

# Half Year Results

30 June 2008

28 July 2008

**informa**



# Disclaimer

## **DISCLAIMER**

**This presentation has been prepared by Informa plc (the "Company" or "Informa") and comprises the slides for a presentation concerning the Company in relation to the interim results for the six months ending 30 June 2008 (the "Results").**

**The information contained in this presentation has not been independently verified. This presentation does not purport to be all-inclusive or to contain all the information that any person may desire or require in relation to the Results.**

**No representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its affiliates, members, directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation or any other material discussed verbally. None of the Company, its affiliates, members, directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection therewith.**

**This presentation contains forward looking statements. These statements are subject to a number of risk and uncertainties and actual results and events could differ materially from those currently being anticipated as reflected in such forward looking statements. The terms 'expect', 'should be', 'will be' and similar expressions identify forward looking statements. Factors which may cause future outcomes to differ from those foreseen in forward looking statements include, but are not limited to: general economic conditions and business conditions in Informa's markets; exchange rate fluctuations, customers' acceptance of its products and services; the actions of competitors; legislative, fiscal and regulatory developments; changes in law and legal interpretation affecting Informa's intellectual property rights and internet communications; and the impact of technological change.**

**The information and opinions contained in this presentation are provided as at the date of this presentation and are subject to change without notice.**

**You may only rely on the contents of the final form of the announcement issued by the Company in relation to the Results. No reliance may be placed for any purpose whatsoever on the information contained in this presentation, or any other material discussed verbally, or on its completeness, accuracy or fairness.**

**In giving this presentation, neither the Company nor its respective advisers and/or agents undertake any obligation to provide the recipient with access to any additional information or to update this presentation or any additional information or to correct any inaccuracies in any such information which may become apparent.**

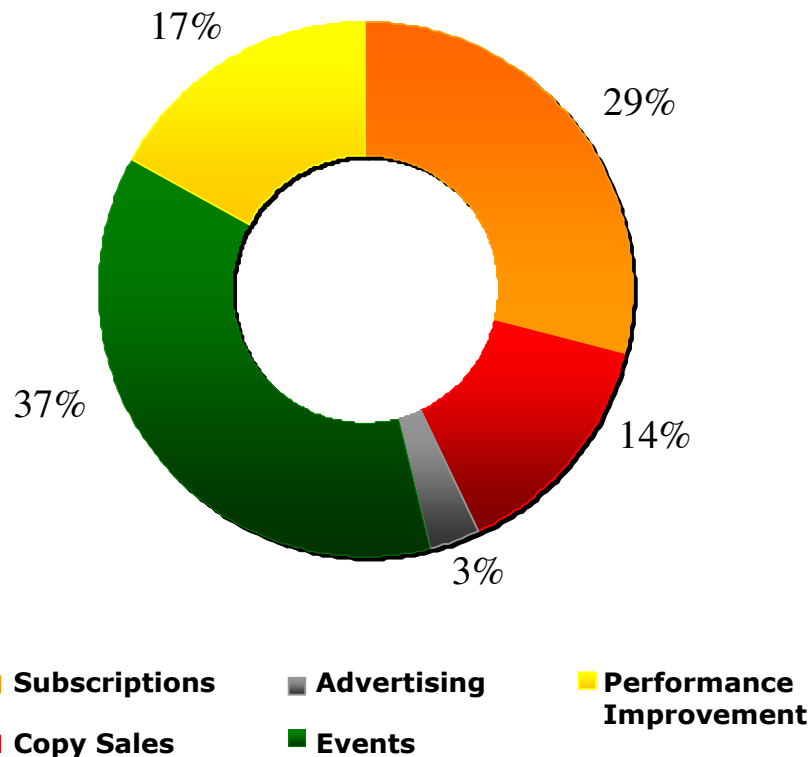
**By attending the presentation you agree to be bound by the foregoing limitations.**

# A Good Start to 2008

- ✓ Organic revenue growth across all three divisions
- ✓ Strong cash conversion
- ✓ High quality of earnings – subscription income with high renewal rate
- ✓ High visibility of earnings – large deferred income balances
- ✓ Strong growth in LSEs to date and forward bookings
- ✓ Trading well – full year outlook in line with expectations

# Balanced Portfolio

## Revenue by type



- Portfolio built to outperform
- High levels of resilience
- Minimal exposure to advertising
- Broad geographical spread
- High customer retention
- No significant exposure to any one vertical

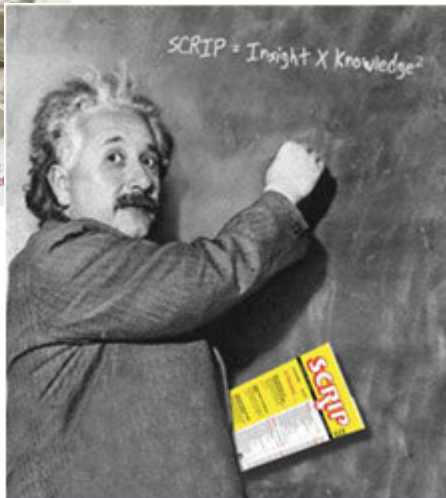
# Publishing: Academic



- +95% renewal rates
- Electronic distribution/delivery
- Retrodigitisation
- Peer reviewed
- Pricing power

**informa**

# Publishing: Non-Academic



- High renewal rates – 75-90%
- Proliferation of high quality electronic data
  - Citeline
  - IGM
  - Datamonitor
- Advertising revenue robust
- Product development

# Publishing: Datamonitor



- Increased number of subscribers
- High renewal rates – 87%
- Continued growth
- International expansion
- Development of enhanced knowledge centres

# Events : Exhibitions



- 24 held to date
- 20% revenue growth
- 2009 forward bookings
- Conference add-ons
- Geographic and vertical diversity

**informa**



# Events: LSEs



- Across many verticals – Finance, Energy, Telecoms & Pharma
- Revenue growth of 4%
- High margin
- Brand strength

**informa**



# Events: Geo-Cloning



- Cityscape
- Super Return
- COM

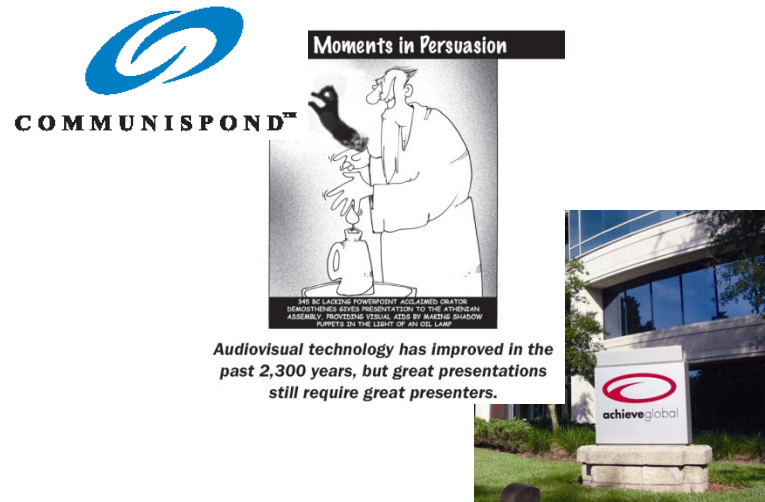
# Events: Smaller Events



- > 12,000 events per annum
- Operations across 44 countries
- Product in all significant verticals
- Variable cost base protects bottom line

# Performance Improvement

- Government work – continues to grow; multi-year contract
- US commercial - weakest area, pipeline strong  
– conversion taking longer
- International – strong growth up 23%
- Ability to adjust the cost base to protect operating profit



# Financial Highlights

- Revenue up 18%; adjusted operating profit up 21%
- Organic revenue and adjusted profit growth of 4% driven by resilience of quality assets in current market conditions
- Increased operating margin to 22.3%
- Diluted adjusted EPS up 8% to 18.2p (2007 – 16.8p)
- Dividend increase of 9% to 6.1p (2007 – 5.6p)
- Strong cash conversion – 104%
- Operating comfortably within banking covenants

# Business Segments

- Publishing – around 57% of Group profit; high margin particularly in academic; solid growth
- Events – around 33% of Group profit; strong growth and high margins across LSEs
- PI – 10% of Group profit; expected to be flat year on year

# Income Statement

<b>Income Statement</b>	<b>2008 £'m</b>	<b>2007 £'m</b>	<b>Increase %</b>
Revenue	627.6	532.5	18
Operating profit	77.7	74.8	4
Amortisation	59.4	41.1	
Reorg costs	3.0	-	
<b>Adjusted OP</b>	<b>140.1</b>	<b>116.0</b>	<b>21</b>
<i>Margins %</i>	<i>22.3</i>	<i>21.8</i>	
Interest (net)	(35.5)	(20.4)	
Adjusted tax	(27.3)	(23.9)	
	<b>77.3</b>	<b>71.7</b>	<b>8</b>
Shares (m)	425.2	425.1	
Adjusted EPS (p)	18.2	16.8	8

# Cash Flow

<b>Cash Flow</b>	<b>2008</b>	<b>2007</b>
	<b>£'m</b>	<b>£'m</b>
Operating profit	77.7	74.9
Amortisation/Depreciation	67.2	47.8
Working capital	(4.0)	(28.4)
Operating cash flow	140.9	94.3
Interest	(28.3)	(17.5)
Tax	(14.8)	(11.0)
Capex	(20.8)	(15.4)
Acquisitions/Disposals	15.6	(5.1)
Dividends	(48.0)	(37.8)
Share issues	(2.1)	3.6
	<u>42.5</u>	<u>11.1</u>
Cash conversion	104%	79%
Net debt	1,219.7	720.4

# Balance Sheet

- Net debt/EBITDA 4.1x at 30/6/08
- Consensus for full year 3.75x(covenant 4.25x)
- Comfortable headroom on financial covenants
- Continual focus on working capital and cash management
- Free cash flow £72.4m (2007: £50.2m)

# Quality of Earnings

- Operating margin – increased to 22.3%
- Subscription income – around 60% of publishing revenues
- High renewal rates
- Branded LSEs

# Visibility of Earnings

<b>Deferred Income</b>	<b>30/6/08</b> £'m	<b>30/6/07</b> £'m	<b>Growth</b> %
Publishing	152	94	62
Events	84	73	15
PI	6	6	-
	<b>242</b>	<b>173</b>	<b>40</b>

## Full Year Revenue Visibility

	<b>%</b>	<b>%</b>
Publishing	73	61
Events	72	71
PI	49	52
	<b>68</b>	<b>62</b>

# Prospects

- 82% of expected 2008 subscription revenue already received
- Revenue visibility ahead of this time last year and in line with Board expectations
- LSEs continue to perform well
- PI cost cutting will protect bottom line in H2
- Focus on cash conversion and debt reduction
- Expected to be in line with full year expectations

# Appendices

**informa**



# Academic & Scientific

<b>Academic and Scientific</b>	<b>2008</b>	<b>2007</b>	<b>Increase</b>	<b>Organic</b>
	<b>£'m</b>	<b>£'m</b>	<b>%</b>	<b>%</b>
<b>Revenue</b>				
STM	112.3	90.7	24	7
HSS	69.2	60.5	14	6
	<u>181.5</u>	<u>151.2</u>	<u>20</u>	<u>7</u>
<b>Adjusted Operating Profit</b>				
STM	32.3	24.7	31	11
HSS	15.7	12.7	24	5
	<u>48.0</u>	<u>37.4</u>	<u>28</u>	<u>9</u>
<b>Adjusted Operating Margin</b>	26.4%	24.7%		

# Professional

<b>Professional</b>	<b>2008</b>	<b>2007</b>	<b>Increase</b>	<b>Organic</b>
	<b>£'m</b>	<b>£'m</b>	<b>%</b>	<b>%</b>
<b>Revenue</b>				
Performance Improvement	108.6	109.7	(1)	(1)
Financial Data Analysis	45.1	31.2	45	11
Finance, Insurance, Law & Tax	51.8	48.8	6	5
	<u>205.5</u>	<u>189.7</u>	<u>8</u>	<u>2</u>
<b>Adjusted Operating Profit</b>				
Performance Improvement	14.1	15.6	(10)	(10)
Financial Data Analysis	12.8	8.2	56	4
Finance, Insurance, Law & Tax	14.7	14.2	4	4
	<u>41.6</u>	<u>38.0</u>	<u>10</u>	<u>(2)</u>
<b>Adjusted Operating Margin</b>	20.2%	20.0%		

# Commercial

<b>Commercial</b>	<b>2008</b>	<b>2007</b>	<b>Increase</b>	<b>Organic</b>
	<b>£'m</b>	<b>£'m</b>	<b>%</b>	<b>%</b>
<b>Revenue</b>				
Regional Events	152.3	123.6	23	4
Telecoms & Media	52.1	32.9	58	4
Maritime & Commodities	36.2	35.0	3	(2)
	<u>240.6</u>	<u>191.5</u>	<u>26</u>	<u>3</u>
<b>Adjusted Operating Profit</b>				
Regional Events	29.4	22.1	33	4
Telecoms & Media	16.0	13.8	16	4
Maritime & Commodities	5.2	4.7	11	1
	<u>50.6</u>	<u>40.6</u>	<u>25</u>	<u>4</u>
<b>Adjusted Operating Margin</b>	21%	21.2%		

# Revenue by Type

<b>Revenue by Type</b>	<b>2008 £'m</b>	<b>2007 £'m</b>	<b>Increase %</b>	<b>Organic %</b>
Events	235.0	216.3	9	4
Subscriptions	178.0	123.7	44	11
PI	108.6	109.7	(1)	(1)
Copy Sales	88.0	66.3	33	0
Advertising	18.0	16.5	9	3
	627.6	532.5	18	4

# Balance Sheet

<b>Balance Sheet</b>	<b>30 June 2008 £'m</b>	<b>30 June 2007 £'m</b>	<b>31 Dec 2007 £'m</b>
Intangibles and Goodwill	2,684.5	2,043.0	2,709.0
Fixed Assets	21.9	23.1	24.6
Investments & Other	35.2	33.1	36.3
Current Assets	286.1	244.2	280.0
Net Current Liabilities	(552.3)	(430.3)	(528.0)
Debt	(1,219.7)	(720.3)	(1,244.9)
Other Liabilities	(329.5)	(260.1)	(348.5)
	926.2	932.7	928.5

# Bank Covenants

	<b>30 June 2008</b>	<b>31 Dec 2008</b>
Net debt/ EBITDA	4.75 x	4.25 x
Interest Cover	3.50 x	3.75 x