

Average Daily Global Audience (ADGA)

Publication: Financial Times

Period: May 2011

ADGA Definition

The ADGA model has been developed by the Financial Times Research Department, working with internal stakeholders from around the business and aims to express:

The Financial Times' best estimate of the de-duplicated number of people across the globe who, on an average day, consume FT content via the print newspaper or digitally via the FT.com browser-accessed website or the FT tablet application or the FT smart phone application.

In order to arrive at the ADGA figure, a best estimate of daily global print readership has first to be produced using a combination of both national and regional readership surveys and circulation data. All of these sources are in the public domain. To this is added the daily global readership for FT.com browser-accessed website, the FT tablet application and the FT smart phone application, all derived from one single web analytics source. Any duplicated consumption within these four channels must then be removed to produce one final figure. A full description of the methodology is available on www.FT.com/advertising.

ADGA Calculation





	Print Readership	Online Desktop Readership	Tablet App Readership	Smart Phone App Readership	Duplication	Net Total
UK	367,000	167,675	4,074	3,801	(50,629)	491,921
CEMEA	605,153	125,940	3,767	2,289	(74,962)	662,187
ASIA	224,414	93,721	2,182	1,760	(39,574)	282,503
AMERICAS	497,644	209,685	4,910	2,175	(62,003)	652,411
GLOBAL READERSHIP	1,694,211	597,021	14,933	10,025	(227,168)	2,089,022

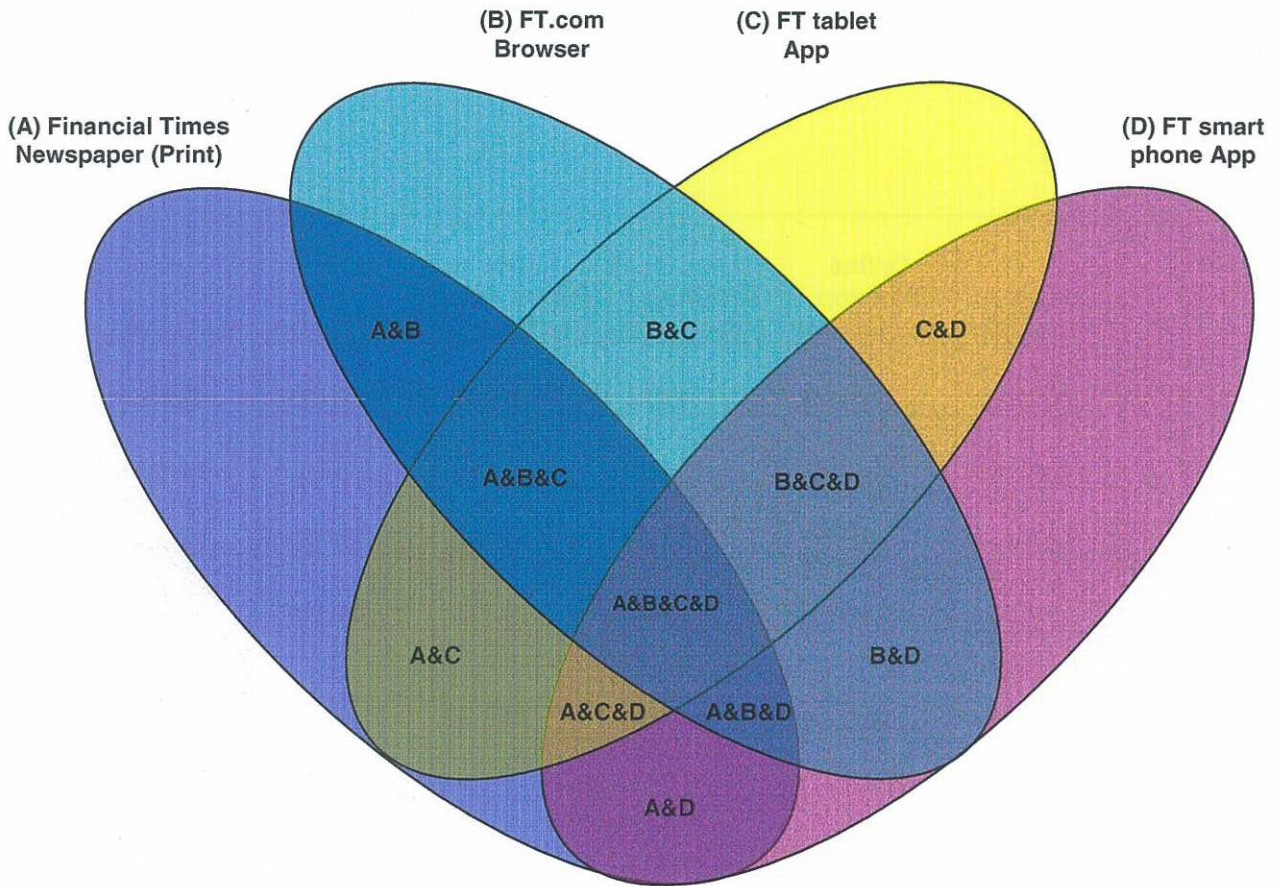
Breakdown of Calculation

- (A) Print readership calculated from syndicated surveys: full population surveys in UK and US (NRS & MRI); by uplifting top-end consumer surveys in Europe, Middle East and Asia (EMS, CEMS, EMS:ME & PAX) and by applying a regional 'Readers per copy' (RPC) to circulation in countries not covered by any syndicated surveys. For fieldwork dates see 'Notes on Sources Used to Calculate Print Readership' below.
- (B) FT.com browser-accessed website readership data excluding Sunday unique users/browsers and re-averaging over Monday to Saturday to produce a 6-day average figure to match the newspaper. 'Unique user/browser' denotes anyone who views paid-for or free content on FT.com
- (C) FT tablet application readership data excluding Sunday unique users/browsers and re-averaging over Monday to Saturday to produce a 6-day average figure to match the newspaper. 'Unique user/browser' denotes anyone who views paid-for or free content on the FT Tablet Application
- (D) FT smart phone application readership data excluding Sunday unique users/browsers and re-averaging over Monday to Saturday to produce a 6-day average figure to match the newspaper. 'Unique user/browser' denotes anyone who views paid-for or free content on the FT Smart Phone Application

Breakdown of Duplication

(E) Duplication calculated from Global Reader Survey by cross tabulating daily weekday readers and weekly Saturday readers with daily FT.com browser-accessed website readers, FT tablet application readers and FT smart phone application readers within each region. See 'Notes on Sources Used to Calculate Duplication' below for details.

-  (A) Financial Times Newspaper (Print)
-  (B) FT.com Browser
-  (C) FT tablet App
-  (D) FT smart phone App



Breakdown of Duplication by Channel and Region

	UK	CEMEA	ASIA PACIFIC	USA & AMERICAS	GLOBAL
4 channels					
Financial Times Newspaper & FT.com Browser & FT Tablet App & FT Smart Phone App	689	1,148	1,295	1,084	4,216
3 channels					
Financial Times Newspaper & FT.com Browser & FT Tablet App	1,806	5,855	1,542	4,561	13,764
Financial Times Newspaper & FT.com Browser & FT Smart Phone App	2,931	5,028	2,586	3,242	13,787
Financial Times Newspaper & FT Tablet App & FT Smart Phone App	371	919	569	447	2,306
FT.com Browser & FT Tablet App & FT Smart Phone App	692	856	1,082	783	3,413
Any combination of 3 channels	5,800	12,658	5,779	9,033	33,270
2 channels					
Financial Times Newspaper & FT.com Browser	30,994	40,559	21,315	40,299	133,167
Financial Times Newspaper & FT Tablet App	2,842	6,128	2,229	2,537	13,736
Financial Times Newspaper & FT Smart Phone App	2,839	5,440	1,032	2,882	12,193
FT.com Browser & FT Tablet App	1,649	3,423	2,428	2,461	9,961
FT.com Browser & FT Smart Phone App	5,771	5,543	5,434	3,673	20,421
FT Tablet App & FT Smart Phone App	45	63	62	34	204
Any combination of 2 channels	44,140	61,156	32,500	51,886	189,682
2+ channels	50,629	74,962	39,574	62,003	227,168

Average Daily Global Audience (ADGA) (continued)

Notes on Sources Used to Calculate Print Readership

National Readership Survey (NRS) – fieldwork period April 10 – March 11, Ipsos Mori
European Media and Marketing Survey (EMS) – fieldwork period January – December 10, Synovate
Central European Media and Marketing Survey (CEMS) – fieldwork period January – December 10, Synovate
Middle East Media and Marketing Survey (EMS:ME) – fieldwork period June 08 – September 08, Synovate
Pan-Asia Cross Media Survey (PAX) – fieldwork period - April 10 – March 11, Synovate
Mediamark Research Inc. (MRI) - Study of the American Consumer - fieldwork period March 08 – October 08, GFK Group
Mendelsohn 2010 Affluent Head of Household survey - fieldwork period March 10 – May 10, IPSOS Mori
ABC May 2011

Notes on Sources Used to Calculate FT.com Browser-accessed Website, the FT Tablet Application and the FT Smart Phone Application audiences

Site Intelligence data for May 2011, excludes Sunday unique users/browsers of FT.com browser, FT Smart Phone App and FT Tablet App and re-averages over Monday to Saturday to produce a 6-day average figure to match the newspaper. Unique Users/Browsers is a defined term used by ABC to measure all valid requests for content on a the FT.com browser-accessed website, the FT tablet application and the FT smart phone application.

Notes on Sources Used to Calculate the Print / FT.com Browser-accessed Website / the FT Tablet Application / the FT Smart Phone Application Duplication

Global Reader Survey – questionnaire ran in the Financial Times newspaper (6 insertions in different regions across both section one and two on both weekends and a number of different weekdays between 5th March and 18th June 2011), on FT.com (between 7th March and 30th June), on the FT Smart Phone App (between 10th May and 10th June 2011) and on FT Tablet App (between 15th May and 30th June 2011). An incentive was offered of entry to a prize draw to win £1,000 or local equivalent. In total 13,358 replies were received globally.

The May 2011 ADGA calculation is the first period for which the FT has included readers using tablet applications or smart phone applications. For the May 2011 period, therefore, users are asked to treat comparisons with the November 2010 ADGA of 2,128,934 and May 2010 ADGA of 1,913,082 with caution since these prior periods excluded tablet application and smart phone application readers.

In addition, the EMS audience survey for the CEMEA region made a number of improvements to its survey approach between May 2010 and November 2010. For the May 2011 period, therefore, the May 2011 and November 2010 CEMEA print readership figures are on a consistent basis, but users are asked to treat the year-on-year comparison with caution since the changes in the EMS survey approach affect consistency and comparability with the CEMEA print readership for May 2010 of 359,847.

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Independent Accountant's Report to the Directors of Financial Times Limited on the estimated Average Daily Global Audience of the Financial Times

We have been engaged by the Directors of Financial Times Limited (the "Company") to perform an independent limited assurance engagement over the application of the Company's methodology (the "Methodology") in calculating the attached estimated Average Daily Global Audience of the Financial Times for the calendar month ended 31 May 2011 (the "ADGA").

Respective responsibilities of the Directors and PricewaterhouseCoopers LLP

The Directors of the Company are responsible for establishing an appropriate Methodology (available on the Company's website www.ft.com/advertising) to meet the needs of intended users in respect of estimated ADGA of the Financial Times and for ensuring that the estimated ADGA is calculated in accordance with the Methodology.

The maintenance and integrity of the FT.com website is the responsibility of the directors; our work does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the estimated ADGA since it was initially presented on the website.

Our responsibility is to express a conclusion to the Directors on the application of the Methodology in calculating the attached estimated ADGA based on the results of our work referred to below. This report, including the conclusion, has been prepared for and only for the Directors of the Company as a body for management purposes. We permit the publication of our report to assist the Directors in demonstrating that they have commissioned an independent assurance report in respect of the estimated ADGA without accepting or assuming responsibility for any other purpose or to anyone other than the Directors as a body and the Company for our work, for this report or for the conclusions that we have formed, save where expressly agreed by our prior consent in writing.

Basis of conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits and Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to express a conclusion on the application of the Methodology in calculating the attached estimated ADGA. Our work was limited to examining the relevant activities undertaken by the Company and its suppliers. We verified print readership numbers to relevant third party published survey reports but did not visit these survey providers to do detailed testing on their survey returns.

Our work included:

- Examining the Methodology and assessing any key assumptions and limitations;
- Verification of third party print readership numbers to relevant third party published survey reports;
- Testing of third party systems to support digital users of the FT.com browser-accessed website, the FT tablet application and the FT smart phone application;
- Assessment of the FT Global Reader Survey methodology used to estimate de-duplication between print readership and digital users and detailed testing of survey returns;
- Verification of the mathematical accuracy of the de-duplication and overall estimated ADGA calculation;
- Analytical procedures including comparisons between regions and across periods; and
- Enquiries of relevant management.

Inherent limitations

The calculation of the estimated ADGA inevitably includes assumptions and judgement and is subject to uncertainty in the following key areas:

- Actual readership will vary from readership as estimated by third party survey providers extrapolating from reader surveys;
- From time to time third party survey providers may amend their survey approach, thereby affecting the consistency and comparability between periods of the print readership data which underlies the calculation of the estimated ADGA;
- The readership surveys used in the Methodology do not cover all of the countries in which the Financial Times newspaper circulates. As a result, additional assumptions have been made by the Company concerning readers per copy in these countries to establish the readership in these regions; and
- Unique users are identified through tracking cookies but, where cookies are disabled, it is not possible to identify how many times an individual accesses the website.

These inherent limitations are set out in more detail in the Methodology.

Conclusion

Based on the results of our work, nothing has come to our attention that causes us to believe that the attached estimated ADGA for the calendar month ended 31 May 2011 has not been calculated, in all material respects, in accordance with the Methodology. Without qualifying our conclusion, we draw your attention to the inclusion in May 2011 for the first time of readers using tablet applications and smart phone applications which affects consistency and comparability with prior periods.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants
London
29 September 2011

