9 March 2016

4imprint Group plc
Final results for the period ended 2 January 2016

4imprint Group plc (the "Group"), the leading direct marketer of promotional products, today announces its final results for the 53 weeks ended 2 January 2016.

Highlights

Financial – continuing operations	2015 53 weeks $m	2014 52 weeks $m	Change
Revenue	**497.22**	415.77	+20%
Underlying* profit before tax	**33.55**	27.86	+20%
Profit before tax	**31.16**	23.34	+33%
Underlying* basic EPS (cents)	**88.04**	73.48	+20%
Basic EPS (cents)	**81.26**	59.73	+36%
Proposed total dividend per share (cents)	**38.89**	32.41	+20%
Proposed total dividend per share (pence)	**26.57**	20.45	+30%

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

Operational

- Continued strong organic revenue growth
  - Orders 20% ahead of 2014
  - 945,000 total orders received
  - Balance between new and existing customer orders consistent with prior period
- $9m infrastructure investment in Oshkosh to support growth over the next five years
- Net cash at year end $18.38m (2014: $18.30m) after $9m infrastructure investment
- Agreement reached with Trustee on completion of pension buy-out
  - £10m cash contribution in 2016
  - Deficit expected to reduce by half

John Poulter, Chairman said:

"2015 was another excellent year for 4imprint. The business proposition remains strong and the opportunity substantial. Our strategic objective continues to be the maximisation of organic growth while delivering broadly constant operating margins coupled with high cash conversion. 2016 has started satisfactorily."

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Kevin Lyons-Tarr, Chief Executive Officer	**Reg Hoare**
David Seekings, Chief Financial Officer	**Katie Hunt**

Chairman's statement

2015 was another excellent year for 4imprint.

Revenues were $497.2m, an increase of 20% over the prior period. The effect of a 53rd week in the financial period contributed to the revenue increase, but only to a small degree. Underlying profit before tax, at $33.5m, also rose by 20%.

Orders from new customers increased 18%. Customer retention remains strong, with more than 65% of revenue coming from customers who had ordered previously.

Two major infrastructure projects were completed in 2015. The Oshkosh distribution centre, from which the Blue Box™ sample programme and the embroidery operation are managed, was more than doubled in size. There was also a substantial expansion in customer service capacity at the main office location. Both projects were completed to budget, on time and without operational disruption. The capital expenditure commitment, at $9m, was significant but the expanded facilities are expected to accommodate the Group's growth over the next five years.

At the year end net cash was $18.4m, which in light of the investment in facilities, highlights the cash generative nature of the business model.

The Board was further strengthened by the appointment in June 2015 of Charles Brady and the recent appointment of Paul Moody as Non-Executive Directors.

In respect of the legacy defined benefit pension scheme, agreement has been reached with the Trustee to convert the previous buy-in arrangements to a buy-out, which will substantially reduce the size of the remaining scheme and result in lower deficit reduction contributions going forward. A one-off contribution of £10m will be paid into the scheme, as a result of which the remaining net deficit, relating primarily to deferred members, is expected to be reduced by around half from its current level of just over $23m.

The Board is recommending a final dividend of 26.80c, an increase of 22%. Going forward, the reduced contributions to the pension scheme and the low underlying capital requirements of the business will provide scope for further increases in returns to Shareholders.

The business proposition remains strong and the opportunity substantial. Our strategic objective continues to be the maximisation of organic growth while delivering broadly constant operating margins coupled with high cash conversion. 2016 has started satisfactorily.

John Poulter

Chairman

9 March 2016

Strategic report

4imprint's strategy is to develop its position as the leading direct marketer of promotional products in the fragmented markets in which it operates.

Operationally, the objective is to deliver competitive advantage through sustained investment in marketing, people, systems technology and data analytics.

Financially, the objectives are to maximise organic revenue growth whilst maintaining a broadly stable operating margin percentage and to retain an efficient cash conversion ratio, assisted by the low capital intensity of the business.

Operating review – continuing operations

Revenue	**2015 $m**	2014 $m	
North America	**479.24**	398.99	+20%
UK and Ireland	**17.98**	16.78	+7%
Total	**497.22**	415.77	+20%

Underlying* operating profit	**2015 $m**	2014 $m	
Direct Marketing operations	**37.04**	31.93	+16%
UK Head Office	**(3.52)**	(4.17)	-15%
Total	**33.52**	27.76	+21%

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.

The 2015 results represent another successful year in the delivery of our strategy to maximise organic revenue growth at a broadly stable operating margin percentage.

Group revenue increased by 20% over 2014. Comprising more than 96% of Group revenue, the North American business continues to be the primary growth engine for the Group. Revenue growth in North America remained strong despite being affected by economic pressures and adverse currency movements in Canada. Our percentage growth rates remain significantly higher than those in our industry as a whole, which are estimated to be in the low-to-mid single digits. The UK operation produced an increase in revenue in reporting currency of 7%, but in underlying currency the growth rate was 16%, showing excellent progress and further gain in market share.

Revenue benefited from 2015 being a 53 week accounting period for the Group, compared to the usual 52 weeks. This 'extra' week contributed roughly one percentage point to sales growth over the prior period.

Overall, the Group operating margin percentage for 2015 was 6.74%, compared to 6.68% in 2014, delivering on our strategy to maintain a broadly stable operating margin percentage.

Underlying operating profit in Direct Marketing operations increased by 16%, compared to a 20% revenue increase. Several factors contributed to this slight margin dilution, the largest being the impact on gross profit of adverse USD/CAD currency movements. Other factors were the assimilation into the cost base of the Oshkosh office and distribution centre expansion projects, and the 53 week accounting period which resulted in a negative profit effect due to a full week of payroll and overheads outweighing the gross margin generated from a quiet week of revenue during the holiday season. We do not anticipate that these factors, taken together, will result in a permanent diminution in operating margin.

Head office costs reduced by 15% in 2015 compared to the prior period, reflecting the current structure and activities of the central function.

In total, 945,000 individually customised orders were processed in 2015, compared to more than 780,000 in the prior period.

More than 220,000 new customers were acquired in the period, and orders from new customers were up 18% over 2014. Prospect marketing remains a key priority, and we continue to invest a significant part of our marketing budget into testing and developing innovative techniques for reaching potential customers.

Orders from existing customers were 21% higher than the prior period, demonstrating consistent customer retention patterns. A key element in maintaining the productivity and reliability of the customer file is our Blue Box™ sample mailing programme. More than 1.75m boxes were sent to customers during 2015 as we continue to improve the depth and sophistication of this programme.

Following the pattern of recent years, online marketing increased at a faster rate than offline marketing. Rapidly evolving online techniques and media are a major focus for our marketing teams. Offline marketing, however, remains a very effective medium. Catalogue circulation was increased by 6% over the prior period.

The overall effectiveness of the marketing effort is expressed in the revenue per marketing dollar statistic. This was in line with expectations at $5.92 for the period, compared to $6.01 in 2014, as we continue our aggressive pursuit of organic revenue growth.

There were two major infrastructure projects in 2015 at our US base in Oshkosh. We made a major expansion at our distribution centre, more than doubling the footprint of that facility to accommodate volume increases in our sample, Blue Box™ and embroidery operations. In addition, around 25,000 sq. ft. of office space was added to our main office facility. The total capital cost was $9m and both projects were delivered on time, on budget and with no operational disruption.

We continue to expand our product range, including products exclusive to 4imprint and an increasing number of items available on 24 hour turnaround.

For the eighth year in a row, the North American business was named on the prestigious list of the Top 25 Medium Sized Best Workplaces in the USA. The UK business maintains its Investors in People accreditation. Our workplace culture is fundamental in sustaining the remarkable customer service that marks us out from our competition.

The infrastructure investments and operational improvements made in 2015 leave us in a strong market position. Moreover, we are very proud of our well-trained, dedicated and talented team. As a result, we are confident in our ability to achieve further organic growth.

Financial review

Continuing operations	**2015 Underlying* $m**	2014 Underlying* $m	**2015 Total $m**	2014 Total $m
Underlying* operating profit	**33.52**	27.76	**33.52**	27.76
Share option related charges (incl. social security)			**(0.30)**	(0.67)
Exceptional items			**(0.86)**	(2.41)
Net finance income	**0.03**	0.10	**0.03**	0.10
Defined benefit pension charges			**(1.23)**	(1.44)
Profit before tax	**33.55**	27.86	**31.16**	23.34

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

Operating result

Group revenue in 2015 was $497.22m, (2014: $415.77m), an increase of 20% over the prior period. Underlying operating profit before tax was $33.55m, (2014: $27.86m), up 20% over the 2014 comparative.

2015 was a 53 week accounting period for the Group, compared to the usual 52 week period. The effect of this extra week on Group revenue was an increase of around $4m, contributing roughly one percentage point of the

20 percentage points of revenue growth over 2014. The effect of the additional week on underlying operating profit was negative due to a full week of payroll and overheads outweighing the gross margin arising from a quiet week of revenue during the holiday season.

Foreign exchange

The US dollar exchange rates material to the Group's 2015 results were as follows:

	2015		2014	
	Period end	**Average**	Period end	Average
Sterling	**1.48**	**1.53**	1.56	1.65
Canadian dollars	**0.72**	**0.78**	0.86	0.91

Share option charges

The Group charged $0.30m, (2014: $0.67m), in respect of IFRS2, 'Share-based payments'. This charge was made up of elements from a UK SAYE scheme, the Performance Share Plan ('PSP') which was approved by Shareholders on 27 April 2011, and the 2015 Incentive Plan which was approved at the 2015 AGM. The decreased charge in the period compared to 2014 is due to 1.4 million PSP share options vesting in April 2014, the vesting of a US SAYE scheme, and only a partial period's charge in respect of the 2015 Incentive plan.

Current options outstanding are 120,000 shares under the PSP, and 36,464 shares under the UK SAYE scheme. 26,128 share options are expected to be awarded under the 2015 Incentive Plan following the announcement of these results.

Exceptional items

A total of $0.86m (2014: $2.41m) was charged to exceptional items in the period, $0.61m of which represents costs incurred and paid by the pension scheme. All of the charge was in respect of pension risk reduction exercises. $0.28m of costs were incurred as a result of the Flexible Retirement Option ('FRO') offered to deferred pensioners in the second half of 2015. A further $0.58m of costs related to the ongoing project to progress the pensioner buy-in, completed in September 2014, to buy-out status.

Net finance income

Net finance income for the period was $0.03m (2014: $0.10m), reflecting the modest rates available on the investment of cash balances in short term deposits.

Taxation

The tax charge for the period was $8.46m (2014: $6.98m), producing an effective tax rate of 27% (2014: 30%). The charge comprised current tax of $8.03m, representing tax payable in the USA, and a deferred tax charge of $0.43m. The change in rate between periods was driven by several factors, but was principally due to the deduction of pension-related items.

The tax charge relating to underlying profit before tax was $8.96m (2014: $7.74m), an effective tax rate of 27% (2014: 28%).

The effective tax rates are higher than UK corporate tax rates due to the Group's profits being generated principally in the USA, attracting that country's higher rates of corporate tax.

Earnings per share

Underlying basic earnings per share from continuing operations was 88.04c (2014: 73.48c), an increase of 20%. This increase mirrors the 20% increase in underlying profit before tax, after accounting for a lower rate of tax offset by a slightly higher weighted average number of shares in issue.

Basic earnings per share was 81.26c (2014: 59.73c), an increase of 36%. This reflects reduced share option charges, defined benefit pension charges and exceptional charges in the period, as well as a lower overall tax charge, all compared to prior period.

Dividends

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

The Board has proposed a final dividend of 26.80c (2014: 21.90c) which, together with the interim dividend of 12.09c, gives a total paid and proposed dividend relating to 2015 of 38.89c, an increase of 20% compared to prior period.

In Sterling, the final dividend paid to shareholders will be 18.82p (2014: 14.25p), which, combined with the interim dividend paid of 7.75p, gives a total dividend for the period of 26.57p, an increase of 30% compared to prior period.

Defined benefit pension scheme

The Group sponsors a legacy defined benefit pension scheme which has been closed to new members and future accruals for several years. The scheme has around 1,100 pensioners, (of whom 84% have insured benefits), and around 500 deferred pensioners.

At 2 January 2016, the deficit of the scheme on an IAS 19 basis was $23.11m, compared to $24.02m at 27 December 2014.

The change in deficit is analysed as follows:

	$m
IAS 19 deficit at 27 December 2014	**(24.02)**
Company contributions to the Scheme	**0.83**
Pension administration costs	**(0.39)**
Pension costs – exceptional	**(0.61)**
Pension finance charge	**(0.84)**
Remeasurement gains due to changes in assumptions	**0.77**
Exchange gains	**1.15**
IAS 19 deficit at 2 January 2016	**(23.11)**

At 2 January 2016 gross scheme liabilities under IAS 19 were $139.25m, and assets were $116.14m. However, pensioner liabilities of $108.41m were insured via annuities as a result of previous risk reduction exercises, resulting in uninsured liabilities of $30.84m and non-insurance scheme assets of $7.73m. 78% of scheme liabilities are insured.

The Group is engaged in further pension scheme risk reduction exercises. Having completed significant buy-in (insurance of liabilities for pensions in payment) arrangements in prior years, it is intended to proceed to buy-out status, whereby the underwritten liabilities and equivalent assets are removed entirely from the Group balance sheet and converted to individual annuities held with the insurer. This is a complex and detailed exercise which takes into account many factors including guaranteed minimum pension equalisation. In consideration of the buy-out exercise, the Group has agreed to a one-off deficit adjustment contribution of £10 million, to be paid in the first half of 2016, and a new schedule of deficit recovery contributions going forward will be agreed with the Trustee.

Deferred pensioner liabilities were addressed during the second half of 2015 through a FRO exercise. Take up of the offer was relatively modest, resulting in $0.55m of liabilities being transferred out of the scheme, however the FRO mechanism has now been embedded in the scheme for future years as more deferred pensioners reach the eligibility age of 55.

It is anticipated that as a result of these risk reduction actions, and subject to changes in actuarial assumptions, the net deficit is expected to be reduced to around half of its current size.

Cash flow

The Group had net cash of $18.38m at 2 January 2016, an increase of $0.08m over the 27 December 2014 balance of $18.30m.

Cash flow in the period is summarised as follows:

	2015 $m	2014 $m
Underlying operating profit	**33.52**	27.76
Depreciation and amortisation	**1.96**	1.70
Change in working capital	**(4.46)**	0.21
Capital expenditure	**(11.02)**	(2.09)
Operating cash flow	**20.00**	27.58
Tax and interest	**(8.70)**	(6.07)
Defined benefit pension contributions	**(0.83)**	(26.54)
Own share transactions	**-**	(1.32)
Exceptional items	**(0.31)**	(0.89)
National insurance on share options exercised	**-**	(1.36)
Exchange	**(0.48)**	(0.67)
Free cash flow	**9.68**	(9.27)
Discontinued operations net cash inflow	**-**	9.50
Dividends to Shareholders	**(9.60)**	(7.92)
Net cash inflow/(outflow) in the period	**0.08**	(7.69)

The 2015 results again demonstrate the cash generative capabilities of the Direct Marketing business model.

The underlying operating profit to operating cash conversion rate was 60% (2014: 99%). This reflects an unusually high level of capital expenditure in the period associated with the Oshkosh expansion projects. Adding back the $9m spent on these projects, the cash conversion rate rises to 87%. The $4.46m net outflow of working capital in the period is higher than usual, arising as a result of some timing effects due to the 53 week accounting period and some natural build in supplier volume rebate receivable balances at the period end.

Free cash flow was $9.68m, after the $9m of expansion project capital expenditure.

Balance sheet and shareholders' funds

Net assets at 2 January 2016 were $28.45m, compared to $14.07m at 27 December 2014. The balance sheet is summarised as follows:

	2 January 2016 $m	27 December 2014 $m
Non current assets	**23.75**	15.20
Working capital	**9.71**	5.13
Net cash	**18.38**	18.30
Pension deficit	**(23.11)**	(24.02)
Other assets/(liabilities) - net	**(0.28)**	(0.54)
Net assets	**28.45**	14.07

The balance sheet movements in respect of non-current assets and working capital are discussed in the cash flow section above.

Shareholders' funds increased by $14.38m, comprised of net profit in the period of $22.69m, $0.61m of net pension remeasurement gains, $0.50m of share option related movements, and $0.41m of exchange gains, net of a charge of $0.23m for the effect of changes in the UK tax rate and $9.60m equity dividends paid to Shareholders.

Treasury policy

The financial requirements of the Group are managed through a centralised treasury policy. The Group operates cash pooling arrangements for its North American operations. Forward contracts are taken out to buy or sell currency relating to specific receivables and payables as well as remittances from overseas subsidiaries. The Group holds the majority of its cash on deposit with its principal UK banker and the working capital requirements of the North American business are funded by a facility with its principal US banker.

The Group has $13.0m of working capital facilities with its principal US bank, JPMorgan Chase. The interest rate is US$ LIBOR plus 1.5%, and the facilities expire on 31 August 2017. In addition, an overdraft facility of £1m, with an interest rate of bank base rate plus 2.0%, is available from the Group's principal UK bank, Lloyds.

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

Chief Executive Officer

David Seekings

Chief Financial Officer

9 March 2016

Group income statement for the 53 weeks ended 2 January 2016

	Note	**2015 53 weeks $'000**	2014 52 weeks $'000
Continuing operations			
Revenue	1	**497,219**	415,773
Operating expenses		**(465,256)**	(391,631)
Operating profit before exceptional items		**32,821**	26,549
Exceptional items	2	**(858)**	(2,407)
Operating profit	1	**31,963**	24,142
Finance income		**37**	107
Finance costs		**(7)**	(7)
Pension finance charge		**(836)**	(903)
Net finance cost		**(806)**	(803)
Profit before tax		**31,157**	23,339
Taxation	3	**(8,462)**	(6,982)
Profit for the period from continuing operations		**22,695**	16,357
Discontinued operations			
Profit from discontinued operations		**-**	1,381
Profit for the period		**22,695**	17,738

		Cents	Cents
Earnings per share			
Basic			
From continuing operations	4	**81.26**	59.73
From continuing and discontinued operations	4	**81.26**	64.78
Diluted			
From continuing operations	4	**80.76**	58.16
From continuing and discontinued operations	4	**80.76**	63.08
Underlying basic			
From continuing operations	4	**88.04**	73.48

Group statement of comprehensive income for the 53 weeks ended 2 January 2016

	Note	**2015 53 weeks $'000**	2014 52 weeks $'000
Profit for the period		**22,695**	17,738
Other comprehensive income/(expense)			
Items that may be reclassified subsequently to the income statement:			
Currency translation differences		**417**	529
Currency translation differences recycled to income statement on disposal of business		**-**	(1,347)
Items that will not be reclassified subsequently to the income statement:			
Remeasurement gains/(losses) on post employment obligations	6	**5,597**	(15,128)
Return on Scheme assets (excluding interest income)	6	**(4,832)**	6,047
Remeasurement loss on buy-in		**-**	(12,622)
Tax relating to components of other comprehensive expense		**(156)**	(645)
Effect of change in UK tax rate		**(235)**	33
Total other comprehensive income/(expense) net of tax		**791**	(23,133)
Total comprehensive income/(expense) for the period		**23,486**	(5,395)

	2015 53 weeks $'000	2014 52 weeks $'000
Total comprehensive income/(expense) attributable to equity Shareholders arising from		
- Continuing operations	**23,486**	(5,429)
- Discontinued operations	**-**	34
	23,486	(5,395)

Group balance sheet at 2 January 2016

	Note	**2015 $'000**	2014 $'000
Non current assets			
Property, plant and equipment		**18,154**	9,105
Intangible assets		**1,211**	1,298
Deferred tax assets		**4,388**	4,794
		23,753	15,197
Current assets			
Inventories		**4,460**	4,353
Trade and other receivables		**42,506**	36,810
Current tax		**688**	-
Cash and cash equivalents		**18,381**	18,301
		66,035	59,464
Current liabilities			
Trade and other payables		**(37,254)**	(36,038)
Current tax		**-**	(11)
Provisions for other liabilities and charges		**-**	(229)
		(37,254)	(36,278)
Net current assets		**28,781**	23,186
Non current liabilities			
Retirement benefit obligations	6	**(23,114)**	(24,015)
Deferred tax liability		**(808)**	(298)
Provisions for other liabilities and charges		**(160)**	-
		(24,082)	(24,313)
Net assets		**28,452**	14,070
Shareholders' equity			
Share capital		**18,777**	18,777
Share premium reserve		**68,451**	68,451
Other reserves		**5,428**	5,011
Retained earnings		**(64,204)**	(78,169)
Total Shareholders' equity		**28,452**	14,070

Group statement of changes in Shareholders' equity for the 53 weeks ended 2 January 2016

	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 28 December 2013	17,988	68,451	5,829	(1,320)	(63,279)	27,669
Profit for the period					17,738	17,738
Other comprehensive (expense)/income						
Currency translation differences			529			529
Currency translation 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
Profit for the period					**22,695**	**22,695**
Other comprehensive income/(expense)						
Currency translation differences			**417**			**417**
Remeasurement gains on post employment obligations					**765**	**765**
Tax relating to components of other comprehensive income					**(156)**	**(156)**
Effect of change in UK tax rate					**(235)**	**(235)**
Total comprehensive income			**417**		**23,069**	**23,486**
Proceeds from options exercised					**900**	**900**
Own shares utilised				**1,430**	**(1,430)**	**-**
Own shares purchased				**(750)**		**(750)**
Share-based payment charge					**222**	**222**
Deferred tax relating to share options					**128**	**128**
Dividends					**(9,604)**	**(9,604)**
Balance at 2 January 2016	**18,777**	**68,451**	**5,428**	**(712)**	**(63,492)**	**28,452**

Group cash flow statement for the 53 weeks ended 2 January 2016

	Note	2015 53 weeks $'000	2014 52 weeks $'000
Cash flows from operating activities			
Cash generated from operations	7	**29,797**	686
Net tax paid		**(8,730)**	(6,187)
Finance income		**37**	120
Finance costs		**(7)**	-
Net cash generated from/(used in) operating activities		**21,097**	(5,381)
Cash flows from investing activities			
Purchases of property, plant and equipment		**(10,585)**	(1,601)
Purchases of intangible assets		**(438)**	(496)
Net proceeds from sale of property, plant and equipment		**111**	5
Net proceeds from sale of business		**-**	9,717
Net cash (used in)/generated from investing activities		**(10,912)**	7,625
Cash flows from financing activities			
Transfer from other financial assets		**-**	8,161
Proceeds from issue of ordinary shares		**-**	789
Purchase of own shares		**-**	(2,105)
Dividends paid to Shareholders	5	**(9,604)**	(7,924)
Net cash used in financing activities		**(9,604)**	(1,079)
Net movement in cash and cash equivalents		**581**	1,165
Cash and cash equivalents at beginning of the period		**18,301**	17,825
Exchange losses on cash and cash equivalents		**(501)**	(689)
Cash and cash equivalents at end of the period		**18,381**	18,301

Analysis of cash and cash equivalents		
Cash at bank and in hand	**5,463**	12,466
Short term deposits	**12,918**	5,835
	18,381	18,301

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 and Accounts for 2015 have been used and these are unchanged from the prior period.

Basis of preparation

This announcement was approved by the Board of Directors on 9 March 2016. The financial information in this announcement does not constitute the Group's statutory accounts for the periods ended 2 January 2016 or 27 December 2014 but it is derived from those accounts. Statutory accounts for 27 December 2014 have been delivered to the Registrar of Companies, and those for 2 January 2016 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 2016).

After a review, the Directors have reasonable expectations that the Group has adequate resources to continue to operate for a period of at least twelve months from the date this report was approved. Accordingly, the Board continues to adopt the going concern basis in preparing the financial statements.

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 6, 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 2 January 2016, the Group is reported as one primary operating segment and the costs of the UK Head Office:

Revenue – continuing operations

4imprint Direct Marketing	**2015 $'000**	2014 $'000
North America	**479,235**	398,991
UK and Ireland	**17,984**	16,782
Total revenue from sale of promotional products	**497,219**	415,773

Profit – continuing operations

	Underlying		Total	
	2015 $'000	2014 $'000	**2015 $'000**	2014 $'000
4imprint Direct Marketing	**37,044**	31,927	**37,044**	31,927
Head Office	**(3,525)**	(4,168)	**(3,525)**	(4,168)
Underlying operating profit	**33,519**	27,759	**33,519**	27,759
Exceptional items (note 2)			**(858)**	(2,407)
Share option related charges			**(304)**	(666)
Defined benefit pension scheme administration costs (note 6)			**(394)**	(544)
Operating profit	**33,519**	27,759	**31,963**	24,142
Net finance income	**30**	100	**30**	100
Pension finance charge (note 6)			**(836)**	(903)
Profit before tax	**33,549**	27,859	**31,157**	23,339
Taxation	**(8,962)**	(7,738)	**(8,462)**	(6,982)
Profit after tax	**24,587**	20,121	**22,695**	16,357

2 Exceptional items

Continuing operations	**2015 $'000**	2014 $'000
Pension flexible retirement option costs	**276**	-
Pension flexible early retirement offer costs and settlement charge	**-**	697
Pension buy-out costs (2014: pension buy-in costs)	**582**	1,710
	858	2,407

Exceptional items include $610,000 (2014: $1,078,000) incurred and paid by the defined benefit pension scheme, in respect of the buy-out and flexible retirement option.

3 Taxation

Continuing operations	2015 $'000	2014 $'000
Current tax		
UK tax – current	**-**	-
Overseas tax – current	**7,865**	6,751
Overseas tax – prior periods	**167**	868
Total current tax	**8,032**	7,619
Deferred tax		
Origination and reversal of temporary differences	**590**	(56)
Adjustment in respect of prior periods	**(160)**	(581)
Total deferred tax	**430**	(637)
Taxation – continuing operations	**8,462**	6,982

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:

	2015 $'000	2014 $'000
Profit before tax - continuing operations	**31,157**	23,339
Profit before tax from discontinued operations	**-**	1,381
Profit before tax – total operations	**31,157**	24,720
Profit before tax for each country of operation multiplied by rate of corporation tax applicable in the respective countries	**10,232**	9,029
Effects of:		
Adjustments in respect of prior periods	**7**	251
Expenses not deductible for tax purposes and non taxable income	**(1,560)**	(1,685)
Non taxable profit on disposal of business	**-**	(296)
Other differences	**(208)**	(278)
Utilisation of tax losses not previously recognised	**(9)**	(39)
Taxation – total operations	**8,462**	6,982
Taxation – continuing operations	**8,462**	6,982
Taxation – discontinued operations	**-**	-
Taxation – total operations	**8,462**	6,982

The main rate of UK corporation tax was reduced to 20% from 1 April 2015. Further reductions to 19% from 1 April 2017 and 18% from 1 April 2020 have been enacted. The net deferred tax asset at 2 January 2016 has been calculated at a tax rate of 19% in respect of UK deferred tax items and 34% in respect of US deferred tax items.

The amount of current tax recognised directly in Shareholders' equity in 2015 was $nil (2014: $1,467,000). No current tax was recognised in other comprehensive income (2014: $nil).

4 Earnings per share

Basic, diluted and underlying

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

	2015 $'000	2014 $'000
Profit after tax – continuing operations	**22,695**	16,357
Profit after tax – discontinued operations	**-**	1,381
Profit after tax	**22,695**	17,738

	2015 Number '000	2014 Number '000
Basic weighted average number of shares	**27,928**	27,383
Adjustment for employee share options	**173**	739
Diluted weighted average number of shares	**28,101**	28,122

	2015 Cents	2014 cents
Basic earnings per share from continuing operations	**81.26**	59.73
Basic earnings per share from discontinued operations	**-**	5.05
	81.26	64.78
Diluted earnings per share from continuing operations	**80.76**	58.16
Diluted earnings per share from discontinued operations	**-**	4.92
	80.76	63.08

	2015 $'000	2014 $'000
Profit before tax – continuing operations	**31,157**	23,339
Adjustments:		
Share option charges	**222**	633
Social security charges on share options	**82**	33
Exceptional items (note 2)	**858**	2,407
Defined benefit pension scheme administration costs (note 6)	**394**	544
Pension finance charge (note 6)	**836**	903
Underlying profit before tax – continuing operations	**33,549**	27,859
Taxation – continuing operations (note 3)	**(8,462)**	(6,982)
Tax relating to above adjustments	**(500)**	(756)
Underlying profit after tax – continuing operations	**24,587**	20,121

	2015 cents	2014 cents
Underlying basic earnings per share from continuing operations	**88.04**	73.48
Underlying diluted basic earnings per share from continuing operations	**87.50**	71.55

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 Dividends

Equity dividends – ordinary shares		2015 $'000	2014 $'000
Interim paid:	12.09c (2014: 10.51c)	**3,336**	2,806
Final paid:	21.90c (2014: 19.01c)	**6,268**	5,118
		9,604	7,924

In addition, the Directors are proposing a final dividend in respect of the period ended 2 January 2016 of 26.80c (18.82p) per share, which will absorb an estimated $7.49m of Shareholders' funds. Subject to Shareholder approval at the Annual General Meeting, the dividend is payable on 13 May 2016 to Shareholders who are on the register of members at close of business on 8 April 2016. These financial statements do not reflect this proposed dividend.

6 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	2015 $'000	2014 $'000
Defined contribution plans – employers' contributions	**959**	855

Pension charges for defined contribution schemes in respect of discontinued operations in 2014 were $15,000 for the period prior to disposal.

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:

	2015 $'000	2014 $'000
Administration costs paid by the Scheme	**394**	544
Pension finance charge	**836**	903
Exceptional items – buy-out (2014: buy-in) and flexible retirement offer costs paid by Scheme	**610**	1,078
Total defined benefit pension charge – continuing operations	**1,840**	2,525

The amounts recognised in the balance sheet comprise:

	2015 $'000	2014 $'000
Present value of funded obligations	**(139,248)**	(154,918)
Fair value of scheme assets	**116,134**	130,903
Net liability recognised in the balance sheet	**(23,114)**	(24,015)

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 $22.4m (£13.7m) were paid to the Scheme to facilitate the purchase of the buy-in policy. A further £10.0m will be paid to the Scheme if the policy is converted to a buy-out, which the Scheme Trustee is targeting to complete in the first half of 2016.

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 2 January 2016. There have been no changes in the valuation methodology 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:

	2015	2014
Rate of increase in pensions in payment	**2.66%**	2.71%
Rate of increase in deferred pensions	**1.56%**	1.71%
Discount rate	**3.52%**	3.47%
Inflation assumption – RPI	**2.76%**	2.81%
– CPI	**1.66%**	1.81%

The mortality assumptions adopted at 2 January 2016 have been updated to reflect the most recent version of the tables used in the last triennial valuation. The assumptions imply the following life expectancies at age 65:

	2015	2014
Male currently age 40	**24.4 yrs**	24.7 yrs
Female currently age 40	**26.5 yrs**	27.2 yrs
Male currently age 65	**22.2 yrs**	22.5 yrs
Female currently age 65	**24.2 yrs**	24.8 yrs

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

	Present value of obligations* $'000	Fair value of Scheme assets $'000	Net obligation $'000
Balance at 29 December 2013	(158,986)	131,588	(27,398)
Administration costs paid by the Scheme	(544)		(544)
Exceptional items – buy-in and flexible early retirement costs paid by the Scheme	(1,078)		(1,078)
Interest (expense)/income	(6,751)	5,848	(903)
Liabilities/(assets) removed on settlement re flexible early retirement	8,629	(9,101)	(472)
Return on Scheme assets (excluding interest income)		6,047	6,047
Remeasurement loss on buy-in		(12,622)	(12,622)
Remeasurement losses due to changes in financial assumptions	(15,128)		(15,128)
Contributions by employer		26,544	26,544
Benefits paid	9,643	(9,643)	-
Exchange gain/(loss)	9,297	(7,758)	1,539
Balance at 27 December 2014	(154,918)	130,903	(24,015)
Administration costs paid by the Scheme	**(394)**		**(394)**
Exceptional items – buy-out and flexible retirement option costs paid by the Scheme	**(610)**		**(610)**
Interest (expense)/income	**(5,226)**	**4,390**	**(836)**
Return on Scheme assets (excluding interest income)		**(4,832)**	**(4,832)**
Remeasurement gains due to changes in demographic assumptions	**4,321**		**4,321**
Remeasurement gains due to changes in financial assumptions	**1,276**		**1,276**
Contributions by employer		**825**	**825**
Benefits paid	**9,188**	**(9,188)**	**-**
Exchange gain/(loss)	**7,115**	**(5,964)**	**1,151**
Balance at 2 January 2016	**(139,248)**	**116,134**	**(23,114)**

*At the period end $108,410,000 (2014: $121,852,000) of the obligations are covered by insured annuities.

7 Cash generated from operations

	2015 $'000	2014 $'000
Operating profit/(loss) – continuing operations	**31,963**	24,142
– discontinued operations	**-**	(118)
Adjustments for:		
Depreciation charge	**1,449**	1,276
Amortisation of intangibles	**510**	552
Profit on disposal of fixed assets	**(81)**	-
Exceptional non cash items	**610**	1,550
Decrease in exceptional accrual/provisions	**(63)**	(24)
Share option charges – continuing	**222**	633
– discontinued	**-**	20
Defined benefit pension administration charge	**394**	544
Contributions to defined benefit pension scheme	**(825)**	(26,544)
Changes in working capital:		
Increase in inventories	**(107)**	(1,107)
Increase in trade and other receivables	**(5,676)**	(6,838)
Increase in trade and other payables	**1,401**	6,600
Cash generated from operations	**29,797**	686

8 Related party transactions

The Group did not participate in any related party transactions.

9 Principal risks and uncertainties

The principal risks and uncertainties which the business faces are: macroeconomic conditions; competition; currency exchange; 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; disturbance in established marketing techniques; and reliance on key personnel. A full description of these risks and the mitigating actions taken by the Group is available on the Company's corporate website http://investors.4imprint.com .

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 9) 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.