

Informa

Global Business Information Specialist

2009 Full Year Results

2 March 2010

Peter Rigby

Adam Walker

Financial Highlights

- Adjusted operating profit growth of 1.2% despite revenue fall of 4.4%
- Adjusted operating profit margin increased to 25.3%
- Organic revenue decline of 14%; organic adjusted operating profit decline of 12%
- £40m of annualised cost removed at a cost of £27.7m
- Operating cash flow of £324m – adjusted cash conversion of 105%
- Free cash flow of £224m up 6.6%
- Net debt to EBITDA reduced from 3.8 times to 2.7 times
- Adjusted EPS up to 34.3p
- Second interim dividend of 7.85p – total dividend up 36%

Income Statement

	2009 £m	2008 £m
Revenue	1,221.7	1,278.0
Adjusted Operating Profit	309.5	305.8
Adjusted OP Margin	25.3%	23.9%
Intangible Asset Amortisation	-129.7	-123.9
Restructuring & Reorganisation Costs	-34.1	-17.3
Operating Profit	145.7	164.6
Net Interest	-48.2	-72.4
(Loss)/Profit on disposal	-1.0	16.8
Tax	10.0	-23.0
Profit for the Year	106.5	86.0
Adj EPS (diluted)	34.3	33.9



Divisional Summary

Revenue	2009 £m	2008 £m	Actual %	Organic %
Academic Information	294.4	243.5	21	6
PCI	368.3	366.7	0	-2
Events and Training	559.0	667.8	-16	-27
Total	1,221.7	1,278.0	-4	-14

Adjusted Operating Profit	2009 £m	2008 £m	Actual %	Organic %
Academic Information	104.3	76.4	37	8
PCI	118.7	102.5	16	9
Events and Training	86.5	126.9	-32	-41
Total	309.5	305.8	1	-12



Changes in Organic Revenue, Cost and Profit

	Revenue %	Adjusted operating cost %	Adjusted operating profit %
Academic Information	6	6	8
PCI	-2	-6	9
Events and Training	-27	-24	-41
Total	-14	-15	-12



Operating Cash Flow

	2009	2008
	£m	£m
Adjusted operating profit	309.5	305.8
Depreciation and software amortisation	22.7	16.0
Impairment of available for sale investments	-	0.2
Share based payments	0.6	0.5
EBITDA	332.8	322.5
Net capital expenditure	-22.0	-34.9
Working capital movement	13.0	48.6
Operating cash flow	323.8	336.2
Adjusted cash conversion	105%	110%



Net Funds Flow

	2009 £m	2008 £m
Operating cash flow	323.8	336.2
Restructuring and reorganisation cash flow	-26.3	-19.2
Net interest	-46.4	-67.8
Taxation	-27.3	-39.2
Free cash flow	223.8	210.0
Acquisitions less disposals	-38.5	13.6
Dividends	-38.2	-73.9
Net issue of shares	252.3	-0.7
Net funds flow	399.4	149.0
Opening net debt	-1,341.8	-1,244.9
Non-cash items	-2.0	-1.5
Foreign exchange	71.8	-244.4
Closing net debt	-872.6	-1,341.8

Earnings Visibility

- Booked and deferred income represents 32% of full year expected revenues (2008: 29%)
- Majority of subscriptions renewing in line with previous year
- Forward bookings on exhibitions and large scale events slightly ahead of 2009
- Re-sells at exhibitions remain strong

Return on Capital Employed

- 2009: 8.9%
- 2008: 8.2%

Post tax return on major acquisitions

	Year	2009 Return %
T&F	2004	24.0
IIR	2005	10.2
Datamonitor	2007	7.1

- Pro forma 10 year compound annual growth rate of 14%



Global Business Information Specialist

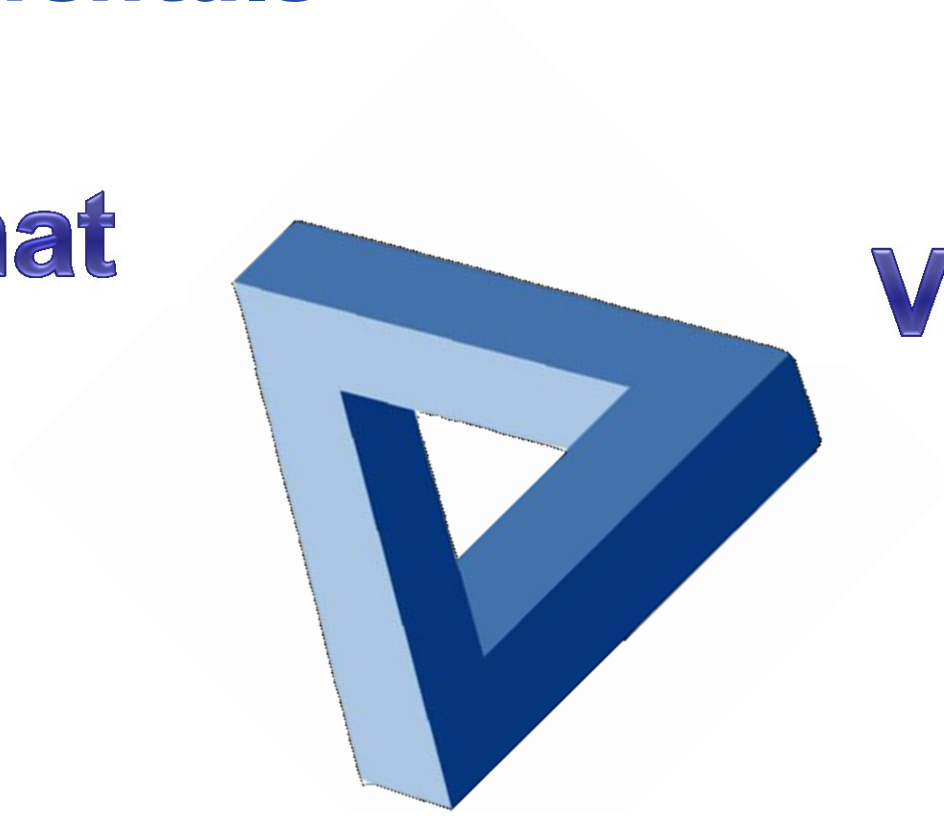
- High Quality Earnings
 - Subscriptions 64% of publishing revenues
- Digital delivery
 - 39% of total revenue; 72% publishing revenue
- Cash flow
- Operational gearing



Fundamentals

Format

Verticals



Geography



Fundamentals - Format

Subscription Revenue : AI - 55%, PCI - 72%

Copy Sales: POD, Margin Improvement

Data Products – 100% digital – highly geared use of data

Growth in digital revenue over the last 5 years

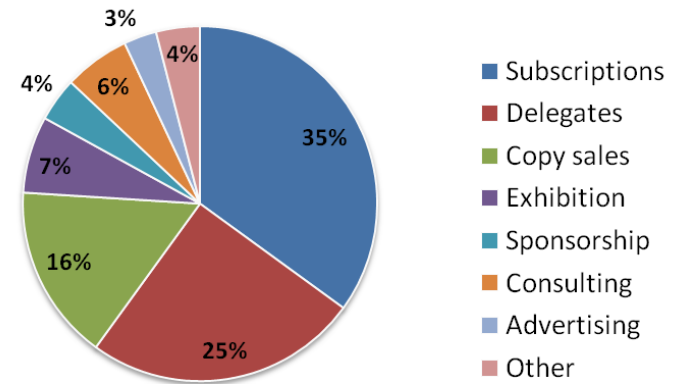
- AI 86%
- PCI 117%

Exhibitions and large events

- Top 200 events - 28% of events revenue and 55% of event profits

Delegate driven events and training

- volume reduced, flexible, operationally geared, healthy margins

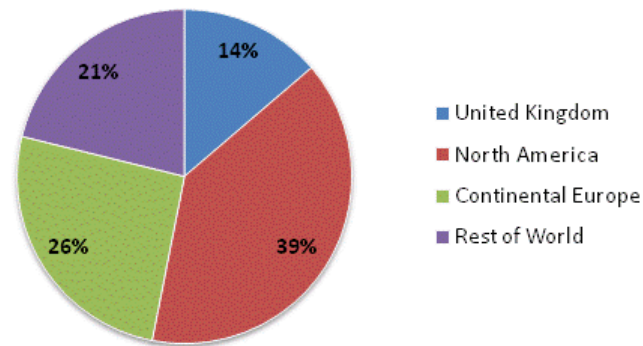


Fundamentals – Geography

Geography – well diversified

- North American market represents 39% of group revenue
- Growth in Emerging and Developing Nations 61% over last 3 years
- Geo-cloning of major events
- Use of Informa Network of offices/databases

Revenue by customer location



Fundamentals – Verticals

Vertical Markets

- Occupying strong market positions in a dozen principal verticals
- Financial markets represented 14% of group revenues in 2009 (2008: 15%)
- Strong presence in growth sectors such as Health/Pharmaceutical, Telecoms, Leisure/Food and HSS



Academic Information

- Excellent financial performance
- 2010 journal renewals remain strong
- 26 new journals launched and over 3,000 new books published
- 44 new 2010 society contracts won in 2009 (2008: 20)
- Electronic revenues increase from 53% in 2008 to 56%
- 33% of journal subscriptions online only (2008: 24%)



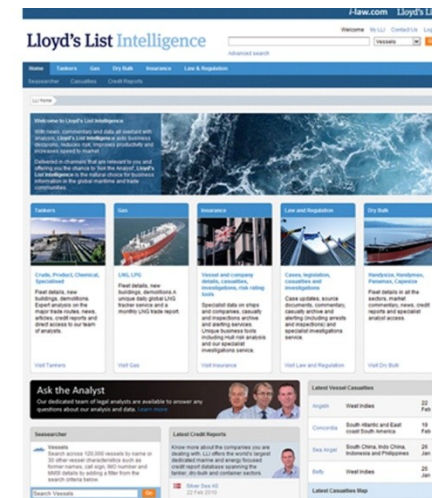
Academic Books

- Total catalogue of 60,000 editions
- 5.6m books sold in 2009 globally
- 22,000 e-books now available
- 25,000 Print on Demand titles available (2008: 18,000)
- Achievements over the last three years
 - Distribution costs as a proportion of revenue reduced by 40%
 - Stock write offs as a proportion of revenue reduced by 62%
 - Operating margins doubled



Professional and Commercial Information

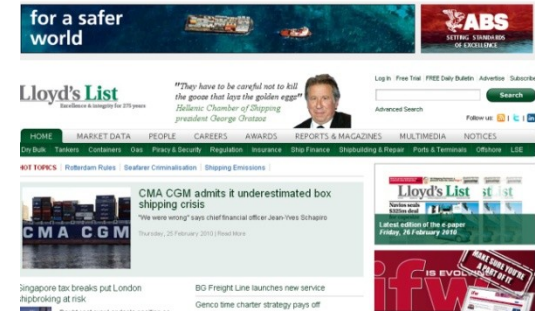
- Very strong financial performance
- Electronic delivery revenues increase from 79% in 2008 to 84%
- Lloyd's List product subscriptions up 14-15%
- Informa Healthcare.com page views increased by 800%
- Increase in Datamonitor subscriptions to 69% of revenue
- Record profits within Financial Data



Lloyd's List Group

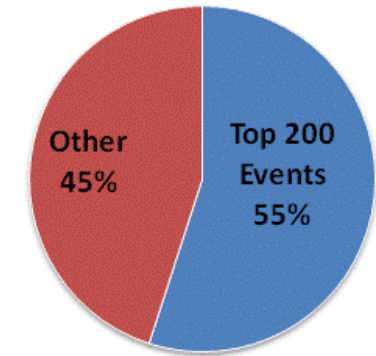
- Lloyd's List substantial profit increase
 - Rigorous review and management of print & production costs
 - Driving high-margin subscriptions sales
- Strong future underpinned by digital and information strategy
 - Customer-led development – 80% want information online
 - Launch of Lloyd's List Intelligence
 - Market leading brand in Lloyd's List
 - Integrated news, data and analysis for senior decision makers

Lloyd's List Intelligence



Events & Training

- Most demanding trading conditions ever experienced
- Events proactively decreased by a quarter from 2008 to 2009
- Operationally geared to react to upturn
 - Significant cost reductions during 2009
 - Highly flexible, variable cost structure
 - Healthy margins even in tough times
- Numerous success stories
 - Middle East, Yacht Group, Telecoms, Health & China
- Build on core strategy
 - Extend LSE's, exhibitions and geo-cloning larger events



Adjusted operating profit



Telecoms Events

iptvworldseries
www.iptvworldseries.com

iptvworldforum2009

Enriching the personal TV experience

25-27 March 2009, Olympia, London

www.iptv-forum.com

- Removal of 19% of events – cut marginal product
 - Revenue down 9%; Operating Profit up 7%
- Emerging Markets – (e.g. Middle East and Africa)
 - 16 events in 2009 with revenues increasing by 31%
 - AfricaCom on-site re-sell for 2010 was 82%
 - Broadband Global Summit in Dubai (spex up 30% for 2010)
- Next Generation Technologies
 - LTE World Series event revenues up by 40% in 2009
 - South America launch for 2010
- Geo Cloning – 19 regional events from 3 core products
 - Take sponsors and exhibitors around the world – efficient sales process, excellent client relationships
 - Deep market knowledge of a global industry



Into 2010 and Beyond

Well placed for global economic recoveries

- Strong business fundamentals
- Focused business strategy
- Uncertain global economic outlook
- Well placed to benefit from the upturn



Appendices

- Academic Information
- Professional and Commercial Information
- Events and Training
- Balance sheet
- Revenue by type
- Revenue by location of customer
- Foreign currency
- Restructuring and Reorganisation Costs
- Tax
- Deferred Income



Academic Information

	2009	2008	Actual	Organic
	£m	£m	%	%
Revenue	294.4	243.5	21	6
Adjusted Operating Profit	104.3	76.4	37	8
Adjusted Operating Margin	35.4%	31.4%		



Professional and Commercial Information

	2009	2008	Actual	Organic
	£m	£m	%	%
Revenue	368.3	366.7	-	-2
Adjusted Operating Profit	118.7	102.5	16	9
Adjusted Operating Margin	32.2%	28.0%		



Events and Training

	2009	2008	Actual	Organic
	£m	£m	%	%
Revenue				
Europe	242.4	314.0	-23	-30
US	201.1	232.8	-14	-27
Rest of World	115.5	121.0	-5	-20
Total	559.0	667.8	-16	-27
Adjusted Operating Profit				
Europe	40.1	56.0	-28	-35
US	27.6	44.9	-39	-47
Rest of World	18.8	26.0	-28	-44
Total	86.5	126.9	-32	-41
Adjusted Operating Margin	15.5%	19.0%		



Balance Sheet

	2009	2008
	£m	£m
Intangibles and Goodwill	2,804.9	3,057.0
Fixed Assets	21.4	27.1
Other Non-Current Assets	32.8	39.4
Current Assets	263.1	327.4
Other Current Liabilities	-656.6	-677.8
Net Debt	-872.6	-1,341.8
Other Non-Current Liabilities	-263.5	-358.3
	1,329.5	1,073.0



Revenue by type

	2009	2008
	£m	£m
Subscriptions	425.7	363.6
Delegates	304.7	408.9
Copy sales	202.4	188.9
Exhibitions	89.3	88.2
Sponsorship	50.5	52.6
Consulting	79.0	79.1
Advertising	31.6	38.6
Other	38.5	58.1
Total revenue	1,221.7	1,278.0



Revenue by location of Customer

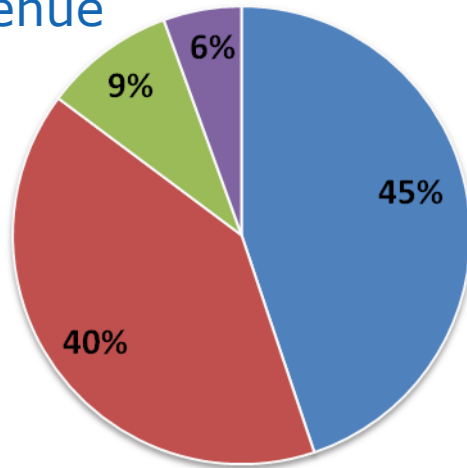
	2009	2008
	£m	£m
United Kingdom	168.1	164.0
North America	480.8	467.9
Continental Europe	314.2	380.1
Rest of World	258.6	266.0
Total Revenue	1,221.7	1,278.0



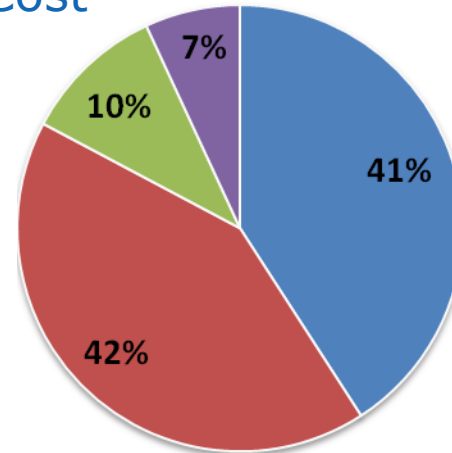
Foreign Currency

	Average Rates		Closing Rates	
	2009	2008	2009	2008
USD	1.5566	1.8637	1.6114	1.4602
EUR	1.1196	1.2627	1.1180	1.0465

Revenue



Cost



- USD
- GBP
- EUR
- OTHER



Restructuring and Reorganisation Costs

	2009	2008
	£m	£m
Business restructuring	27.7	14.9
Integration costs	-	1.8
Aborted transaction costs	2.1	0.6
Change of domicile	4.3	-
	34.1	17.3



Tax

	PBT £m	Tax (Credit)/ Charge £m	Effective tax rate %
Tax on statutory results	96.5	-10.0	-10.4
Adjusted for:			
Restructuring costs	34.1	6.4	
Intangible asset amortisation	129.7	37.3	
Loss on disposal of businesses	1.0	0.2	
Change in deferred tax on group restructuring	-	34.3	
Tax on adjusted results	261.3	68.2	26.1



Deferred Income

	2009	2008	Actual	Organic
	£m	£m	%	%
Publishing	185.0	204.2	-9	-8
Events	107.0	105.1	2	8
	292.0	309.3	-6	-2

