% to £13.7m (2008: £17.0m)
- Underlying operating profit* down 4% to £19.9m (2008: £20.8m)
- Underlying earnings per share* up 13% to 12.8p (2008: 11.3p)
- Interim dividend maintained at 3.0p per ordinary share (2008: 3.0p)
- Net cash from operating activities increased by 9% to £16.2m (2008: £14.9m)
- Net debt reduced by 58% to £9.9m (2008: £23.3m)
- Page impressions on Rightmove websites up 3% to 3.2bn (2008: 3.1bn)
- Number of advertisers down 13% to 16,874 (2008: 19,301), but up 1% in the six month period since 31 December 2008, and average spend per advertiser up 1% at £305 per month (2008: £301[^])

Ed Williams, Group Managing Director, said:

“Rightmove has proven its worth in tough times. Customer loyalty, coupled with cost management, mean we have been able to weather these housing market conditions with minimal impact on profitability. Our business is already growing again on all major measures whether that is in terms of usage of our website by home hunters, in terms of number of advertisers or in terms of their individual spend with us.”

* Before share-based payments and NI on share-based incentives

[^] H1 2008 ARPA has been restated using the new method adopted at the end of 2008 based on taking the ARPA for the six month period rather than the ARPA for the last month of the period

Half year statement**Strategic position**

Our strategic objectives as we started 2009 were to maintain our market position as the UK's leading property website, to maintain our advertising customer base (in so far as those advertisers themselves remained in the industry), and to defend the value we deliver as compared to alternative forms of property advertising. These objectives appeared to us as key to the future success of the business in the face of the toughest property market conditions in a generation.

At the mid-year our market position is stronger than ever, helped by our "See More" TV campaign and online optimisation of our website which, together with continued investment in leading functionality, have contributed to record levels of site traffic. The advertising customer base has been immensely loyal. We have grown the number of customers since the start of 2009 among estate agents, lettings agents and holiday homes owners. The number of new homes developer customers is unchanged, though individual companies typically have fewer developments to market than six months ago. The value we deliver has enabled us to maintain prices, grow discretionary spend and continue to invest in the business.

Rightmove's share of property advertising spend has grown substantially as advertisers cut back on traditional media.

Financial performance

Revenue decreased by 11% to £33.6m compared to the same period last year, with declines in the number of estate agents in the industry and in the number of developments being marketed accounting for the decline.

However underlying operating profit* decreased by only 4% to £19.9m. The resilience of operating profits reflects the success in reducing costs during the second half of 2008 and the continued focus on costs during this most recent period. Operating costs were down by 19% at £13.7m even though we maintained marketing spend to reinforce our leadership position. As a result, the underlying operating margin for the first half of 2009 was 59.2% compared to 55.1% for the first half of 2008.

Underlying earnings per share* (UEPS) rose 13% to 12.8p compared to 11.3p a year ago. The rise in UEPS was principally due to the increase in the deferred tax asset arising on share-based incentives and the substantial share buy back programme in 2008. The effective tax rate was 28%.

Operating performance

The first six months of 2009 have seen growth in most key metrics compared to the position at the end of 2008. In several of the cases where there has been growth this year (e.g. membership), the figures are down on a year ago as a result of the tough trading conditions in the second half of last year. Therefore we have compared all our key operating metrics with the same period in 2008, except for membership and retention numbers which are a comparison of December 2008 with mid 2009:

- Page impressions on Rightmove websites at 3.2bn for the first half of 2009, up 3% on the same period a year ago
- Market share of page impressions compared to our three largest competitors at 80% (up from 78% a year ago)
- Overall membership since the start of the year up 1% to 16,874:
 - Estate agents up 2% to 9,960
 - Lettings agents up 15% to 3,632
 - New homes developer customers unchanged but the number of developments advertised down 14% to 2,898
 - Overseas homes advertisers down 11% to 384
 - Holiday Lettings adverts up 18% to 33,521
- Higher retention rates among agents at 94% for the first six months (compared to 74% for the whole of 2008), but increased churn rate among new homes developments and overseas homes averaging 9% (2008: 8%) and 13% (2008: 8%) per month respectively
- Revenue from discretionary products of £4.1m compared with £3.7m for the same period a year ago, despite the reduction in advertiser numbers
- Average revenue per advertiser (ARPA) up 1% at £305 per month (2008: £301[^]). However, the significant reduction in the number of new homes developments at the same time as an increase in lettings only agents has depressed the increase. If there had been a constant mix of customer types, ARPA would have been up 5% driven particularly by new homes developers.

Website traffic is up by 3% compared to the first half of 2008 at 3.2bn page impressions. This is an especially strong performance given that the first three months of 2008 saw relatively high levels of activity before a sharp downturn in the market in April 2008. Traffic in 2009 has remained strong in May, June and July at a time when in most previous years we have seen declines compared to the January to March peaks. Monday 10 August 2009 was the busiest day in the nine year history of Rightmove websites with page impressions of 22.6m.

The number of estate agents in the market appears to have stabilised and, as a result of gaining market share, Rightmove has more estate agent members than at the start of the year. There has been strong growth in the number of lettings agents and in the number of estate agents also offering a lettings service helping Rightmove's rapid growth in this area. The threat to the future of house builders appears much reduced as they have managed to generate significant cash inflows from selling properties albeit at lower prices and renegotiating their debt arrangements. However, the low levels of new developments coming to market and a switch among Housing Associations to social rent have resulted in a significant reduction in the number of developments being marketed. Conditions for our overseas homes business have been challenging with the UK seen as a poor potential source of buyers for overseas sellers as a result of the general economic conditions in the UK and the weakness of Sterling. In contrast conditions have been ideal for the growth of our Holiday Lettings business, which has grown revenues by 52% year on year, as holiday-makers trade down to self-catering short-haul holidays and home owners seek higher occupancy rates.

Rightmove Choice products (our upgraded advertising services above and beyond standard property listings) are now used by 39% of our advertisers, with those that take Choice products buying more than two each. Despite a marked decline in the total number of advertisers as compared to a year ago, revenue from Choice products and email campaigns increased by 11% to £4.1m (2008: £3.7m).

Uncertainties, threats and risks

We indicated three main areas of uncertainty or risk to our business in the 2008 annual report, identifying that the business was inevitably exposed to the general uncertainty of the housing market particularly transaction volumes; the threat of new property websites; and Rightmove's ability to capture marketing spend from local newspapers when the property advertising sector recovers.

The gradual but sustained increase in housing transactions, coupled with significant cost reductions within our customers' businesses, probably account for the stability we have seen in agent numbers. There is increasing evidence that the number of new homes developments being marketed has reached the bottom, reflected in our own most recent numbers.

In respect of the competitive landscape, the first half of 2009 saw the exit from the UK market of Real Estate Australia (the Australian market leader owned by News Corporation) as it wound down Property Finder. The supposed threat of new entrants has not materialised. Rightmove's market share of the top four UK property websites by pages viewed increased in the period to 80% (2008: 78%), a historically very high level.

Local newspaper groups' own reported results for property advertising bring home the scale to which advertisers have cut spend in tough market conditions. Increased sales of Choice products at a time when newspapers are still experiencing declines in property advertising is an encouraging early sign. Rightmove's biggest challenge and opportunity is now to increase our customers' spend with us whether on our existing product set or new products we will be introducing as the housing market recovers.

Cash flow and net debt

In April 2009, we termed out £25m of a £40m revolving loan facility with the Bank of Scotland which had been used for the specific purpose of facilitating share buy backs. The term of the loan facility is five years with £5m repayable within one year. At the half year, following payment of our full year dividend of 7.0p per ordinary share, net debt stood at £9.9m (2008 : £23.3m).

Cash generated from operations was £22.4m (2008: £19.2m) with cash flow conversion in excess of 100% for the six month period. With continued strong operating cash flows we will be in a position to either repay the outstanding debt early or increase the rate at which we return capital to shareholders.

Dividends

The Board intends to pay an interim dividend of 3.0p (2008: 3.0p) in line with our policy of maintaining dividends until such time as profits are growing again. The interim dividend will be paid on 13 November 2009 to members on the register on 16 October 2009.

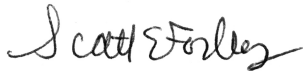
Current trading and outlook

The last 18 months have borne out that the Rightmove business is only strongly exposed to the property market to the extent that it affects the number of potential advertisers in business. We appear now to be in a period where the number of offices and developments being marketed is sustainable, with the prospect of growth in our advertiser numbers over the coming year.

Building on the revenue growth achieved since the low point in April, July has seen the highest monthly revenue for the year-to-date. With continued low costs, July generated our second highest monthly operating profit ever. July was also the best month ever in terms of usage by home hunters (measured by page impressions on the site) and saw a further strengthening of market share of page impressions of the top four property websites. A £1m TV advertising campaign has been booked for September.

We are confident of increased average spend on Rightmove by our customers over the next 12 months. A number of factors which have had a dampening impact on the average spend, such as the change in mix of our customers, are unlikely to continue and may well start to reverse. The resilience of spend on our Choice products at the worst point in the cycle and the recent increases in adoption are encouraging. The return on investment of Rightmove as compared to local newspapers (which continue to account for the lion's share of advertising spend) remains, in our opinion, compelling. Similar to newspaper advertising, our next product set will allow our customers to promote their services and brands not just the properties that they advertise.

The Board is confident of exceeding market expectations for 2009, while not quite matching 2008 operating profit*, and achieving further growth in 2010.



Scott Forbes
Chairman



Ed Williams
Managing Director

21 August 2009

For further information please contact:-

Rightmove

Ed Williams, Managing Director
Nick McKittrick, Finance Director and Chief Operating Officer
Telephone: 0207 087 0605/0207 087 0664

**RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF
THE HALF YEAR REPORT 2009**

We confirm that to the best of our knowledge:

The condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU;

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

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

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

By order of the Board



Scott Forbes, Chairman



Ed Williams, Managing Director

21 August 2009

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

	Note	6 months ended 30 June 2009 £000	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Revenue	3	33,557	37,817	74,046
Administrative expenses		(14,652)	(17,702)	(34,555)
Operating profit before share-based payments, NI on share-based incentives and capital reconstruction credit				
		19,856	20,833	41,004
Share-based payments	4	(841)	(958)	(1,998)
NI on share-based incentives	4	(110)	240	240
Capital reconstruction credit		-	-	245
Operating profit		18,905	20,115	39,491
Financial income	5	109	203	630
Financial expenses	6	(823)	(524)	(1,955)
Net financial expenses		(714)	(321)	(1,325)
Profit before tax		18,191	19,794	38,166
Income tax expense	9	(5,182)	(7,203)	(12,663)
Profit for the period being total comprehensive income		13,009	12,591	25,503
Attributable to:				
Equity holders of the Parent		13,009	12,591	25,503
Earnings per share (pence)				
Basic	7	11.94	10.71	22.49
Diluted	7	11.90	10.57	22.48
Dividends per share (pence)				
Total dividends	8	7.00	6.00	9.00
	8	7,615	7,082	10,358

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
as at 30 June 2009

	Note	30 June 2009 £000	30 June 2008 £000	31 December 2008 £000
Non-current assets				
Property, plant and equipment	10	1,610	2,142	1,883
Intangible assets		10,948	7,839	11,123
Deferred tax assets		328	192	164
Total non-current assets		12,886	10,173	13,170
Current assets				
Trade and other receivables	11	9,387	12,485	12,627
Cash and cash equivalents	12	15,118	3,162	23,059
Total current assets		24,505	15,647	35,686
Total assets		37,391	25,820	48,856
Current liabilities				
Loans and borrowings	14	(5,000)	(26,500)	(39,750)
Bank overdraft	12	-	-	(172)
Trade and other payables	13	(11,523)	(13,400)	(12,418)
Income tax payable		(5,361)	(6,224)	(5,787)
Deferred consideration	16	(6,133)	(2,461)	(6,133)
Provisions		(2)	(160)	(13)
Total current liabilities		(28,019)	(48,745)	(64,273)
Non-current liabilities				
Loans and borrowings	14	(20,000)	-	-
Deferred tax liabilities		(86)	(99)	(92)
Provisions		-	(167)	-
Total non-current liabilities		(20,086)	(266)	(92)
Net liabilities		(10,714)	(23,191)	(15,509)
Equity				
Share capital		1,201	1,212	1,201
Other reserves		231	220	231
Deficit on retained earnings		(12,146)	(24,623)	(16,941)
Total equity attributable to equity holders of the Parent	15	(10,714)	(23,191)	(15,509)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
for the six months ended 30 June 2009

	Note	6 months ended 30 June 2009 £000	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Cash flows from operating activities				
Profit for the period		13,009	12,591	25,503
Adjustments for:				
Depreciation charges		328	314	648
Amortisation charges		243	207	452
Financial income	5	(109)	(203)	(630)
Financial expenses	6	823	524	1,955
Share-based payments charge	4	841	958	1,998
Income tax expense		5,182	7,203	12,663
Operating cash flow before changes in working capital		20,317	21,594	42,589
Decrease/(increase) in trade and other receivables		3,241	(1,283)	(1,462)
Decrease in trade and other payables		(1,117)	(1,310)	(2,296)
(Decrease)/increase in provisions		(11)	154	(160)
Cash generated from operations		22,430	19,155	38,671
Interest paid		(476)	(191)	(1,480)
Income taxes paid		(5,778)	(4,100)	(9,972)
Net cash from operating activities		16,176	14,864	27,219
Cash flows from investing activities				
Interest received		108	203	667
Acquisition of property, plant and equipment		(57)	(414)	(491)
Acquisition of intangible assets		(66)	(466)	(464)
Proceeds from disposal of property, plant and equipment		-	-	1
Net cash used in investing activities		(15)	(677)	(287)
Cash flows from financing activities				
Dividends paid	8	(7,615)	(7,082)	(10,358)
Subsidiary dividends paid to minority shareholders	8	(534)	-	-
Purchase of shares for treasury	15	-	(11,917)	(11,917)
Purchase of shares for cancellation	15	-	(29,861)	(32,840)
Purchase of shares by The Rightmove Employees' Share Trust (EBT)	15	(918)	-	-
Share buy back expenses		-	(272)	(287)
Proceeds on exercise of share options		12	-	-
Proceeds from borrowings		-	26,500	39,750
Repayment of borrowings	14	(14,750)	-	-
Debt issue costs		(125)	(200)	(200)
Net cash used in financing activities		(23,930)	(22,832)	(15,852)
Net (decrease)/increase in cash and cash equivalents		(7,769)	(8,645)	11,080
Cash and cash equivalents at 1 January		22,887	11,807	11,807
Cash and cash equivalents at period end	12	15,118	3,162	22,887

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

RIGHTMOVE PLC HALF YEAR REPORT 2009

	Share capital £000	Share premium £000	EBT own shares reserve £000	Treasury shares £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2008	1,327	105	(17,149)	(19,362)	-	-	47,471	12,392
Capital reconstruction	(33)	(105)	-	19,362	-	138	(19,362)	-
Profit for the period	-	-	-	-	-	-	12,591	12,591
Dividends to shareholders	-	-	-	-	-	-	(7,082)	(7,082)
Equity settled share-based incentives charge	-	-	-	-	-	-	958	958
Purchase of shares for treasury	-	-	-	(11,917)	-	-	-	(11,917)
Purchase of own shares	-	-	-	(29,861)	-	-	-	(29,861)
Cancellation of own shares	(82)	-	-	29,861	82	-	(29,861)	-
Share buy back expenses	-	-	-	-	-	-	(272)	(272)
At 30 June 2008	1,212	-	(17,149)	(11,917)	82	138	4,443	(23,191)
At 1 January 2008	1,327	105	(17,149)	(19,362)	-	-	47,471	12,392
Capital reconstruction	(33)	(105)	-	19,362	-	138	(19,362)	-
Profit for the period	-	-	-	-	-	-	25,503	25,503
Dividends to shareholders	-	-	-	-	-	-	(10,358)	(10,358)
Equity settled share-based incentives charge	-	-	-	-	-	-	1,998	1,998
Purchase of shares for treasury	-	-	-	(11,917)	-	-	-	(11,917)
Purchase of own shares	-	-	-	(32,840)	-	-	-	(32,840)
Cancellation of own shares	(93)	-	-	32,840	93	-	(32,840)	-
Share buy back expenses	-	-	-	-	-	-	(287)	(287)
At 31 December 2008	1,201	-	(17,149)	(11,917)	93	138	12,125	(15,509)
At 1 January 2009	1,201	-	(17,149)	(11,917)	93	138	12,125	(15,509)
Profit for the period	-	-	-	-	-	-	13,009	13,009
Dividends to shareholders	-	-	-	-	-	-	(7,615)	(7,615)
Subsidiary dividends to minority shareholders	-	-	-	-	-	-	(534)	(534)
Equity settled share-based incentives charge	-	-	-	-	-	-	841	841
Gain on exercise of share options	-	-	10	-	-	-	2	12
Purchase of own shares by the EBT	-	-	(918)	-	-	-	-	(918)
At 30 June 2009	1,201	-	(18,057)	(11,917)	93	138	17,828	(10,714)

NOTES**1 General information**

Rightmove plc (the Company) is a Company registered in England (Company no. 6426485) domiciled in the United Kingdom (UK). The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2009 comprise the Company and its interest in its subsidiaries (together referred to as the Group). Its principal business is the operation of the Rightmove.co.uk website which is the UK's largest property website.

The consolidated financial statements of the Group as at and for the year ended 31 December 2008 are available upon request to the Company Secretary from the Company's registered office at 4th Floor, 33 Soho Square, London, W1D 3QU or from the investor relations website at www.rightmove.co.uk/investors.rsp.

Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting and the Disclosure and Transparency Rules of the UK's Financial Services Authority. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2008.

The condensed consolidated interim financial statements were approved by the Board of directors on 21 August 2009. The half year results for the current and comparative period are unaudited. The auditor, KPMG Audit Plc, has carried out a review of the interim financial statements and their report is set out at the end of this document.

The comparative figures as at and for the year ended 31 December 2008 are extracted from the Group's statutory accounts for that financial year. Those accounts have been reported on by the auditor and delivered to the registrar of companies. The report of the auditor was:

- (i) unqualified;
- (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report; and
- (iii) did not contain a statement under Section 237 (2) or (3) of the Companies Act 1985.

The Group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the year ended 31 December 2008.

Going concern

The Group has significant cash balances of £15,118,000 (30 June 2008: £3,162,000). As described in Note 14 the Group has £25,000,000 of term debt as at 30 June 2009 of which £5,000,000 is repayable within one year.

The Group's forecasts and projections, taking account of reasonably possible changes in performance show that the Group will be able to operate within the current level of its facility and meet scheduled loan payments and related bank covenant requirements.

After making enquiries, the directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing these accounts.

2 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are in accordance with International Financial Reporting Standards as adopted by the European Union (Adopted IFRSs) and except as described below are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2008.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009.

Revised IAS 1 Presentation of Financial Statements (2007) introduces the term 'total comprehensive income' which represents changes in equity during the period other than those changes from transactions with owners in their capacity as owners. The Group has elected to present one performance statement being the statement of comprehensive income which replaces the income statement.

2 Significant accounting policies (continued)

IFRS 8 Operating Segments introduces the 'management approach' to segment reporting under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented, as the previously reported property advertising segment has been split into Agency, New Homes, Holiday Lettings and Other segments.

The same accounting policies are anticipated to be applied for the year ending 31 December 2009.

Judgments and estimates

The preparation of financial statements in conformity with Adopted IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods if applicable.

In particular information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 4 Measurement of share-based payments
- Note 11 Impairment of trade receivables
- Note 16 Deferred consideration carrying value

3 Segment information

The Group's reportable segments are as follows:

- The **Agency** segment which provides resale and lettings property advertising services on www.rightmove.co.uk;
- The **New Homes** segment which provides property advertising services to new homes developers and Housing Associations on www.rightmove.co.uk;
- The **Holiday Lettings** segment which provides advertising services in connection with holiday rental properties on www.holidaylettings.co.uk; and
- The **Other** segment comprises overseas property advertising services on www.rightmove.co.uk and non-property advertising services which include business and information services, banner advertising on www.aboutmyplace.co.uk, Automated Valuation Model services and Local Editions.

Management monitors the operating results of business segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on revenue which in certain respects, as explained in the table below, is measured differently from revenue as reported in the consolidated financial statements. All revenues in all periods are derived from third parties and there are no inter-segment revenues.

Operating costs, finance income, financial expenses and income taxes in relation to the Agency, New Homes and the Other segment are managed on a centralised basis at a Rightmove Group Limited level and as there are no internal measures of individual segment profitability relevant disclosures have been shown under the heading of Central in the table below.

3 Segment information (continued)

Operating segments	Agency £000	New Homes £000	Holiday Lettings £000	Sub total £000	Other £000	Central £000	Adjustments £000	Total £000
Six months ended								
30 June 2009								
Revenue	22,479	7,463	2,866	32,808	1,303	-	(554) ⁽¹⁾	33,557
Operating profit ⁽²⁾	-	-	1,158	1,158	-	19,294	(1,547) ⁽³⁾	18,905
Depreciation and amortisation	-	-	(15)	(15)	-	(514)	(42) ⁽⁴⁾	(571)
Financial income	-	-	8	8	-	101	-	109
Financial expenses	-	-	-	-	-	(823)	-	(823)
Trade receivables ⁽⁵⁾	5,138	2,579	80	7,797	213	-	147 ⁽⁶⁾	8,157
Other segment assets	-	-	934	934	-	19,102	9,198 ⁽⁷⁾	29,234
Segment liabilities	-	-	(480)	(480)	-	(45,449)	(2,176) ⁽⁸⁾	(48,105)
Capital expenditure ⁽⁹⁾	-	-	10	10	-	113	-	123
Six months ended								
30 June 2008								
Revenue	25,454	9,449	1,886	36,789	1,918	-	(890) ⁽¹⁾	37,817
Operating profit ⁽²⁾	-	-	572	572	-	21,193	(1,650) ⁽¹⁰⁾	20,115
Depreciation and amortisation	-	-	(7)	(7)	-	(472)	(42) ⁽⁴⁾	(521)
Financial income	-	-	8	8	-	195	-	203
Financial expenses	-	-	-	-	-	(391)	(133) ⁽¹²⁾	(524)
Trade receivables ⁽⁵⁾	5,523	4,210	68	9,801	458	-	187 ⁽⁶⁾	10,446
Other segment assets	-	-	1,101	1,101	-	8,522	5,751 ⁽⁷⁾	15,374
Segment liabilities	-	-	(184)	(184)	-	(47,328)	(1,499) ⁽⁸⁾	(49,011)
Capital expenditure ⁽⁹⁾	-	-	56	56	-	824	-	880
Year ended								
31 December 2008								
Revenue	49,428	18,676	3,791	71,895	3,209	-	(1,058) ⁽¹⁾	74,046
Operating profit ⁽²⁾	-	-	907	907	-	41,239	(2,655) ⁽¹¹⁾	39,491
Depreciation and amortisation	-	-	(19)	(19)	-	(997)	(84) ⁽⁴⁾	(1,100)
Financial income	-	-	30	30	-	600	-	630
Financial expenses	-	-	(2)	(2)	-	(1,679)	(274) ⁽¹²⁾	(1,955)
Trade receivables ⁽⁵⁾	5,209	3,704	50	8,963	852	-	150 ⁽⁶⁾	9,965
Other segment assets	-	-	1,538	1,538	-	28,113	9,240 ⁽⁷⁾	38,891
Segment liabilities	-	-	(322)	(322)	-	(62,413)	(1,630) ⁽⁸⁾	(64,365)
Capital expenditure ⁽⁹⁾	-	-	102	102	-	853	-	955

(1) Segment revenue in respect of Holiday Lettings is recognised for management purposes when the invoice is raised. In the consolidated financial statements the revenue is spread evenly over the period of the contracted service with any deferred revenue held on the balance sheet and accordingly an adjustment has been made to reconcile to consolidated Group revenue.

(2) Operating profit is stated after the charge for depreciation and amortisation.

(3) Operating profit for the six months ended 30 June 2009 does not include share-based payments charge (£841,000), NI on share-based incentives (£110,000), the amortisation of customer relationships (£42,000) and the additional segment revenue recognised by Holiday Lettings (£554,000).

(4) Depreciation and amortisation excludes the consolidation adjustment in respect of the amortisation of customer relationships.

(5) The only segment assets that are separately monitored by the Chief Operating Decision Maker relate to trade receivables net of any associated provision for impairment. All other segment assets are reported on a centralised basis.

(6) The adjustments column reflects the reclassification of credit balances in accounts receivable made on consolidation for statutory accounts purposes.

(7) Other segment assets exclude goodwill arising on consolidation in connection with the accounting entries for the acquisition of Holiday Lettings Limited (HLL) as well as the net book value of customer relationships.

(8) The adjustment column reflects the reclassification of credit balances in accounts receivable as well as an adjustment to reflect the deferred revenue balance in respect of the Holiday Lettings segment.

(9) Capital expenditure consists of additions of property, plant and equipment and intangible assets (excluding goodwill).

(10) Operating profit for the six months ended 30 June 2008 does not include share-based payments charge (£958,000), NI on share-based incentives (£240,000 credit), the amortisation of customer relationships (£42,000) and the additional segment revenue recognised by Holiday Lettings (£890,000).

(11) Operating profit for the year ended 31 December 2008 does not include share-based payments charge (£1,998,000), NI on share-based incentives (£240,000 credit), capital reconstruction credit (£245,000), the amortisation of customer relationships (£84,000) and the additional segment revenue recognised by Holiday Lettings (£1,058,000).

(12) Financial expenses exclude the consolidation adjustment relating to the unwinding of the effective interest rate on the HLL deferred purchase consideration.

4 Share-based payments

Share options

In accordance with IFRS 2 a charge of £747,000 (30 June 2008: £958,000) is included in the statement of comprehensive income, being the amortisation of the value of all share options granted since 2006. Included in the charge for the six months ended 30 June 2009 is £74,000 representing the IFRS 2 charge on 1,103,948 executive unapproved share options which were granted on 5 March 2009 at an exercise price of £2.24, subject to a relative TSR performance condition.

Employer's National Insurance (NI) is being accrued, where applicable, at a rate of 12.8% on the difference between the share price at the balance sheet date and the average exercise price of the share options. The charge for the six month period ended 30 June 2009 is £93,000. Based on the share price at 30 June 2008 the accrual built up in prior periods was reversed resulting in a credit to the statement of comprehensive income of £240,000.

Deferred share plan

In March 2009 a deferred share plan was established which will allow certain senior management employees the opportunity to earn a bonus linked as a percentage of base salary settled in deferred shares. The award of shares in March 2010 is contingent on the satisfaction of pre-set internal targets including profit before tax relative to the business plan and key performance indicators such as website traffic share and customer retention. The right to the shares will be deferred for two years from March 2010 until March 2012 and potentially forfeitable during that period should the employee leave employment. The deferred share awards have been valued using the Black Scholes model and the resulting IFRS 2 charge has been spread evenly over the combined performance period and the vesting period of the shares, being three years. The charge for the six months ended 30 June 2009 is £94,000.

NI is being accrued, where applicable, at a rate of 12.8% based on the share price at the period end date. The charge for the six month period ended 30 June 2009 is £17,000.

5 Financial income

	6 months ended 30 June 2009 £000	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Interest income on cash balances	109	203	551
Interest income on over payment of taxes	-	-	79
	109	203	630

6 Financial expenses

	6 months ended 30 June 2009 £000	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Debt issue costs	125	200	200
Interest expense	429	138	1,367
Unwinding of effective interest rate on deferred purchase consideration	-	133	274
Other financial expenses	269	52	113
Preference dividend interest	-	1	1
	823	524	1,955

7 Earnings per share (EPS)

	Weighted average number of ordinary shares	Earnings £000	Pence per share
Six months ended 30 June 2009			
Basic EPS	108,954,232	13,009	11.94
Diluted EPS	109,319,317	13,009	11.90
Underlying basic EPS	108,954,232	13,960	12.81
Underlying diluted EPS	109,319,317	13,960	12.77
Six months ended 30 June 2008			
Basic EPS	117,518,535	12,591	10.71
Diluted EPS	119,123,970	12,591	10.57
Underlying basic EPS	117,518,535	13,309	11.32
Underlying diluted EPS	119,123,970	13,309	11.17
Year ended 31 December 2008			
Basic EPS	113,405,224	25,503	22.49
Diluted EPS	113,449,416	25,503	22.48
Underlying basic EPS	113,405,224	27,016	23.82
Underlying diluted EPS	113,449,416	27,016	23.81

Weighted average number of ordinary shares (basic)

	6 months ended 30 June 2009 Number of shares	6 months ended 30 June 2008 Number of shares	Year ended 31 December 2008 Number of shares
Issued ordinary shares at 1 January			
less ordinary shares held by the EBT	111,697,173	121,046,278	121,046,278
Effect of own shares held in treasury	(2,505,430)	(1,783,400)	(2,146,388)
Effect of own shares purchased for cancellation	-	(1,744,343)	(5,494,666)
Effect of own shares purchased by the EBT	(238,576)	-	-
Effect of share options exercised	1,065	-	-
	108,954,232	117,518,535	113,405,224

Weighted average number of ordinary shares (diluted)

For diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. The Group has one potential dilutive instrument being those ordinary shares held by the EBT to satisfy share-based incentives granted to employees.

	6 months ended 30 June 2009 Number of shares	6 months ended 30 June 2008 Number of shares	Year ended 31 December 2008 Number of shares
Weighted average number of ordinary shares (basic)	108,954,232	117,518,535	113,405,224
Dilutive impact of own shares held by the EBT	365,085	1,605,435	44,192
	109,319,317	119,123,970	113,449,416

Underlying EPS is calculated before the charge for share-based payments, capital reconstruction credit and NI on share-based incentives. A reconciliation of the basic earnings for the period to the underlying earnings is presented below:

	6 months ended 30 June 2009 £000	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Basic earnings for the period	13,009	12,591	25,503
Share-based payments	841	958	1,998
NI on share-based incentives	110	(240)	(240)
Capital reconstruction credit	-	-	(245)
Underlying earnings for the period	13,960	13,309	27,016

8 Dividends

Company dividends

Dividends declared and paid by the Company were as follows:

	6 months ended 30 June 2009		6 months ended 30 June 2008		Year ended 31 December 2008	
	Pence per share	£000	Pence per share	£000	Pence per share	£000
2007 final dividend paid	-	-	6.0	7,082	6.0	7,082
2008 interim dividend paid	-	-	-	-	3.0	3,276
2008 final dividend paid	7.0	7,615	-	-	-	-
	7.0	7,615	6.0	7,082	9.0	10,358

After the period end an interim dividend of 3.0p (30 June 2008: 3.0p) per qualifying ordinary share being £3,264,000 (30 June 2008: £3,279,000) was proposed by the directors. No provision was made for the interim dividend in either period and there are no income tax consequences.

The 2008 final dividend paid on 12 June 2009 was £7,615,000 (31 December 2008: £7,643,000). The difference of £28,000 was due to a reduction in the ordinary shares entitled to a dividend between 31 December 2008 and the final dividend record date of 15 May 2009.

Subsidiary dividends

Dividends of £534,000 were paid in the period by Holiday Lettings Holdings Limited to minority shareholders.

9 Taxation

The Group's consolidated effective tax rate for the six months ended 30 June 2009 is 28% (30 June 2008: 36%). The difference between the standard rate and the effective rate at 30 June 2008 was mainly attributable to the reversal of the deferred tax asset on share options (6%) and disallowable expenditure (2%).

The net deferred tax asset of £242,000 at 30 June 2009 (30 June 2008: £192,000) is in respect of tax losses brought forward, equity settled share-based incentives and accelerated capital allowances.

The deferred tax asset relating to equity settled share-based incentives at 30 June 2009 is £176,000 (30 June 2008: £4,000).

10 Property, plant and equipment

During the six months ended 30 June 2009 the Group acquired assets with a cost of £57,000 (30 June 2008: £414,000).

Assets with a carrying value of £nil were disposed of during the six months ended 30 June 2009 (30 June 2008: £nil).

As at 30 June 2009 the Group had committed to incur capital expenditure of £nil (30 June 2008: £nil).

11 Trade and other receivables

	30 June 2009 £000	30 June 2008 £000	31 December 2008 £000
Trade receivables	8,398	11,082	10,266
Less provision for impairment of trade receivables	(241)	(726)	(383)
Net trade receivables	8,157	10,356	9,883
Amounts owed by related parties (see Note 17)	-	90	82
Other debtors	182	763	260
Prepayments and accrued income	1,040	1,276	2,395
Accrued interest receivable	8	-	7
	9,387	12,485	12,627

12 Cash and cash equivalents

	30 June 2009 £000	30 June 2008 £000	31 December 2008 £000
Bank accounts	5,118	2,439	5,091
Deposit accounts	10,000	723	17,968
Cash and cash equivalents	15,118	3,162	23,059
Bank overdraft used for cash management purposes	-	-	(172)
Cash and cash equivalents in the statement of cash flows	15,118	3,162	22,887

Cash balances were placed on deposit for varying lengths between one and three months during the period and attracted interest at a weighted average rate of 1.1% (30 June 2008: 5.0%).

13 Trade and other payables

	30 June 2009 £000	30 June 2008 £000	31 December 2008 £000
Trade payables	624	1,080	1,225
Trade accruals	1,949	2,535	2,112
Other creditors	265	137	67
Other taxation and social security	1,854	3,262	2,601
Deferred revenue	6,809	6,386	6,413
Interest payable	22	-	-
	11,523	13,400	12,418

14 Loans and borrowings

During the period £14,750,000 of the revolving loan facility with the Bank of Scotland was repaid out of surplus cash. On 16 April 2009 the Company converted £25,000,000, being the balance of its Sterling-denominated revolving loan facility, into a five year term loan. The loan bears interest at LIBOR plus 1.5% together with a mandatory cost applied by the lender and is repayable over five years in 20 equal instalments.

	30 June 2009		30 June 2008		31 December 2008	
	Fair value £000	Carrying value £000	Fair value £000	Carrying value £000	Fair value £000	Carrying value £000
Non-current liabilities						
Unsecured bank borrowings	20,000	20,000	-	-	-	-
Current liabilities						
Bank overdraft	-	-	-	-	172	172
Current portion of unsecured bank borrowings	5,000	5,000	26,500	26,500	39,750	39,750
Cash and cash equivalents	(15,118)	(15,118)	(3,162)	(3,162)	(23,059)	(23,059)
Total net debt	9,882	9,882	23,338	23,338	16,863	16,863

15 Reconciliation of movement in capital and reserves

	Share capital £000	Share premium £000	EBT own shares reserve £000	Treasury shares £000	Other reserves £000	Reverse acquisition reserve £000	Retained earnings £000	Total equity £000
At 1 January 2008	1,327	105	(17,149)	(19,362)	-	-	47,471	12,392
Capital reconstruction	(33)	(105)	-	19,362	-	138	(19,362)	-
Profit for the period	-	-	-	-	-	-	12,591	12,591
Dividends to shareholders	-	-	-	-	-	-	(7,082)	(7,082)
Equity settled share- based incentives charge	-	-	-	-	-	-	958	958
Purchase of shares for treasury	-	-	-	(11,917)	-	-	-	(11,917)
Purchase of own shares	-	-	-	(29,861)	-	-	-	(29,861)
Cancellation of own shares	(82)	-	-	29,861	82	-	(29,861)	-
Share buy back expenses	-	-	-	-	-	-	(272)	(272)
At 30 June 2008	1,212	-	(17,149)	(11,917)	82	138	4,443	(23,191)
At 1 January 2008	1,327	105	(17,149)	(19,362)	-	-	47,471	12,392
Capital reconstruction	(33)	(105)	-	19,362	-	138	(19,362)	-
Profit for the period	-	-	-	-	-	-	25,503	25,503
Dividends to shareholders	-	-	-	-	-	-	(10,358)	(10,358)
Equity settled share- based incentives charge	-	-	-	-	-	-	1,998	1,998
Purchase of shares for treasury	-	-	-	(11,917)	-	-	-	(11,917)
Purchase of own shares	-	-	-	(32,840)	-	-	-	(32,840)
Cancellation of own shares	(93)	-	-	32,840	93	-	(32,840)	-
Share buy back expenses	-	-	-	-	-	-	(287)	(287)
At 31 December 2008	1,201	-	(17,149)	(11,917)	93	138	12,125	(15,509)
At 1 January 2009	1,201	-	(17,149)	(11,917)	93	138	12,125	(15,509)
Profit for the period	-	-	-	-	-	-	13,009	13,009
Dividends to shareholders	-	-	-	-	-	-	(7,615)	(7,615)
Subsidiary dividends to minority shareholders	-	-	-	-	-	-	(534)	(534)
Equity settled share- based incentives charge	-	-	-	-	-	-	841	841
Gain on exercise of share options	-	-	10	-	-	-	2	12
Purchase of own shares by the EBT	-	-	(918)	-	-	-	-	(918)
At 30 June 2009	1,201	-	(18,057)	(11,917)	93	138	17,828	(10,714)

15 Reconciliation of movement in capital and reserves (continued)**Share buy back**

In June 2007, the Company commenced a share buy back programme to purchase its own ordinary shares. The total number of shares bought back in the six months to 30 June 2009 was nil.

The total number of shares bought back in the six months to 30 June 2008 was 10,712,806 representing 9% of the issued share capital (excluding shares held in treasury). Of the 10,712,806 shares bought back, 8,207,376 shares were cancelled and 2,505,430 shares were transferred to treasury. The shares were acquired on the open market at a total consideration (excluding costs) of £41,778,000. The maximum and minimum prices paid were 501p and 319p per share respectively.

EBT own shares reserve

This reserve represents the carrying value of own shares held by the EBT. During the period the EBT purchased 399,836 shares on the open market at a cost of £918,000 to satisfy share incentive awards. 5,210 Sharesave options were exercised in the period at a price of £2.59 per ordinary share, which were satisfied by shares held in the EBT. At 30 June 2009 the EBT held 8,748,326 (30 June 2008: 8,353,700) ordinary shares in the Company of £0.01 each representing 7.4% (30 June 2008: 7.0%) of the issued share capital (excluding shares held in treasury). The market value of the shares held in the EBT at the end of the period was £30,750,000 (30 June 2008: £22,387,916).

16 Deferred consideration

In terms of the HLL shareholders' agreement a put and call option exists to acquire the remaining 33.3% interest owned by management. The put option can be exercised any time from 1 July 2009 based either on a multiple of EBIT per the latest audited accounts or HLL's market value if higher. At 31 December 2008 the deferred consideration was increased to £6,133,000 based on the directors' best estimate of likely market value for the business. The directors consider that this valuation continues to be appropriate as at 30 June 2009.

17 Related parties**Transactions with principal shareholders**

As at 30 June 2009 the Company has no principal shareholders.

As at 30 June 2008 the Company had one principal shareholder, Connells Limited, who held 17.9% of the then issued share capital (excluding shares held in treasury). The Group's transactions and balances with this former shareholder for the comparative periods were as follows:

	6 months ended 30 June 2008 £000	Year ended 31 December 2008 £000
Amounts owed by former shareholder:		
Sequence (UK) Limited (Connells)	58	55
Connells Residential	32	27
	90	82
Amounts invoiced to former shareholder:		
Sequence (UK) Limited (Connells)	337	581
Connells Overseas Property Department	2	2
Connells Residential	186	333
	525	916
Dividends paid:		
Connells Limited	1,275	1,912

Inter-group interest

During the period Rightmove plc was charged interest of £347,000 (30 June 2008: £nil) by Rightmove Group Limited in respect of balances owing on the inter-group loan in accordance with a loan agreement dated 30 January 2008.

Transactions with directors and key management

There were no material transactions with directors or key management in any period.

Independent review report to Rightmove plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half year financial report for the six months ended 30 June 2009 which comprises the condensed consolidated interim statement of comprehensive income, the condensed consolidated interim statement of financial position, the condensed consolidated interim statement of cash flows, the condensed consolidated interim statement of changes in shareholders' equity and the related explanatory notes. We have read the other information contained in the half-year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Services Authority ("the UK FSA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half year financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half year financial report in accordance with the DTR of the UK FSA.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed consolidated set of financial statements included in this half year financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

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

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed 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 consolidated set of financial statements in the half year financial report for the six months ended 30 June 2009 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

S J Wardell
for and on behalf of KPMG Audit Plc
Chartered Accountants
Milton Keynes

21 August 2009

ADVISERS AND SHAREHOLDER INFORMATION

Contacts

Managing Director:	Ed Williams
Chief Operating Officer and Finance Director:	Nick McKittrick
Company Secretary:	Liz Taylor
Website	www.rightmove.co.uk
Email	investor.relations@rightmove.co.uk

Registered office

Rightmove plc
4th Floor
33 Soho Square
London
W1D 3QU
Registered in
England no.6426485

Corporate advisers

Financial adviser
UBS Investment Bank

Joint broker
UBS Limited
Numis Securities
Limited

Auditor
KPMG Audit Plc

Bankers
Barclays Bank plc
Bank of Scotland plc

Solicitors
Slaughter and May
Pinsent Masons

Registrar
Capita Registrars*

Financial calendar 2009

Half year results	21 August 2009
Interim dividend record date	16 October 2009
Interim dividend payment	13 November 2009
IMS	November 2009
Full year results	26 February 2010
Annual General Meeting	May 2010

***Shareholder enquiries**

The Company's registrar is Capita Registrars. They will be pleased to deal with any questions regarding your shareholding or dividends. Please notify them of your change of address or other personal information. Their address details are:

Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
HD8 OGA

Capita Registrars is a trading name of Capita Registrars Limited

Capita shareholder helpline: 0871 664 0300 (calls cost 10p per minute plus network extras) (Overseas: +44 20 8639 3399)

Email: ssd@capitaregistrars.com

Share portal (www.capitashareportal.com)

Through the website of our registrar, Capita Registrars, shareholders are able to manage their shareholding online and facilities include electronic communications, account enquires, amendment of address and dividends mandate instructions.