

# 2008 Preliminary Results

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# Overview

- Good set of results for 2008
  - Double digit revenue and profit growth
  - Operating margin growth to 23.9%
- Portfolio generates high quality of earnings
- Outstanding cash conversion of 121%
- Annualised cost savings of £33m
- Good visibility of earnings for 2009
- Strategy to reduce debt in 2009
- Final Dividend of 3.9p giving total of 10p

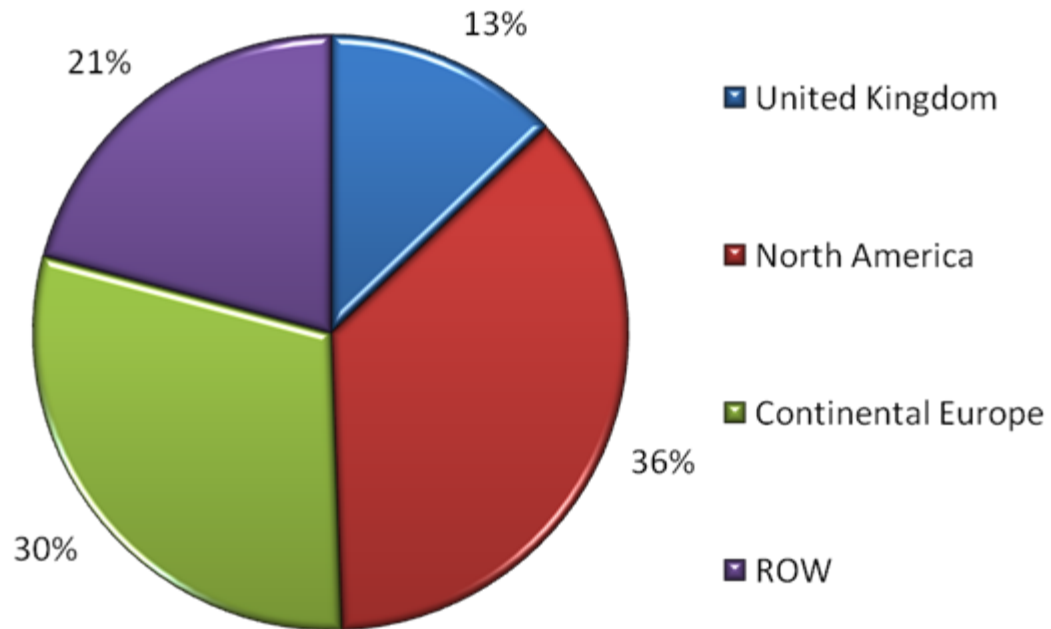


# Quality of Earnings

- High renewal rates
  - (98% Academic, 86% FDA, 83% Datamonitor, 77% IBI)
- High visibility - significant deferred income – 29% of full year's revenues
- Local Autonomy – rapid decision making and market reaction
- Low dependence on advertising (3% of revenue)
- Highly variable cost base

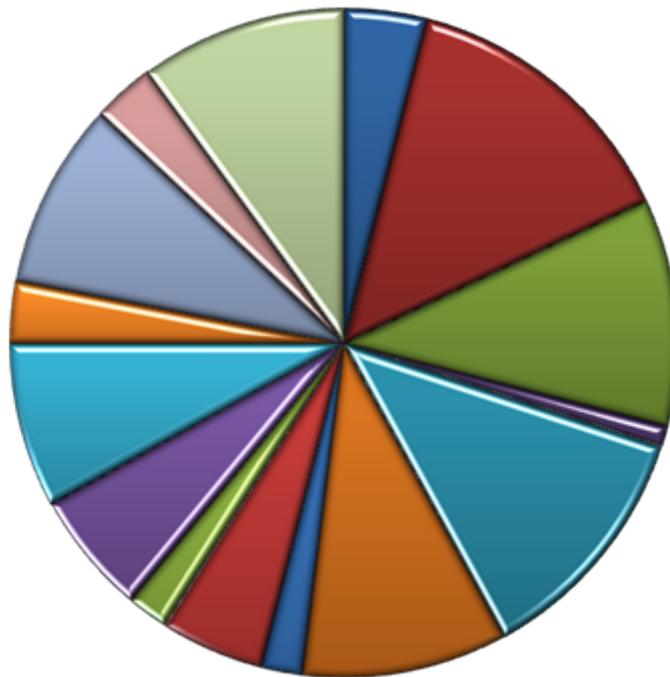
# Strategy – Geographic Spread

Geographical Reach by Revenue



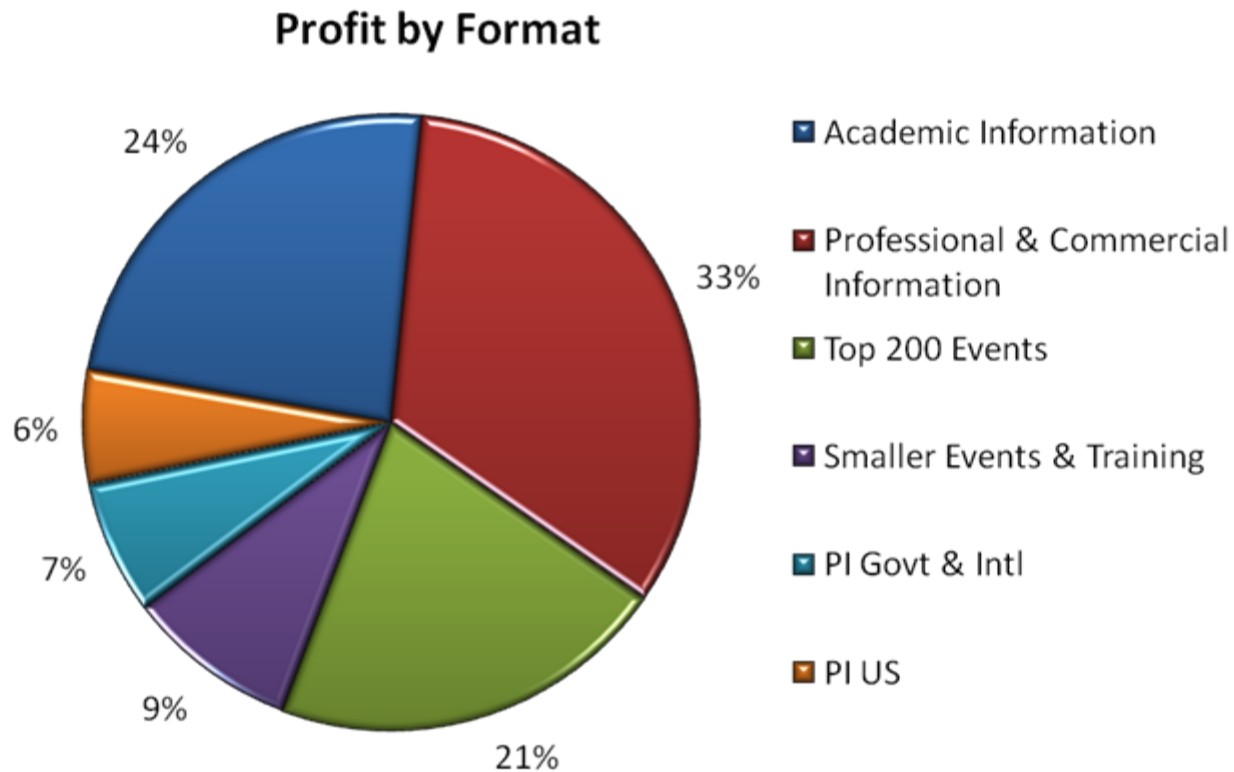
# Strategy – Sector Analysis

% Revenue by Sector



- Energy & utilities
- Finance
- Health & Pharma
- Human Resources
- Humanities & Social Sciences
- Industrial
- Leisure & Food
- Management
- Marketing
- Other
- Public Sector
- Real Estate, Property & Construction
- Science & Technology
- Tax, Law & Accounting
- Technology & Telecoms

# Strategy – Profit by Format Mix



# Publishing – Academic Information



- 14% revenue growth
- Renewal rates consistent at 98%
- Annual subscription – year in advance
- Online revenues increase by 25%
- Reduced production costs



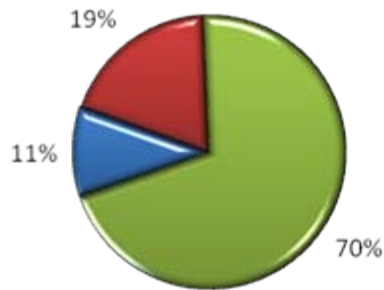
24% of  
All  
Profits

# Publishing: Professional & Commercial Information

**SCRIP**  
WORLD PHARMACEUTICAL NEWS

**DATAMONITOR**

**Citeline™**  
Intelligence Solutions



■ Advertising ■ Copy Sales ■ Subscription

- High renewal rates - 77%
- Key titles growth in 2008
- Datamonitor
  - 19% like for like profit growth
  - Geographic growth
  - Operating margin increase
  - 'High value' subscriber growth of 19%
- Online data – 'must have' critical information
- Resilient advertising revenue



33% of  
All  
Profits

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# Events & Training



Cityscape



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- Majority of events profit from Top 200
- Broad portfolio - diversified risk
- Exhibitions remains an important sales channel
- Large events – sponsors continue to see value
- Flexible cost base allows for OP margin to be maintained for 2007 & 2008
- PI – high level of government multi year contracts



43% of  
All  
Profits



# Financial Highlights

- Revenue growth of 13% to £1.28bn
- Adjusted operating profit growth of 17% to £305.8m
- Organic profit growth of 1.4%  
(Profit growth adjusted for Datamonitor of 4%)
- Adjusted diluted earnings per share up 14% to 40.3p
- Free cash flow up 53% to £205.7m
- Net debt to EBITDA reduced from 4.3 to 3.77 times

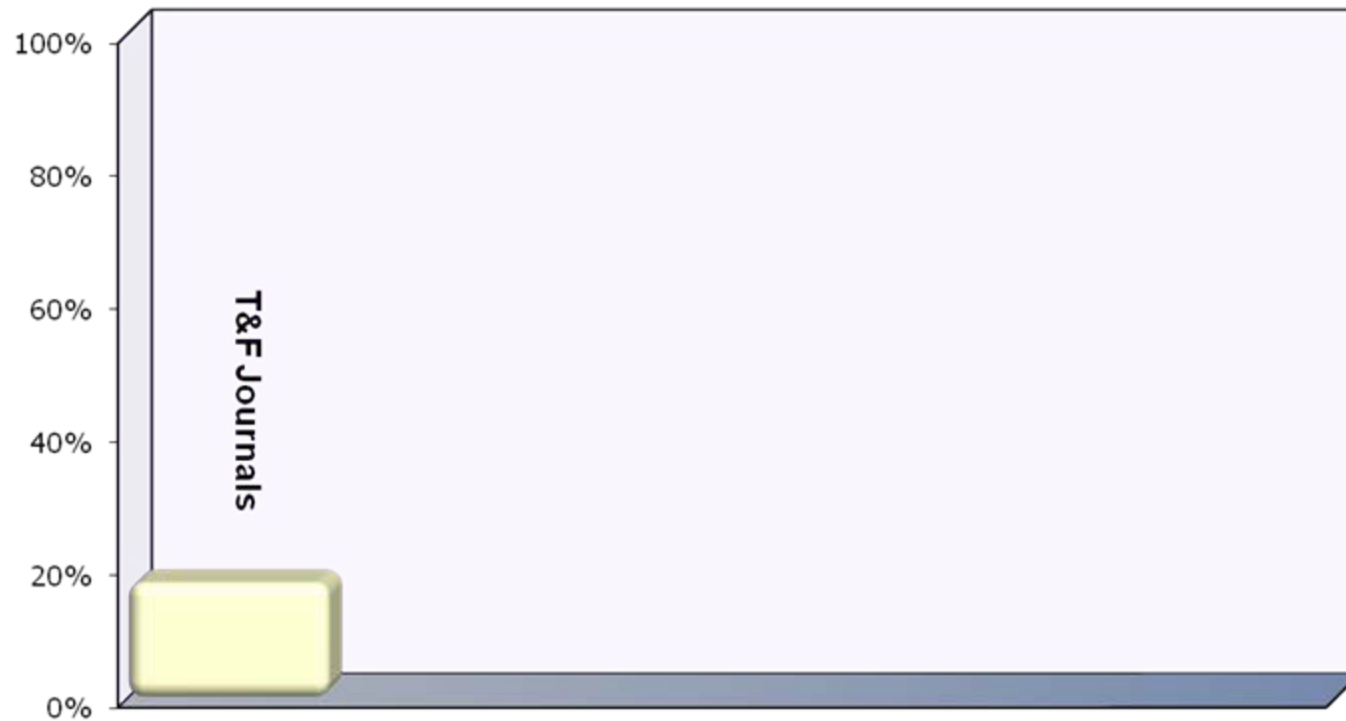
# Cash Flow

	2008	2007
	£'m	£'m
Operating Profit	164.6	154.0
Amortisation/Depreciation	139.9	115.0
Working Capital	47.3	10.2
<b>Operating Cash Flow</b>	<b>351.8</b>	<b>279.2</b>
<b>Interest</b>	<b>(67.9)</b>	<b>(79.9)</b>
<b>Tax</b>	<b>(39.2)</b>	<b>(31.0)</b>
<b>CAPEX</b>	<b>(33.0)</b>	<b>(33.9)</b>
Acquisitions/Disposals	11.8	(560.1)
<b>Dividends</b>	<b>(73.9)</b>	<b>(61.5)</b>
Share issues	(0.7)	3.9
	<b>148.9</b>	<b>(483.3)</b>
<b>FX translation</b>	<b>244.4</b>	<b>12.9</b>
Net Debt	1,341.8	1,244.9

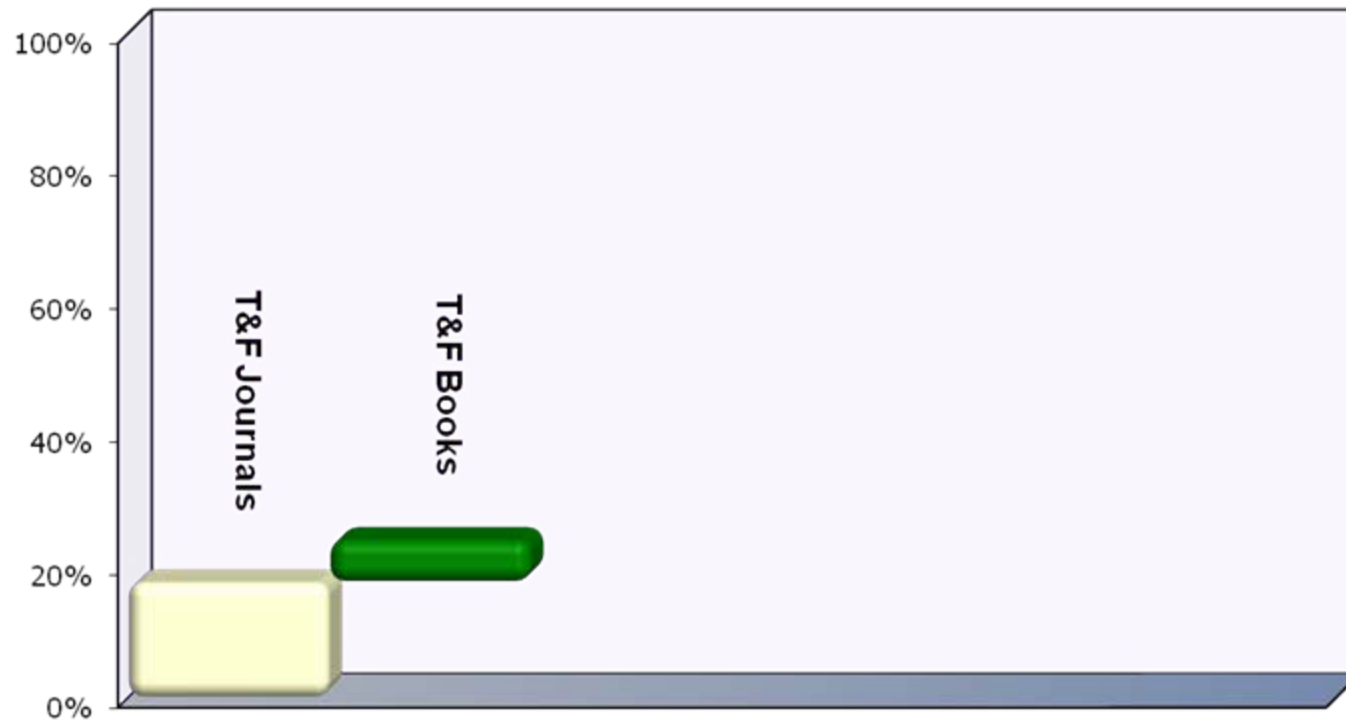
# Cash Flow Visibility

- Academic Journals - 90% received almost a year ahead
  - 75% in US\$
- Subscriptions
  - Mainly Annual
  - Renew regularly throughout the year
- Exhibitions
  - Resell
  - 20%/40%/40%
  - Weighted to H1 and Middle East
- Conferences
  - 50% within 4 Weeks
  - Little committed cost

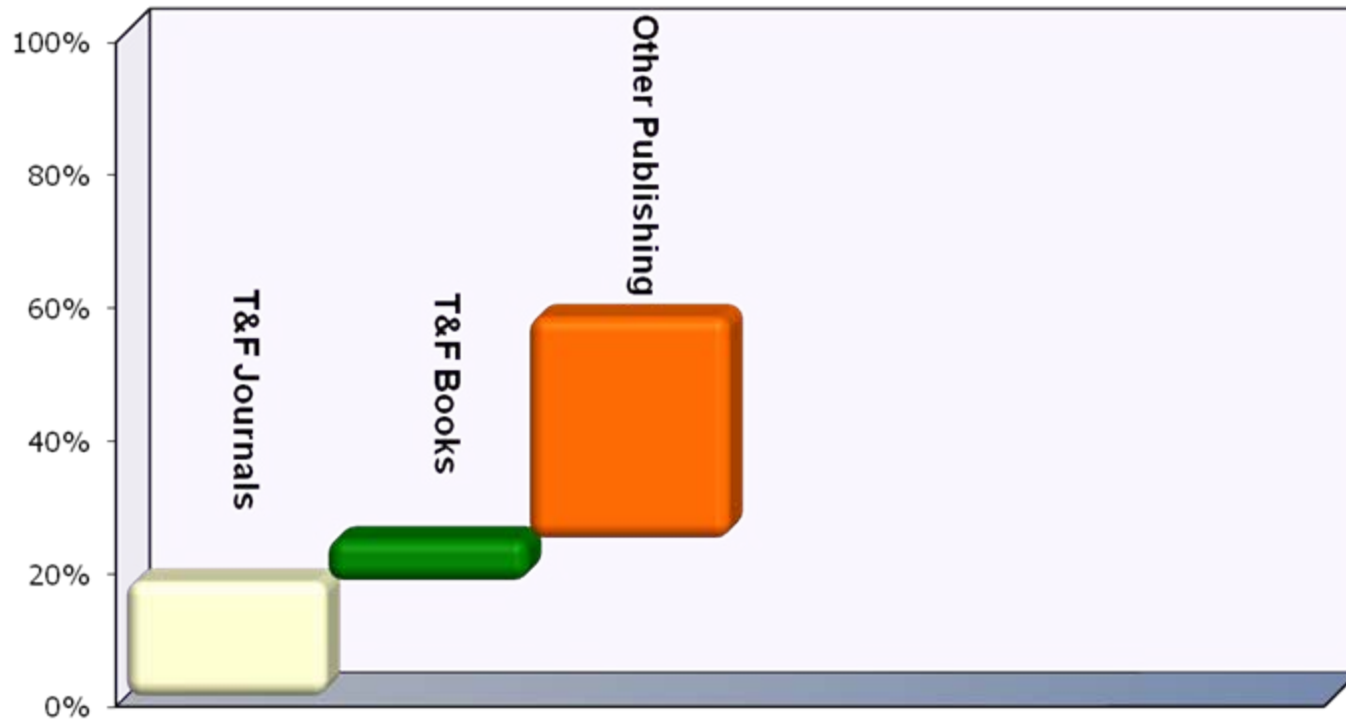
# Profit Build



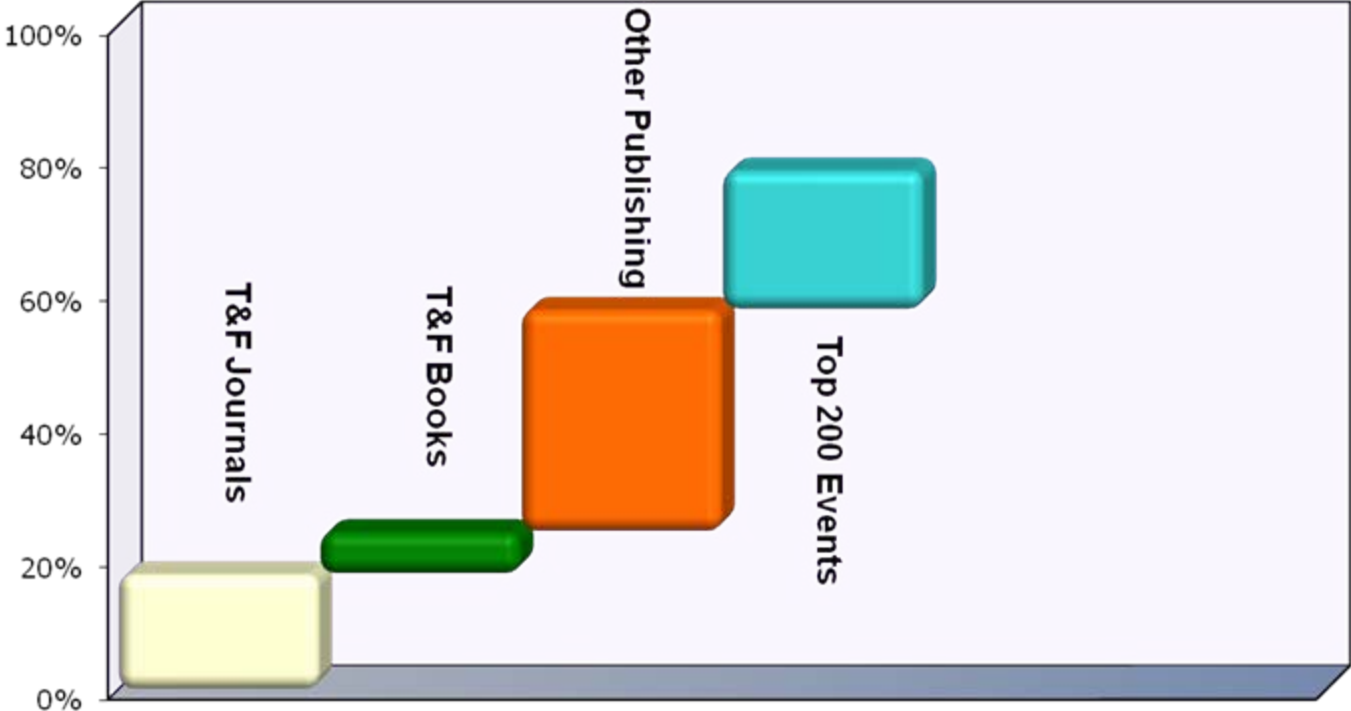
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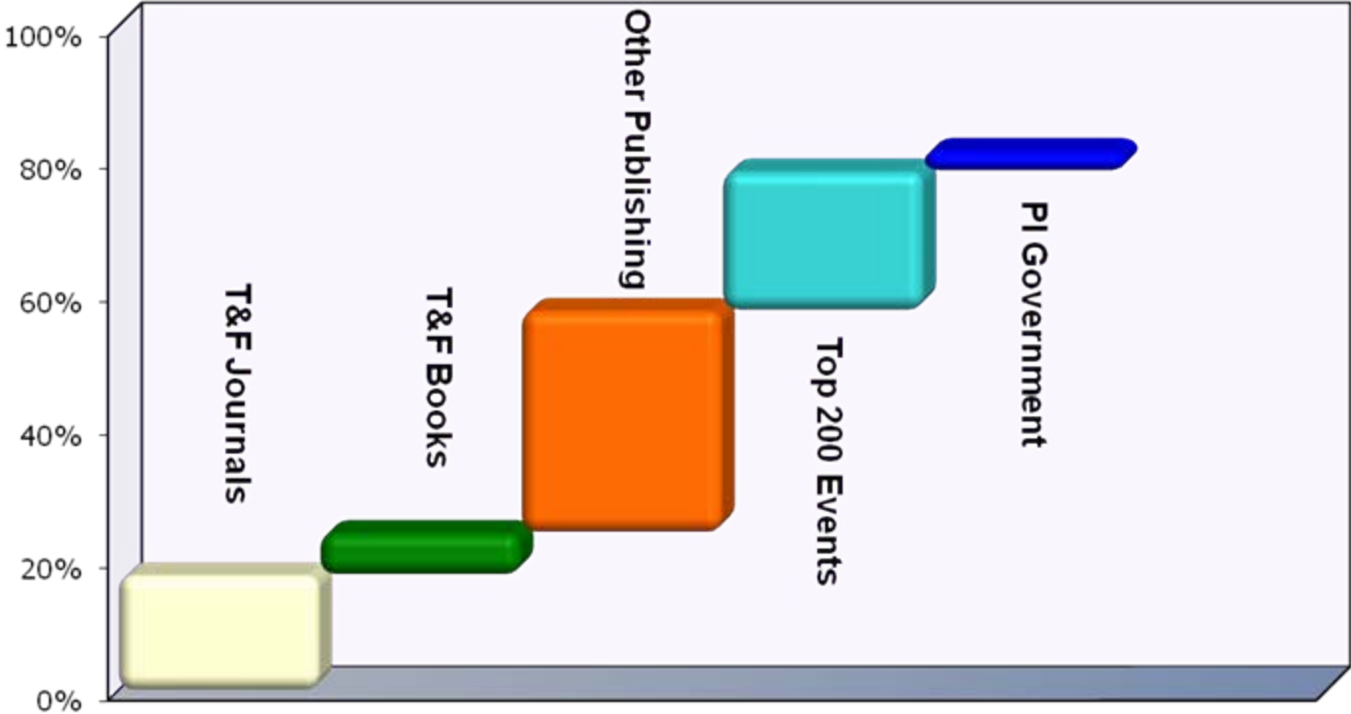
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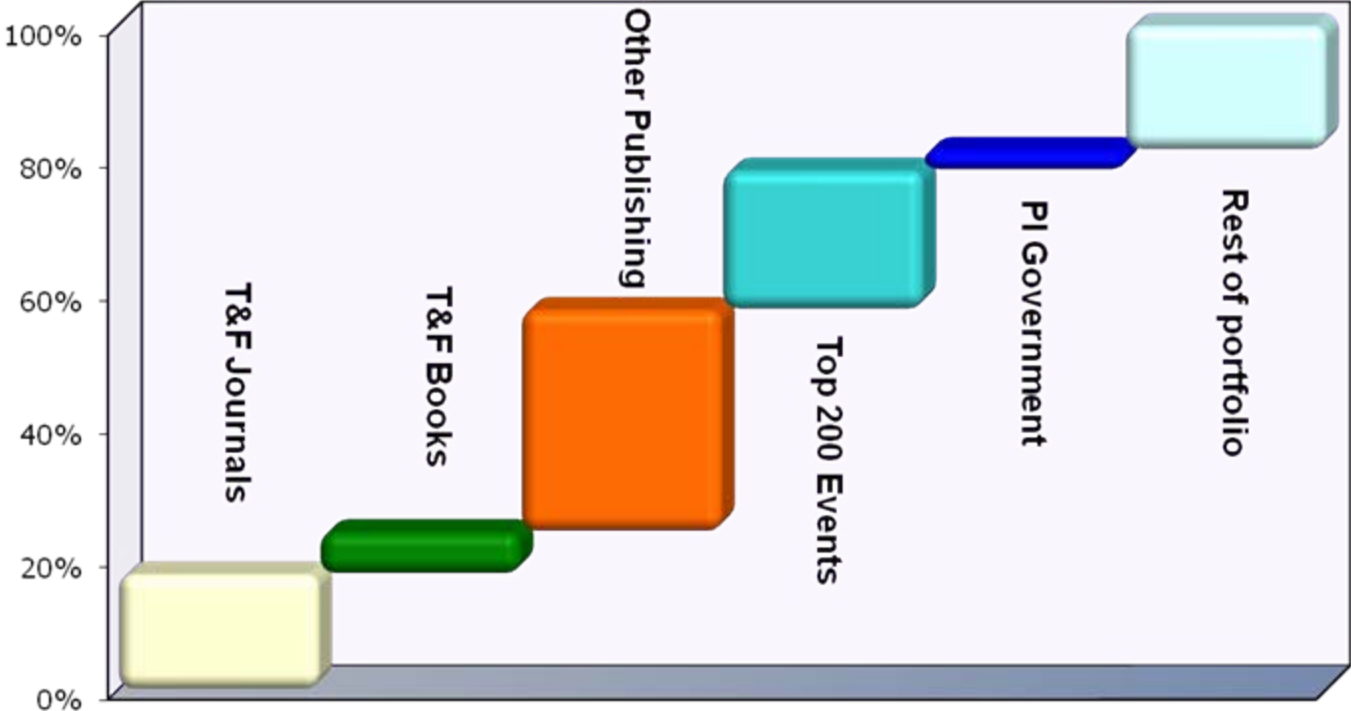
# Profit Build



# Profit Build



# Profit Build



# Deferred income

Deferred Income	31/12/08 £ 'm	31/12/07 £ 'm	Growth
Publishing	203	160	27%
Events	100	72	39%
PI	6	5	20%
	309	237	30%

# Leverage

- Facilities in place to 2012
- Minimum headroom of £250m
- Cash conversion 121% (110%)
- Net debt to EBITDA reduced from 4.3 to 3.77 times
- Net Debt to EBITDA covenant drops to 4 times @ June 2009 and 3.5 times thereafter
- Target leverage ratio @ 31 Dec 09 of below 3 times

# Outlook for 2009

- In-line with expectations
- Strong renewal rates & robust forward bookings
- Publishing trading well
- 6 largest events to date ahead of 2008
- Tougher outlook for smaller events & training
- Benefits of weaker pound
- Cost reduction programme ongoing
- Headroom in place and right levers to manage covenants
- Group well positioned for current environment

# Appendices

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# Income Statement

	2008 £'m	2007 £'m	Increase %	Organic %
Revenue	1278.0	1129.1	13%	1%
Operating profit	164.6	154.0		
Amortisation	123.8	99.3		
Reorganisation costs	17.4	7.7		
Adjusted Operating Profit	305.8	261.0	17%	1%
Adjusted OP Margin	23.9%	23.1%		
Adjusted Interest (net)	72.4	58.4		
Adjusted Tax	60.9	50.7		
Adjusted Profit for the Year	172.5	151.9		

# Revenue by Type

	2008 £m	2007 £m	Increase %	Organic %
<b>Events</b>	441.6	408.8	8%	-0.4%
Advertising	38.8	35.8	8%	5.4%
Copy Sales	187.7	154.3	22%	1.4%
Subscriptions	380.5	304.9	25%	9.0%
<b>Publishing</b>	607.0	495.0	23%	6.3%
<b>PI</b>	229.4	225.3	2%	-5.8%
	1278.0	1129.1	13%	1.1%

# Divisional Breakdown

	2008 £'m	2007 £'m	Increase %	Organic %
<b>Revenue</b>				
Academic & Scientific	391.9	339.5	15%	5%
Professional	426.3	393.3	8%	-2%
Commercial	459.8	396.3	16%	0%
	<u>1,278.0</u>	<u>1,129.1</u>	<u>13%</u>	<u>1%</u>
<b>Adjusted Operating Profit</b>				
Academic & Scientific	118.1	96.9	22%	6%
Professional	96.4	83.9	15%	0%
Commercial	91.3	80.2	14%	-3%
	<u>305.8</u>	<u>261.0</u>	<u>17%</u>	<u>1%</u>

# Academic & Scientific

	2008 £'m	2007 £'m	Increase %	Organic %
<b>Revenue</b>				
Scientific, Technical & Medical	237.1	201.0	18%	6%
Humanities & Social Sciences	154.8	138.5	12%	5%
	391.9	339.5	15%	5%
<b>Adjusted Operating Profit</b>				
Scientific, Technical & Medical	75.6	62.9	20%	7%
Humanities & Social Sciences	42.5	34.0	25%	5%
	118.1	96.9	22%	6%
<b>Adjusted Operating Margin</b>	30.1%	28.5%		

# Professional

	2008 £'m	2007 £'m	Increase %	Organic %
<b>Revenue</b>				
Performance Improvement	229.4	225.3	2%	-6%
Financial Data Analysis	96.5	72.4	33%	7%
Finance, Insurance, Law & Tax	100.4	95.6	5%	3%
	426.3	393.3	8%	-2%
<b>Adjusted Operating Profit</b>				
Performance Improvement	39.1	35.3	11%	-2%
Financial Data Analysis	31.5	21.9	44%	11%
Finance, Insurance, Law & Tax	25.8	26.7	-3%	-5%
	96.4	83.9	15%	0%
<b>Adjusted Operating Margin</b>	22.6%	21.3%		

# Commercial

	2008 £'m	2007 £'m	Increase %	Organic %
<b>Revenue</b>				
Regional Events	297.1	250.7	19%	2%
Telecoms & Media	90.2	74.0	22%	-5%
Maritime & Commodities	72.5	71.6	1%	-3%
	<u>459.8</u>	<u>396.3</u>	<u>16%</u>	<u>0%</u>
<b>Adjusted Operating Profit</b>				
Regional Events	54.2	46.5	17%	-5%
Telecoms & Media	25.3	23.2	9%	-4%
Maritime & Commodities			13%	
	<u>11.8</u>	<u>10.4</u>		<u>6%</u>
	<u>91.3</u>	<u>80.1</u>	<u>14%</u>	<u>-3%</u>
<b>Adjusted Operating Margin</b>	19.9%	20.2%		

# New Reporting Structure

<b>Revenue</b>	2008 £'m	2007 £'m	Growth %	Organic %
Academic Information	243.5	214.2	13.6%	7.2%
Professional & Commercial Information	367.3	286.9	28.0%	5.4%
Events & Training	667.2	628.0	6.3%	-2.5%
<b>Total</b>	<b>1,278.0</b>	<b>1,129.1</b>	<b>13.2%</b>	<b>1.1%</b>

<b>Adjusted OP</b>	2008 £'m	2007 £'m	Growth %	Organic %
Academic Information	72.6	62.5	16.3%	4.1%
Professional & Commercial Information	102.4	75.6	35.4%	7.8%
Events & Training	130.8	122.9	6.5%	-3.0%
<b>Total</b>	<b>305.8</b>	<b>261.0</b>	<b>17.2%</b>	<b>1.4%</b>

# One off items

## Restructuring costs

Redundancy	£9.9m
Restructuring	£3.2m
Property	£3.6m
Other	£0.7m
Total	£17.4m

Gains on disposal (Map of medicine) £16.7m

# Bank Covenant

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	31-Dec-08	30-Jun-09	31-Dec-09
Net Debt to EBITDA	4.25	4	3.5
Interest Cover	3.75	4	4

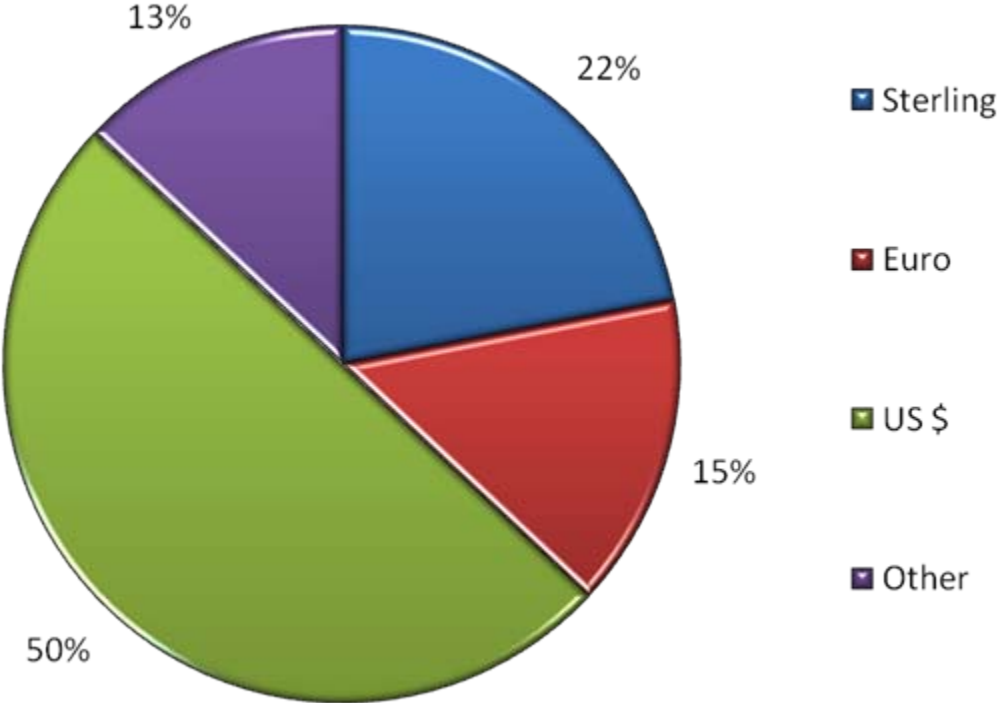
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- Split of debt
  - 40% US\$
  - 15% Euro
  - 45% Sterling

# Cost Structures

	Events £ '000s	PI £ '000s	Publishing £ '000s	Central £ '000s	Total £ '000s
<u>Fully Variable</u>					
Promotion, venue, content, delivery, royalties and Commissions	165	85	210	-	460
Profit Sharing	20	10	10	-	40
	185	95	220	0	500
<u>Semi Variable</u>					
Venue costs on large events	20				20
Staff related	95	70	150	15	330
Other overheads	40	25	55	-	120
	155	95	205	15	470
Total	340	190	425	15	970

# Revenue by Currency



# Reconciliation of Tax Rate

	PBT £m	Tax Charge £m	Effective tax rate %
PBT as reported	108.9	22.9	21.1
<u>Adjusted for:</u>			
1. Restructuring Costs	17.4	5.4	31.0
2. Intangible asset amortisation	123.8	37.3	30.1
3. Profit on disposal of business	(16.7)	(4.7)	28.1
<b>Adjusted PBT</b>	<b>233.4</b>	<b>60.9</b>	<b>26.1</b>

# Summary Balance Sheet

<b>Balance Sheet</b>	<b>2008</b>	<b>2007</b>
	<b>£'m</b>	<b>£'m</b>
<b>Intangibles and Goodwill</b>	3,057.0	2,708.9
<b>Fixed Assets</b>	27.1	24.6
<b>Investments and Other</b>	39.4	36.3
<b>Current Assets</b>	327.4	280.0
<b>Net Current Liabilities</b>	(661.6)	(528.0)
<b>Debt</b>	(1,341.8)	(1,244.9)
<b>Other Liabilities</b>	(374.5)	(348.4)
	<b>1,073.0</b>	<b>928.5</b>