4 March 2015

4imprint Group plc
Final results for the period ended 27 December 2014

4imprint Group plc (the "Group"), the leading direct marketer of promotional products, today announces its final results for the 52 weeks ended 27 December 2014, which are reported in US dollars for the first time.

Highlights

Financial – continuing operations	2014 $m	2013 (restated)† $m	Change
Revenue	**415.77**	332.94	+25%
Underlying* profit before tax	**27.86**	19.55	+42%
Profit before tax	**23.34**	14.47	+61%
Underlying* basic EPS (cents)	**73.48**	55.55	+32%
Basic EPS (cents)	**59.73**	40.11	+49%
Proposed total dividend per share (cents)	**32.41**	27.56	+18%
Proposed total dividend per share (pence)	**20.45**	17.00	+20%

* Underlying is before share option related charges, defined benefit pension charges and exceptional items.

† Restated for the change in presentational currency to US dollars.

Operational

- Strong organic revenue growth in both North America (96% of revenue) and UK
    - Orders 24% ahead of 2013
    - More than 780,000 orders received
    - Re-order rates continue to be strong
- 79% of the pension liability now insured
- Robust financial position; net cash $18.30m
- Planned $9m infrastructure investment in the North American business in 2015 to support growth

John Poulter, Chairman said:

"2014 was another year of good progress for the Group. Even by the growth standards established in prior years, the direct marketing business, now the Group's sole business, had an exceptional year. Early indications for 2015 are positive and in line with our aspirations."

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Chairman's statement

2014 was another year of good progress for the Group. Even by the growth standards established in prior years, the direct marketing business, now the Group's sole business, had an exceptional year.

Measured in US dollars, now the reporting currency of the Group, revenue and underlying operating profit grew by 25% and 42% respectively.

All growth is organic and is the consequence of data-driven marketing, using both traditional and internet based techniques. The performance has been enhanced, primarily, by the expansion of online marketing. The interaction between the different customer acquisition techniques remains key to the business' growth, which continued to be well ahead of the growth of its underlying market.

The business, with its low capital intensity, again generated pre-tax operating cash inflow broadly in line with underlying operating profit.

During 2014, a further substantial step was taken in removing the risk of the legacy defined benefit pension scheme by means of a buy-in with an insurance company. During 2015 further steps will be taken towards converting this into a buy-out, substantially removing the liability for pensions in payment.

As announced in December 2014, the Group will, from 31 March 2015, adjust its management responsibilities fully to reflect the evolution of the Group to a primarily US based business. Kevin Lyons-Tarr, CEO of the Direct Marketing business and an existing member of the Board, will be appointed CEO of 4imprint Group plc. Gillian Davies, Group Finance Director, will be leaving the Group and the Board wishes to thank her for her significant contribution over the past 10 years. David Seekings, who has been CFO of the Direct Marketing business since 2000, will become CFO of 4imprint Group plc.

Early indications for 2015 are positive and in line with our aspirations.

John Poulter
Chairman
4 March 2015

Strategic report

4imprint is the leading direct marketer of promotional products in the USA, Canada, the UK and Ireland. Its strategy is to deliver profitable organic growth, gaining market share in the large and highly fragmented promotional product markets in which it operates. This is achieved through ongoing investment in marketing, people and technology.

4imprint's strategy is to maximise organic revenue growth, at broadly stable profit margin. With revenue growth in the period in continuing operations of 25%, underlying* profit before tax growth of 42% and underlying* basic EPS growth of 32%, 2014 represented another year of delivery of this strategy.

4imprint is in a strong financial position, with net cash. Low working capital requirements allow growth to be funded through increased marketing spend whilst still generating cash. The business will continue to focus its resources on this profitable and cash generative revenue growth, whilst continuing to reduce the risk and size of its legacy defined benefit pension scheme.

Operating review – continuing operations

Revenue	**2014 $m**	2013 (restated)† $m	Change
North America	**398.99**	320.04	+25%
UK and Ireland	**16.78**	12.90	+30%
Total	**415.77**	332.94	+25%

Underlying* operating profit	**2014 $m**	2013 (restated)† $m	Change
4imprint Direct Marketing	**31.93**	22.84	
UK Head Office	**(4.17)**	(3.35)	
Total	**27.76**	19.49	+42%

Underlying profit is included because the Directors consider this gives a measure of the underlying performance of the business.

* Underlying is before share option related charges, defined benefit pension charges and exceptional items.

† Restated for the change in presentational currency to US dollars.

The 2014 results represent another year of progress consistent with the strategy to maximise organic revenue growth at broadly stable profit margin.

Revenue increased by 25% compared to 2013. The North American business produced revenue growth of 25% to $398.99m. This compares to the US promotional products market as a whole which, according to industry estimates, grew by approximately 5% from 2013 to 2014. In constant currency, the UK business grew revenue by 23%, also gaining market share.

In 2014, the business processed 780,000 individually customised orders, each backed by an 'on time or free' guarantee, demonstrating robust and scalable processes and systems.

Orders from new customers increased by 24% compared to 2013, representing the acquisition of 190,000 new customers, which was in line with the increased investment in new customer marketing and significantly ahead of the acquisition rate in the prior year.

Orders from existing customers were 23% higher than prior year, continuing to demonstrate the productive and predictable nature of the customer file, even as the number of new customers acquired increases. The Blue Box™ sample mailings continue to be the key element of retention marketing.

Underlying operating profit increased by 42% over prior year, to $27.76m and operating margin percentage was 6.7%, up from 5.9% in the prior year. This was driven by revenue growing faster than labour and other costs, whilst gross margin percentage and revenue per marketing dollar remained stable.

Total marketing spend was 26% above prior year, which drove the revenue increase. Throughout the year, the marketing team continued to identify, test and roll out additional techniques as well as refine current methods which created the opportunity for a larger than planned increase in marketing spend.

Online marketing spend grew at a much faster rate than offline marketing, whilst still making up a smaller part of the overall mix. Catalogue circulation increased in the year by 11%, driven by opportunities identified to increase either the circulation depth or timing, based upon increasingly sophisticated data analytics. The rapid rate of growth in online spend was partly attributable to the implementation of bid optimisation software in the early part of the year. This allowed additional resource to be deployed in significant expansion of keyword search activity. In addition, a range of newer online marketing techniques were tested and expanded as results confirmed their effectiveness. Revenue generated per marketing dollar was $6.01, compared to $6.08 in the prior year and remains within the normal operating range.

Marketing activity is underpinned by a commitment to a high level of customer service which is provided by a quality workforce - for the seventh year in succession, the North American business was named as a top 25 medium sized best workplace in the USA. This approach to customer care is backed up by continued investment in technology and infrastructure, both customer facing and back office. In order to support future growth, the North American business will invest circa $9m in 2015 to expand capacity at both its head office and distribution centre, where samples, Blue Boxes and embroidery are fulfilled.

In addition, close partnerships with suppliers continued to facilitate the expansion of the product range as well as the increase in other initiatives such as 4imprint exclusive products and the number of products available on 24 hour turnaround.

UK head office costs of $4.17m (2013: $3.35m) comprised Board costs, UK corporate office and other plc related costs. The increase over prior year included exchange ($0.18m), accrual for loss of office ($0.42m) and Chairman's bonus ($0.11m).

Finance review

Continuing operations	**2014 Underlying* $m**	2013 Underlying* (restated)† $m	**2014 Total $m**	2013 Total (restated)† $m
Underlying* operating profit	**27.76**	19.49	**27.76**	19.49
Share option related charges (incl. social security)			**(0.67)**	(2.49)
Exceptional items			**(2.41)**	(0.40)
Net finance income	**0.10**	0.06	**0.10**	0.06
Defined benefit pension charges			**(1.44)**	(2.19)
Profit before tax	**27.86**	19.55	**23.34**	14.47

* Underlying is before share option related charges, defined benefit pension charges and exceptional items.

† Restated for the change in presentational currency to US dollars.

Foreign exchange

During 2014, the Group announced that it was changing the currency in which it presents its consolidated financial statements from Sterling to US dollars. A substantial portion of the Group's revenue and earnings are denominated in US dollars and the Board has decided that a US dollar presentation will give a more meaningful view of the Group's financial performance and position.

The consolidated financial statements have been prepared using the procedures outlined below and the prior period has been restated in accordance with the requirements set out in IAS 21: 'The Effects of Changes in Foreign Exchange Rates':

- items of income and expenditure, other than single material identifiable transactions, denominated in non US dollar currencies were translated into US dollars at the average exchange rate of the reporting period. Single material identifiable transactions have been translated at the exchange rate at the time of the transaction;
- assets and liabilities denominated in non US dollar currencies were translated into US dollars at the closing rate prevailing at the balance sheet dates;
- share capital, share premium and the capital redemption reserve have been translated at historical exchange rates;
- all resulting exchange differences have been recognised in other comprehensive income and in the currency translation reserve in accordance with the Group's existing accounting policy; and
- dividends are determined in US dollars and paid in Sterling at the exchange rate at the time the dividend is determined.

The main US dollar exchange rates relevant to Group were as follows:

	2014		2013	
	Year end	**Average**	Year end	Average
Pounds Sterling	**1.56**	**1.65**	1.65	1.56
Canadian $	**0.86**	**0.91**	0.95	0.97

Share option charges

The Group charged $0.67m (2013: $2.49m) to continuing operations in respect of IFRS 2, 'Share-based payments'. $0.54m related to the charge in respect of the Group Performance Share Plan ('PSP') approved by Shareholders on 27 April 2011, the balance was the charges in respect of UK and US SAYE schemes. The reduction in charge from 2013 was due to the exercise of PSP options in April 2014.

Exceptional items

Exceptional items in the year totalled $2.41m, of which $1.08m represented costs incurred and paid by the pension scheme.

$1.71m of costs were incurred as a result of the pensioner buy-in completed in September 2014, described in more detail under the "defined benefit pension scheme" section below.

$0.70m related to costs incurred in respect of the flexible early retirement offer made to eligible deferred pensioners in February 2014, including a settlement charge of $0.47m arising on the transfer of $8.63m of pension liability out of the Scheme.

Net finance income

Net finance income in the year was $0.10m (2013: $0.06m), which reflected the Group's net cash position, invested at current rates of interest.

Taxation

The tax charge for continuing operations for the year was $6.98m (2013: $3.86m), an effective rate of 30% (2013: 27%). The charge comprised current tax of $7.62m, representing tax payable in the USA, and a deferred tax credit of $0.64m. The tax charge for underlying profit before tax was $7.74m, an effective tax rate of 28% (2013: 25%).

The effective tax rate is above the UK corporate tax rate as the Group's profit is generated principally in the USA where there is a higher corporate tax rate.

Discontinued operations

On 10 February 2014, the Group completed the sale of SPS, its UK based manufacturing operation, to the SPS senior management, backed by Maven Capital Partners, a private equity firm. The consideration was $11.89m (increased by $0.39m relating to the amount of working capital, debt and cash at completion). Net cash proceeds from disposal were $9.72m after costs of disposal, including a bonus payable to the SPS senior management on completion of the disposal.

In 2014, SPS operating loss up to the date of disposal was $0.12m. Profit on disposal of the business was $1.50m comprising $1.35m of recycled translation differences, as a result of reporting in US dollars, and a $0.15m release of provision made in 2013 for the estimated loss on disposal.

In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', SPS has been presented as a discontinued operation in 2014 and 2013.

Earnings per share

Underlying basic earnings per share in respect of continuing operations was 73.48c (2013: 55.55c), an increase of 32%, reflecting the 42% increase in underlying profit before tax, partly offset by an increase in the effective tax rate as well as an increase in the number of shares in issue.

Basic earnings per share, from continuing operations, was 59.73c (2013: 40.11c), an increase of 49%.

Including the impact of discontinued operations, basic earnings per share was 64.78c (2013: 21.88c). 2014 earnings per share included an increase of 5.05c in respect of $1.38m profit from discontinued operations (2013: a decrease of 18.23c in respect of $4.83m loss from discontinued operations).

Dividends

Dividends are now determined in US dollars and paid in Sterling at the exchange rate at the date the dividend is determined.

The Board has proposed a final dividend of 21.90c which, together with the interim dividend of 10.51c, gives a dividend paid and proposed for the year of 32.41c, an increase of 18% compared to prior year, in line with its progressive dividend policy.

The final dividend paid to Shareholders in Sterling will be 14.25p which combined with the interim dividend paid of 6.20p, represents 20.45p, an increase of 20% over the prior year in Sterling.

Defined benefit pension scheme

The Group sponsors a UK defined benefit pension scheme, closed to new members and future accrual. At the end of September 2014 the Scheme had 977 insured pensioners, 163 uninsured pensioners and 529 deferred members.

The Board's strategy is to reduce the financial risk of the defined benefit pension scheme and significant steps were taken in 2014 towards this. A buy-in policy was purchased in September 2014 with Prudential Retirement Income Limited (Prudential), covering the majority of pensions in payment and a flexible early retirement offer (FERO) for deferred pensioner members was also completed in the period.

At 27 December 2014, the deficit of the Scheme on an IAS 19 basis was $24.02m (2013: $27.40m). The change in deficit is analysed as follows:

	$m
IAS 19 deficit at 28 December 2013	**(27.40)**
Company contributions to the Scheme	**26.54**
Pension administration costs	**(0.54)**
Pension costs - exceptional	**(1.55)**
Pension finance charge	**(0.90)**
Remeasurement losses due to changes in assumptions	**(9.08)**
Remeasurement loss on pension buy-in	**(12.62)**
Exchange gains	**1.53**
IAS 19 deficit at 27 December 2014	**(24.02)**

In 2014, $26.54m of pension contributions were paid into the Scheme by the Company. $3.72m monthly contributions paid up to the date of buy-in; $22.41m paid at the point of buy-in and $0.41m paid as a result of the FERO exercise.

The pension buy-in premium paid to Prudential was $107.06m which was funded using Scheme assets of $84.65m together with the company contribution of $22.41m. $94.44m of pensioner liabilities were covered by the policy and this resulted in a remeasurement loss on buy-in of $12.62m.

As a result of the FERO exercise, $8.63m of deferred pensioner liabilities were transferred out of the Scheme. This represented a take up rate of 45% (by value) on this exercise. The settlement charge was $0.47m as a result of this transaction.

However, market conditions worsened significantly during the year and the deficit of the Scheme increased by $9.08m, principally due to a reduction in the discount rate from 4.48% to 3.47%.

At the year end, the Scheme had $121.85m of insured pension liability; $33.07m of uninsured liabilities and $9.05m of assets (excluding the insurance policies).

The pension Trustee is targeting a buy-out of all of the insured pensioner liabilities and on completion of the buy-out the Company has agreed to make an additional contribution of £6m into the Scheme. Completion of the buy-out transactions will be dependent on a number of factors, including the funding level of deferred pensioners at that date, as well as the cost of Guaranteed Minimum Pension equalisation calculations which are currently being undertaken. This will be kept under review during 2015.

The Schedule of Contributions, which was agreed in December 2013, sets out a £3.28m contribution to the Scheme in 2014, increasing at 3% annually. This recovery plan would close the deficit in 6.3 years (by 30 April 2020). It is not intended that any contributions will be paid by the Company into the Scheme in 2015 until the buy-out transactions are completed. At that point, the £6m contribution outlined in the previous paragraph would be paid and a new recovery plan would be agreed between the Company and the Trustee to take into account the deficit at that date.

Cash flow

The Group had net cash of $18.30m at 27 December 2014, resulting from a net cash outflow of $7.69m in the year. Net cash at 27 December 2014 was represented by:

	2014 $m	2013 (restated) $m
Other financial assets – bank deposits	**-**	8.16
Cash and cash equivalents	**18.30**	17.83
Net cash	**18.30**	25.99

The North American business has US$13.0m working capital facilities with its principal US bank, JPMorgan Chase. The interest rate is US$ LIBOR plus 1.5% and the facilities are due for renewal on 31 August 2017. In addition, the Company has a £1m overdraft with its principal UK bank, Lloyds, until 31 December 2015. The interest rate is bank base rate plus 2.0%.

The movement in net cash is summarised below. This presentation shows an analysis of operating cash flow from continuing operations with cash flow in relation to discontinued operations as a single line item.

Operating cash flow	**2014 $m**
Underlying operating profit	**27.76**
Depreciation and amortisation	**1.70**
Change in working capital	**0.21**
Capital expenditure	**(2.09)**
Operating cash flow after capital expenditure – continuing operations	**27.58**
Tax and interest	**(6.07)**
Defined benefit pension contributions	**(26.54)**
Own share transactions	**(1.32)**
Exceptional items and social security on share option exercises	**(2.25)**
Exchange and other	**(0.67)**
Cash flow – continuing operations	**(9.27)**
Discontinued operations net cash inflow	**9.50**
Dividends to Shareholders	**(7.92)**
Net cash outflow in the year	**(7.69)**

The Group delivered a strong operating cash flow performance in 2014, generating $27.58m of operating cash flow from continuing operations (after $2.09m of capital expenditure). This demonstrated the cash generative profile of the direct marketing business model which has low fixed and working capital requirements. Underlying operating profit to cash conversion rate was 99% (2013: 101%).

Net cash outflow from continuing operations was $9.27m, after the defined benefit pension contribution of $26.54m.

Discontinued operations cash inflow, represented the net proceeds received on the SPS disposal of $9.72m offset by operating cash outflow up to the date of disposal of $0.22m.

Balance sheet and Shareholders' equity

Net assets at 27 December 2014 were $14.07m (2013: $27.67m), a decrease of $13.60m.

	2014 $m	2013 (restated) $m
Non current assets	**15.20**	16.48
Working capital	**5.13**	4.11
Net cash	**18.30**	25.99
Pension deficit	**(24.02)**	(27.40)
Net assets held for sale	**-**	9.46
Other liabilities	**(0.54)**	(0.97)
Net assets	**14.07**	27.67

Shareholders' equity has decreased as a result of remeasurement losses on the pension scheme of $21.70m; dividends paid to shareholders of $7.92m and other items of $1.72m, offset by profit generated for the year of $17.74m (continuing operations: $16.36m and discontinued operations: $1.38m).

In 2013, the net assets of SPS, which were written down to net realisable value, were shown as assets and liabilities held for sale.

Return on capital employed

The average operating capital employed during the year was $15.80m and the return on capital employed, based on the underlying operating profit of the Group was 176%.

Treasury policy

Treasury policy is to manage centrally the financial requirements of the business. The business operates cash pooling arrangements separately for its North American operations and its UK operations. The business enters into forward contracts to buy or sell currency relating to specific receivables and payables as well as remittances from its overseas subsidiaries. The majority of cash is held on deposit with the principal UK bank and working capital requirements for the North American business are funded by a facility with the principal US bank.

Supplier rebates

In response to the Financial Reporting Council's (the "FRC") recent announcement in relation to accounting for supplier arrangements, the Group has taken the opportunity to disclose its policy in relation to this area. The business has a number of rebate arrangements in place, which are in line with prior periods and which the Directors do not consider to be complex in nature as they do not require significant estimates and judgements. The business receives annual rebates from certain suppliers which are calculated as a percentage of the value of goods purchased in a calendar year. Rebate income is accrued in the year in which the goods are purchased based on the terms agreed with suppliers. Supplier agreements run coterminously with the Group's reporting period and therefore require little judgement in their calculation.

Critical accounting policies

Critical accounting policies are those that require significant judgements or estimates and potentially result in materially different results under different assumptions or conditions. It is considered that the only critical accounting policy is in respect of pensions.

Kevin Lyons-Tarr
CEO, 4imprint Direct Marketing

Gillian Davies
Group Finance Director

4 March 2015

Group income statement for the 52 weeks ended 27 December 2014

	Note	**2014** **$'000**	2013 (restated)[†] $'000
Continuing operations			
Revenue	1	**415,773**	332,936
Operating expenses		**(391,631)**	(317,080)
Operating profit before exceptional items		**26,549**	16,253
Exceptional items	2	**(2,407)**	(397)
Operating profit	1	**24,142**	15,856
Finance income		**107**	88
Finance costs		**(7)**	(27)
Pension finance charge	5	**(903)**	(1,445)
Net finance cost		**(803)**	(1,384)
Profit before tax		**23,339**	14,472
Taxation	3	**(6,982)**	(3,857)
Profit for the period from continuing operations		**16,357**	10,615
Discontinued operations			
Profit/(loss) from discontinued operations	8	**1,381**	(4,825)
Profit for the period		**17,738**	5,790

		Cents	Cents
Earnings per share			
Basic			
From continuing operations	4	**59.73**	40.11
From continuing and discontinued operations	4	**64.78**	21.88
Diluted			
From continuing operations	4	**58.16**	38.13
From continuing and discontinued operations	4	**63.08**	20.80
Underlying			
From continuing operations	4	**73.48**	55.55

[†] Presentational currency changed to US dollars.

Group statement of comprehensive income for the 52 weeks ended 27 December 2014

	2014 **$'000**	2013 (restated)[†] $'000
Profit for the period	**17,738**	5,790
Other comprehensive (expense)/income		
Items that may be reclassified subsequently to the income statement:		
Exchange differences on translation of foreign subsidiaries	**529**	377
Exchange differences recycled to income statement on disposal of business	**(1,347)**	-
Items that will not be reclassified subsequently to the income statement:		
Remeasurement (losses)/gains on post employment obligations	**(15,128)**	4,455
Return on Scheme assets (excluding interest income)	**6,047**	2,718
Remeasurement loss on buy-in	**(12,622)**	-
Tax relating to components of other comprehensive (expense)/income	**(645)**	(3,502)
Effect of change in UK tax rate	**33**	(755)
Other comprehensive (expense)/income net of tax	**(23,133)**	3,293
Total comprehensive (expense)/income for the period	**(5,395)**	9,083

	2014 **$'000**	2013 (restated)[†] $'000
Total comprehensive (expense)/income attributable to equity Shareholders arising from		
- Continuing operations	**(5,429)**	13,908
- Discontinued operations	**34**	(4,825)
	(5,395)	9,083

[†] Presentational currency changed to US dollars.

Group balance sheet at 27 December 2014

	Note	**2014** **$'000**	2013 (restated)† $'000	2012 (restated)† $'000
Non current assets				
Property, plant and equipment		**9,105**	8,803	19,931
Intangible assets		**1,298**	1,349	1,541
Deferred tax assets		**4,794**	6,324	10,147
		15,197	16,476	31,619
Current assets				
Assets held for sale		**-**	13,824	-
Inventories		**4,353**	3,686	5,393
Trade and other receivables		**36,810**	30,105	32,617
Other financial assets – bank deposits		**-**	8,165	4,847
Cash and cash equivalents		**18,301**	17,825	22,780
		59,464	73,605	65,637
Current liabilities				
Trade and other payables		**(36,038)**	(29,684)	(25,969)
Current tax		**(11)**	(247)	(242)
Borrowings		**-**	-	(2,659)
Provisions for other liabilities and charges		**(229)**	-	-
Liabilities held for sale		**-**	(4,364)	-
		(36,278)	(34,295)	(28,870)
Net current assets		**23,186**	39,310	36,767
Non current liabilities				
Retirement benefit obligations	5	**(24,015)**	(27,398)	(36,985)
Borrowings		**-**	-	(7,717)
Deferred tax liability		**(298)**	(477)	(1,163)
Provisions for other liabilities and charges		**-**	(242)	(242)
		(24,313)	(28,117)	(46,107)
Net assets		**14,070**	27,669	22,279
Shareholders' equity				
Share capital		**18,777**	17,988	17,884
Share premium reserve		**68,451**	68,451	68,233
Other reserves		**5,011**	5,829	5,452
Retained earnings		**(78,169)**	(64,599)	(69,290)
Total Shareholders' equity		**14,070**	27,669	22,279

† Presentational currency changed to US dollars.

Group statement of changes in Shareholders' equity for the 52 weeks ended 27 December 2014

	Share capital $'000	Share premium reserve $'000	Other reserves $'000	Retained earnings: Own shares $'000	Retained earnings: Profit and loss $'000	Total equity $'000
Balance at 29 December 2012 (restated)†	17,884	68,233	5,452	(1,125)	(68,165)	22,279
Profit for the period					5,790	5,790
Other comprehensive income/(expense)						
Exchange differences on translation of foreign subsidiaries			377			377
Remeasurement gains on post employment obligations					7,173	7,173
Tax relating to components of other comprehensive income					(3,502)	(3,502)
Effect of change in UK tax rate					(755)	(755)
Total comprehensive income			377		8,706	9,083
Shares issued	104	218				322
Own shares utilised				8	(8)	-
Own shares purchased				(203)		(203)
Share-based payment charge					1,243	1,243
Deferred tax relating to share options					1,503	1,503
Dividends					(6,558)	(6,558)
Balance at 28 December 2013 (restated)†	17,988	68,451	5,829	(1,320)	(63,279)	27,669
Profit for the period					**17,738**	**17,738**
Other comprehensive (expense)/income						
Exchange differences on translation of foreign subsidiaries			**529**			**529**
Exchange difference recycled to income statement on disposal of business			**(1,347)**			**(1,347)**
Remeasurement losses on post employment obligations					**(21,703)**	**(21,703)**
Tax relating to components of other comprehensive income					**(645)**	**(645)**
Effect of change in UK tax rate					**33**	**33**
Total comprehensive expense			**(818)**		**(4,577)**	**(5,395)**
Shares issued	**789**					**789**
Own shares utilised				**2,033**	**(2,033)**	**-**
Own shares purchased				**(2,105)**		**(2,105)**
Share-based payment charge					**653**	**653**
Tax relating to share options					**383**	**383**
Dividends					**(7,924)**	**(7,924)**
Balance at 27 December 2014	**18,777**	**68,451**	**5,011**	**(1,392)**	**(76,777)**	**14,070**

† Presentational currency changed to US dollars.

Group cash flow statement for the 52 weeks ended 27 December 2014

	Note	**2014** **$'000**	2013 (restated)† $'000
Cash flows from operating activities			
Cash generated from operations	7	**686**	17,913
Net tax paid		**(6,187)**	(2,714)
Finance income		**120**	108
Finance costs		**-**	(22)
Net cash (used in)/generated from operating activities		**(5,381)**	15,285
Cash flows from investing activities			
Purchases of property, plant and equipment		**(1,601)**	(1,542)
Purchases of intangible assets		**(496)**	(486)
Net proceeds from sale of property, plant and equipment		**5**	-
Net proceeds from sale of business		**9,717**	1,484
Net cash generated from/(used in) investing activities		**7,625**	(544)
Cash flows from financing activities			
Repayment of borrowings		**-**	(10,064)
Capital element of finance lease payments		**-**	(236)
Transfer from/(to) other financial assets		**8,161**	(3,050)
Proceeds from issue of ordinary shares		**789**	322
Purchase of own shares		**(2,105)**	(200)
Dividends paid to Shareholders	6	**(7,924)**	(6,558)
Net cash used in financing activities		**(1,079)**	(19,786)
Net movement in cash and cash equivalents		**1,165**	(5,045)
Cash and cash equivalents at beginning of the period		**17,825**	22,780
Exchange (losses)/gains on cash and cash equivalents		**(689)**	90
Cash and cash equivalents at end of the period		**18,301**	17,825
Analysis of cash and cash equivalents			
Cash at bank and in hand		**12,466**	10,815
Short term deposits		**5,835**	7,010
		18,301	17,825

† Presentational currency changed to US dollars.

General information

4imprint Group plc, registered number 177991, is a public limited company incorporated and domiciled in the UK and listed on the London Stock Exchange. Its registered office is 7/8 Market Place, London W1W 8AG. These financial statements have been prepared in US dollars.

Accounting policies

In preparing this financial information, the principal accounting policies that will be detailed in the Group's Annual Report for 2014 have been used and these are unchanged from the prior period, except as detailed in the restatement note below.

Basis of preparation

This announcement was approved by the Board of Directors on 4 March 2015. The financial information in this announcement does not constitute the Group’s statutory accounts for the periods ended 27 December 2014 or 28 December 2013 but it is derived from those accounts. Statutory accounts for 28 December 2013 have been delivered to the Registrar of Companies, and those for 27 December 2014 will be delivered after the Annual General Meeting. The auditors have reported on those accounts. Their reports were unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The audited consolidated financial statements from which these results are extracted have been prepared under the historical cost convention in accordance with IFRS (International Financial Reporting Standards) as adopted by the EU, IFRS IC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The standards used are those published by the International Accounting Standards Board (IASB) and endorsed by the EU and effective at the time of preparing these financial statements (March 2015).

After making enquiries, the Directors have reasonable expectations that the Group has adequate resources to continue to operate for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the consolidated financial statements.

Restatement

The Group announced on 24 October 2014 that it would change the currency in which it presents its consolidated financial statements from Sterling to US dollars. A substantial portion of the Group's revenue and earnings are denominated in US dollars and the Board has decided that a US dollar presentation will give a more meaningful view of the Group's financial performance and position.

The consolidated financial statements have been restated from Sterling into US dollars using the procedures as outlined below and in accordance with the requirements set out in IAS 21: ‘The Effects of Changes in Foreign Exchange Rates’ with respect to translation to the presentational currency:

- items of income and expenditure, other than single material identifiable transactions, denominated in non US dollar currencies were translated into US dollars at the average exchange rate of the reporting period. Single material identifiable transactions, e.g. the sale of the SPS business, have been translated at the exchange rate at the time of the transaction;
- assets and liabilities denominated in non US dollar currencies were translated into US dollars at the closing rate prevailing at the balance sheet dates;
- share capital, share premium and the capital redemption reserve have been translated at historical exchange rates; and
- all resulting exchange differences have been recognised in other comprehensive income and in the currency translation reserve in accordance with the Group’s existing accounting policy.

The relevant exchange rates used to convert the 2013 Sterling financial statements were as follows:

£/US$ - average	1.5641
£/US$ - period end	1.6494

Critical accounting policies

Critical accounting policies are those that require significant judgements or estimates and potentially result in materially different results under different assumptions or conditions. Management consider the following to be the only critical accounting policy:

Pensions
As disclosed in note 5, the Group sponsors a defined benefit pension scheme closed to new members and future accruals. Period end recognition of the liabilities under this scheme and the return on assets held to fund these liabilities require a number of significant actuarial assumptions to be made including inflation, discount rate and mortality rates. Small changes in assumptions can have a significant impact on the expense recorded in the income statement and on the pension liability in the balance sheet.

1 Segmental reporting

The chief operating decision maker has been identified as the Board of Directors and the segmental analysis is presented based on the Group's internal reporting to the Board.

At 27 December 2014, the Group is reported as one primary operating segment and the costs of the UK Head Office:

Revenue – continuing operations

4imprint Direct Marketing	**2014 $'000**	2013 (restated) $'000
North America	**398,991**	320,035
UK and Ireland	**16,782**	12,901
Total revenue from sale of promotional products	**415,773**	332,936

Profit – continuing operations

	Underlying		Total	
	2014 $'000	2013 (restated) $'000	**2014 $'000**	2013 (restated) $'000
4imprint Direct Marketing	**31,927**	22,839	**31,927**	22,839
Head Office	**(4,168)**	(3,345)	**(4,168)**	(3,345)
Underlying operating profit	**27,759**	19,494	**27,759**	19,494
Exceptional items – Head Office (note 2)			**(2,407)**	(397)
Share option related charges			**(666)**	(2,493)
Defined benefit pension scheme administration costs (note 5)			**(544)**	(748)
Operating profit	**27,759**	19,494	**24,142**	15,856
Net finance income	**100**	61	**100**	61
Pension finance charge (note 5)			**(903)**	(1,445)
Profit before tax	**27,859**	19,555	**23,339**	14,472
Taxation	**(7,738)**	(4,855)	**(6,982)**	(3,857)
Profit after tax	**20,121**	14,700	**16,357**	10,615

2 Exceptional items

Continuing operations	**2014 $'000**	2013 (restated) $'000
Pension flexible early retirement offer costs	**225**	397
Pension flexible early retirement offer settlement charge	**472**	-
Pension buy-in costs	**1,710**	-
	2,407	397

Exceptional items include $1,078,000 (2013: $119,000) incurred and paid by the defined benefit pension scheme.

3 Taxation

Continuing operations	2014 $'000	2013 (restated) $'000
Current tax		
UK tax – current	**-**	-
Overseas tax – current	**6,751**	2,981
Overseas tax – prior year	**868**	-
Total current tax	**7,619**	2,981
Deferred tax		
Origination and reversal of temporary differences	**(56)**	859
Effect of change in UK tax rate	**-**	(5)
Adjustment in respect of prior years	**(581)**	22
Total deferred tax	**(637)**	876
Taxation – continuing operations	**6,982**	3,857

The tax for the period is different to the standard rate of corporation tax in the respective countries of operation. The differences are explained below:

	2014 $'000	2013 (restated) $'000
Profit before tax - continuing operations	**23,339**	14,472
Profit/(loss) before tax from discontinued operations (note 8)	**1,381**	(4,581)
Profit before tax – total operations	**24,720**	9,891
Profit before tax multiplied by rate of corporation tax applicable in the respective countries	**9,029**	4,015
Effects of:		
Adjustments in respect of prior years	**251**	41
Expenses not deductible for tax purposes and non taxable income	**(1,685)**	(1,311)
(Non taxable profit)/non deductible loss on disposal of business	**(296)**	1,401
Timing differences and other differences	**(278)**	70
Utilisation of tax losses not previously recognised	**(39)**	(41)
Effect of change in UK tax rate on deferred tax balances	**-**	(74)
Taxation – total operations	**6,982**	4,101
Taxation – continuing operations	**6,982**	3,857
Taxation – discontinued operations (note 8)	**-**	244
Taxation – total operations	**6,982**	4,101

The main rate of UK corporation tax has been reduced to 21% from 1 April 2014 and to 20% from 1 April 2015. The net deferred tax asset at 27 December 2014 has been calculated at a tax rate of 20%.

The amount of current tax recognised directly in Shareholders'equity in 2014 was $1,467,000 (2013: $nil).

4 Earnings per share

Basic, diluted and underlying

The basic, diluted and underlying earnings per share are calculated based on the following data:

	2014 $'000	2013 (restated) $'000
Profit after tax – continuing operations	**16,357**	10,615
Profit/(loss) after tax – discontinued operations	**1,381**	(4,825)
Profit after tax	**17,738**	5,790

	2014 Number '000	2013 Number '000
Basic weighted average number of shares	**27,383**	26,463
Adjustment for employee share options	**739**	1,372
Diluted weighted average number of shares	**28,122**	27,835

	2014 cents	2013 (restated) cents
Basic earnings per share from continuing operations	**59.73**	40.11
Basic earnings/(loss) per share from discontinued operations	**5.05**	(18.23)
	64.78	21.88
Diluted earnings per share from continuing operations	**58.16**	38.13
Diluted earnings/(loss) per share from discontinued operations	**4.92**	(17.33)
	63.08	20.80

	2014 $'000	2013 (restated) $'000
Profit before tax – continuing operations	**23,339**	14,472
Adjustments:		
Share option charges	**633**	1,226
Social security charges on share options	**33**	1,267
Exceptional items (note 2)	**2,407**	397
Defined benefit pension scheme administration costs (note 5)	**544**	748
Pension finance charge (note 5)	**903**	1,445
Underlying profit before tax – continuing operations	**27,859**	19,555
Taxation – continuing operations (note 3)	**(6,982)**	(3,857)
Tax relating to above adjustments	**(756)**	(998)
Underlying profit after tax – continuing operations	**20,121**	14,700

	cents	cents
Underlying basic earnings per share from continuing operations	**73.48**	55.55
Underlying diluted basic earnings per share from continuing operations	**71.55**	52.81

The underlying basic earnings per share is calculated before the after tax effect of share option charges, exceptional items and defined benefit pension charges and is included because the Directors consider this gives a measure of the underlying performance of the continuing business.

5 Employee pension schemes

The Group operates defined contribution plans for the majority of its UK and US employees. The regular contributions are charged to the income statement as they are incurred. The charges recognised in the income statement are:

Continuing operations	**2014** **$'000**	2013 (restated) $'000
Defined contribution plans – employers contributions	**855**	724

Pension charges for defined contribution schemes in respect of discontinued operations were $15,000 for the period prior to disposal (2013: $116,000).

The Group also sponsors a UK defined benefit pension scheme which is closed to new members and future accrual.

The amounts recognised in the income statement are as follows:

	2014 **$'000**	2013 (restated) $'000
Administration costs paid by the Scheme	**544**	748
Pension finance charge	**903**	1,445
Exceptional items – buy-in and flexible early retirement offer costs paid by Scheme	**1,078**	119
Total defined benefit pension charge – continuing operations	**2,525**	2,312

The amounts recognised in the balance sheet comprise:

	2014 **$'000**	2013 (restated) $'000
Present value of funded obligations	**(154,918)**	(158,986)
Fair value of scheme assets	**130,903**	131,588
Net liability recognised in the balance sheet	**(24,015)**	(27,398)

A full actuarial valuation was undertaken as at 5 April 2013 in accordance with the Scheme funding requirements of the Pensions Act 2004. This Scheme actuarial valuation showed a deficit of £30.6m. The Company agreed a schedule of contributions with the Trustee. The recovery plan period is 6.3 years and takes into account the material funding improvement between the date of valuation and date of the recovery plan (December 2013), as agreed with the Scheme actuary. The improvement was principally due to an increase in UK gilt rates during that period. In 2014 accelerated contributions of £13.7m ($22.4m) were paid to the Scheme to facilitate the purchase of the buy-in policy. A further £6.0m will be paid to the Scheme if the policy is converted to a buy-out, which the Scheme Trustee is targeting to complete in 2015.

For the purposes of IAS 19 the actuarial valuation as at 5 April 2013, which was carried out by a qualified independent actuary, has been updated on an approximate basis to 27 December 2014. There have been no changes in the valuation methodology adopted for this period's disclosures compared to the previous period's disclosures.

The principal assumptions applied by the actuaries, as determined by the Directors, at each period end were:

	2014	2013
Rate of increase in pensions in payment	**2.71%**	3.20%
Rate of increase in deferred pensions	**1.71%**	2.20%
Discount rate	**3.47%**	4.48%
Inflation assumption – RPI	**2.81%**	3.30%
– CPI	**1.81%**	2.30%

The mortality assumptions adopted at 27 December 2014 align with those used in the Scheme valuation and the prior period. The assumptions imply the following life expectancies at age 65:

	2014	2013
Male currently age 40	**24.7 yrs**	24.6 yrs
Female currently age 40	**27.2 yrs**	27.1 yrs
Male currently age 65	**22.5 yrs**	22.4 yrs
Female currently age 65	**24.8 yrs**	24.7 yrs

Changes in the present value of the defined benefit obligation are as follows:

	2014 **$'000**	2013 (restated) $'000
Defined benefit obligation at start of period	**158,986**	161,975
Administration costs paid by the Scheme	**544**	748
Exceptional items – buy-in and flexible early retirement offer costs paid by the Scheme	**1,078**	119
Interest expense	**6,751**	6,569
Liabilities removed on settlement of flexible early retirement offer	**(8,629)**	-
Remeasurement gains due to Scheme experience	**-**	(1,652)
Remeasurement gains due to changes in demographic assumptions	**-**	(3,055)
Remeasurement losses due to changes in financial assumptions	**15,128**	252
Benefits paid	**(9,643)**	(9,039)
Exchange (gains)/losses	**(9,297)**	3,069
Defined benefit obligation at end of period*	**154,918**	158,986

*$121,852,000 (2013: $30,865,000) of the obligations are covered by insured annuities.

Changes in the fair value of Scheme assets are as follows:

	2014 **$'000**	2013 (restated) $'000
Fair value of assets at start of period	**131,588**	124,990
Interest income	**5,848**	5,124
Return on Scheme assets (excluding interest income)	**6,047**	2,718
Remeasurement loss on buy-in	**(12,622)**	-
Assets removed on settlement of flexible early retirement offer	**(9,101)**	-
Contributions by employer	**26,544**	4,966
Benefits paid	**(9,643)**	(9,039)
Exchange (loss)/gain	**(7,758)**	2,829
Fair value of assets at end of period	**130,903**	131,588

6 Dividends

Equity dividends – ordinary shares		**2014** **$'000**	2013 (restated) $'000
Interim paid:	10.51c (2013: 8.55c)	**2,806**	2,351
Final paid:	19.01c (2013: 15.37c)	**5,118**	4,207
		7,924	6,558

In addition, the Directors are proposing a final dividend in respect of the period ended 27 December 2014 of 21.90c (14.25p) per share, which will absorb an estimated $6.12m of Shareholders' funds. Subject to Shareholder approval at the Annual General Meeting, the dividend is payable on 13 May 2015 to Shareholders who are on the register of members at close of business on 10 April 2015. These financial statements do not reflect this proposed dividend.

7 Cash generated from operations

	2014 **$'000**	2013 (restated) $'000
Operating profit/(loss) – continuing operations	**24,142**	15,856
– discontinued operations (note 8)	**(118)**	1,439
Adjustments for:		
Depreciation charge	**1,276**	2,133
Amortisation of intangibles	**552**	626
Exceptional non cash items	**1,550**	119
Decrease in exceptional accrual/provisions	**(24)**	(25)
Share option charges – continuing	**633**	1,226
– discontinued	**20**	17
Defined benefit pension administration charge	**544**	748
Contributions to defined benefit pension scheme	**(26,544)**	(4,966)
Changes in working capital:		
Increase in inventories	**(1,107)**	(1,268)
Increase in trade and other receivables	**(6,838)**	(5,362)
Increase in trade and other payables	**6,600**	7,370
Cash generated from operations	**686**	17,913

Analysis of net cash	**2014** **$'000**	2013 (restated) $'000
Cash at bank and in hand	**12,466**	10,815
Short term deposits	**5,835**	7,010
Cash and cash equivalents	**18,301**	17,825
Other financial assets – bank deposits	**-**	8,165
Net cash	**18,301**	25,990

8 Discontinued operations

On 10 February 2014, the Group completed the sale of SPS to the SPS senior management, backed by Maven Capital Partners. The consideration was $11.89m (increased by $0.39m relating to the amount of working capital, debt and cash at completion).

The results of discontinued operations for the period prior to disposal were as follows:

	2014 $'000	2013 (restated) $'000
Revenue	**2,618**	23,973
Operating expenses	**(2,736)**	(22,534)
Operating (loss)/profit	**(118)**	1,439
Loss on remeasurement of assets of disposal group	**-**	(6,020)
Profit on disposal of business	**1,499**	-
Profit/(loss) before tax	**1,381**	(4,581)
Taxation	**-**	(244)
Profit/(loss) for the period from discontinued operations	**1,381**	(4,825)

The loss on remeasurement of SPS assets in 2013 was calculated based on the best estimates of the adjusted consideration net of costs of disposal and expected net assets of the disposal group at the time of completion. Costs of $275,000 in respect of the disposal had been paid up to 28 December 2013.

Profit on disposal of business	**2014 $'000**
Consideration	**11,890**
Adjustment for working capital and cash at date of sale	**385**
Adjusted consideration	**12,275**
Costs of disposal	**(2,089)**
	10,186
Net assets sold, excluding cash and debt	**(15,219)**
Cash transferred with business sold	**(513)**
Release of remeasurement provision on assets of disposal group	**5,698**
Recycled translation differences of business sold	**1,347**
Profit on disposal of business	**1,499**

Included within the cash flow statement are the following cash flows from discontinued operations:

	2014 $'000	2013 (restated) $'000
Net cash (used in)/generated from operating activities	**(207)**	1,555
Cash flows from investing activities		
Purchase of property, plant and equipment	**(7)**	(239)
Proceeds from sale of business:		
Consideration received	**12,275**	1,889
Cash costs of disposal	**(2,045)**	(275)
Payment of disposal costs accrued in prior period	**-**	(130)
Cash in subsidiaries sold	**(513)**	-
Net proceeds from sale of businesses	**9,717**	1,484
Net cash generated from investing activities	**9,710**	1,245
Net movement in cash and cash equivalents	**9,503**	2,800

Consideration received in 2013 related to the disposal of the Brand Addition business.

9 Related party transactions

The Group did not participate in any related party transactions.

10 Principal risks and uncertainties

The principal risks and uncertainties which the business faces are: macroeconomic conditions; competition; finance; failure or interruption of IT systems and infrastructure; failure to adopt technological innovations; security of customer data; business facility disruption; disruption to delivery services or product supply chain; purchase of material and services; acquisition and retention of customers; and reliance on key personnel. A full description of these risks and the mitigating actions taken by the Group will appear in the 2014 Annual Report and Accounts.

Statement of Directors' responsibilities

Each of the Directors confirms that, to the best of their knowledge:

- the financial statements within the full Annual Report and Accounts from which the financial information within this Final Results announcement has been extracted, have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and

- the Strategic report, which includes the Operating review and Financial review, and principal risks and uncertainties (note 10) includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.