2013 Full Year Results Presentation

21 February 2014

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Derek Mapp

Chairman

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2013 full year results presentation

- Leadership transition
- Cultural change and commercial stability
- Solid underlying performance in 2013

Gareth Wright

Deputy Finance Director

2013 full year results summary

- A solid earnings and cash performance
  - Adjusted EPS up 5.0% to 40.1p
  - Operating cash conversion of 99%
  - Organic revenue growth of 1.5% to £1,132.4m
  - Adjusted EBITA up 1.1% to £335.5m
- Healthy balance sheet
- Dividend increased 2.2% to 18.9p

Divisional summary

Revenue	2013 £m	2012 £m	Actual %	Organic %
Academic Publishing	367.1	340.3	7.9	5.3
Business Intelligence	350.6	356.6	(1.7)	(3.9)
Global Events	414.7	413.7	0.2	3.0
Group total	1,132.4	1,110.6	2.0	1.5

Adjusted Operating Profit				
Academic Publishing	130.9	126.1	3.8	3.1
Business Intelligence	109.1	120.7	(9.6)	(12.8)
Global Events	95.5	83.7	14.1	12.6
Group total	335.5	330.5	1.5	(0.5)

Adjusted Operating Margin	%	%		
Academic Publishing	35.7	37.1		
Business Intelligence	31.1	33.8		
Global Events	23.0	20.2		
Group total	29.6	29.8		

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Income statement

	2013 £m	2012 £m
Revenue	1,132.4	1,110.6
Adjusted operating profit	335.5	330.5
Adjusted operating margin	*29.6%*	*29.8%*
Amortisation	(105.1)	(111.8)
Other adjusting items	(83.7)	(90.9)
Operating profit	146.7	127.8
Net interest	(27.6)	(30.9)
Loss on disposal	(112.9)	(29.5)
Tax	(12.6)	23.3
Profit / (loss) for the year	(6.4)	90.7
Adjusted EPS (diluted)	40.1p	38.2p
Dividend per share	18.9p	18.5p

Operating cash flow

	2013 £m	2012 £m
Adjusted operating profit from continuing operations	335.5	330.5
Depreciation of PP&E	6.4	6.5
Amortisation	15.8	13.8
Share-based payments	2.2	3.8
EBITDA from continuing operations	359.9	354.6
Net capital expenditure	(14.4)	(21.4)
Working capital movement	(14.1)	(22.5)
Operating cash flow from continuing operations	331.4	310.7
Adjusted cash conversion	*99%*	*94%*
Restructuring and reorganisation	(20.1)	(13.2)
Net interest	(30.1)	(32.5)
Taxation	(71.6)	(45.5)
Free cash flow	209.6	219.5

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Net debt movement

	2013 £m	2012 £m
Net debt at 1 January	802.4	784.0
Free cash flow	(209.6)	(219.5)
Dividends	114.0	107.4
Net acquisition spend	90.2	174.4
Operating cash flow of discontinued operations	(4.5)	(18.3)
Foreign exchange	(11.8)	(26.4)
Other items *	1.5	0.8
Net Debt at 31 December	782.2	802.4
Net debt/EBITDA (using average exchange rates)	*2.2x*	*2.1x*

* Issue/acquisition of shares and loan fee amortisation

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Balance sheet summary

	2013 £m	2012 £m
Intangibles and goodwill	2,378.2	2,601.2
Fixed assets	16.5	19.3
Other non-current assets	38.1	20.4
Current assets	247.8	269.3
Deferred income	(316.0)	(308.1)
Other current liabilities	(237.3)	(285.4)
Net debt	(782.2)	(802.4)
Other non-current liabilities	(154.0)	(190.7)
Total	1,191.1	1,323.6

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Stephen A. Carter

Group Chief Executive

Leading through transition

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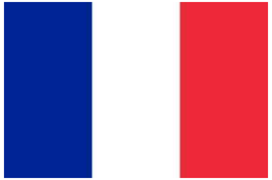
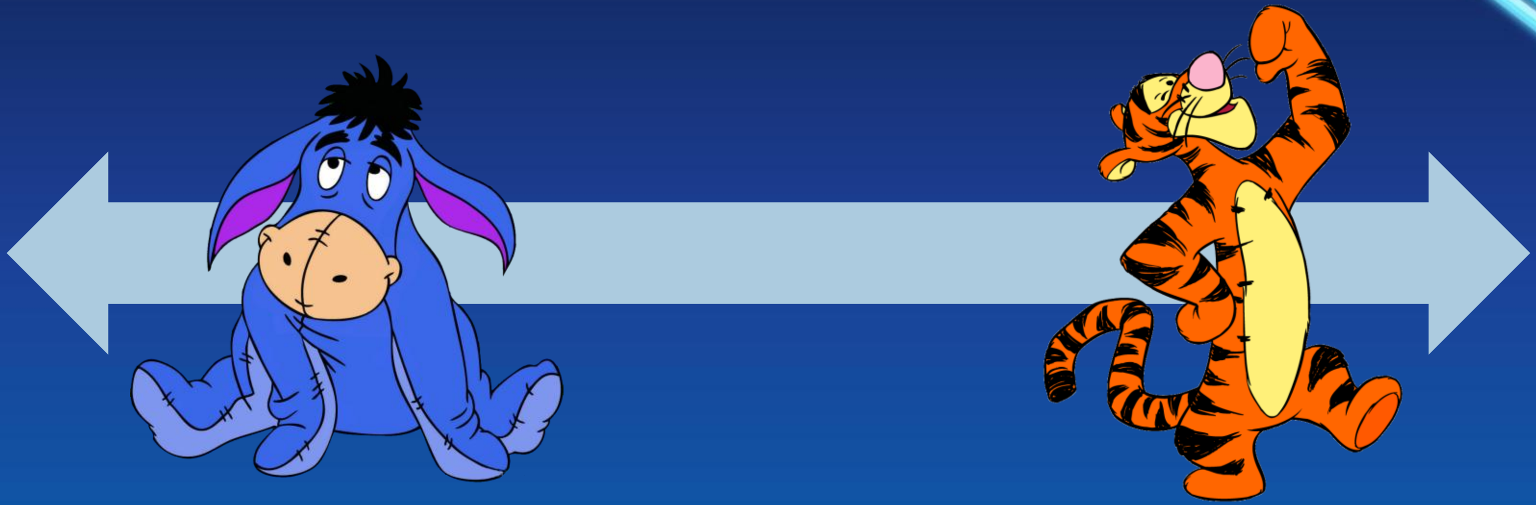
Leading through transition

Personal background





Twenty questions

1. Do you see logic/synergy to owning all three divisions?
(ie Are you going to sell Academic Publishing or Business Intelligence?)
2. How does your management style differ to Peter Rigby's?
(ie What are you going to change in structure and process at Informa?)
3. What is the logic behind the recent investment in Baiwen in China?
(ie Does it signal a greater commitment to investment in the region?)
4. What are your capital allocation priorities?
(ie Will you be active on M&A / what is your attitude to dividends?)
5. How fast will the transition from print to eBooks in Academic Publishing be?
(ie Is the shift to digital a positive or negative?)
6. How quickly can you improve operational fitness across the Group?
(ie What is the financial benefit in 2013/14?)
7. What are your ambitions for Cogent OA?
(ie Is open access an opportunity or a threat?)
8. Are current Group margin levels sustainable?
(ie Is the business under-invested?)
9. What is the potential to scale your exhibitions business?
(ie Will you buy/merge with another player?)
10. When will pharma and financial end markets pick up for Business Intelligence?
(ie Are the challenges at Business Intelligence structural or cyclical?)
11. What is your view on leverage?
(ie Will you gear the balance sheet more aggressively?)
12. What is the long-term potential for margins in the Business Intelligence division?
(ie Does the division require investment?)
13. Is the Business Intelligence division in too many verticals?
(ie Will you sell some assets to focus the business?)
14. What prompted the decision to return the Group domicile to the UK?
(ie Is the Group tax rate going to increase in the future?)
15. How much potential for further geo-cloning is there in the events portfolio?
(ie Has organic growth peaked in Exhibitions?)
16. Are you still cutting small conference output?
(ie Are conferences structurally damaged?)
17. What will generate the best returns – M&A, capital investment or buybacks?
(ie What are your strategic priorities?)
18. When will organic revenue growth return to historical levels?
(ie Do you need to invest to grow?)
19. What attributes are you looking for in your new CFO?
(ie When will you make an announcement on the new CFO?)
20. Which business do you think has the greatest growth potential long-term?
(ie Where are you going to focus investment?)

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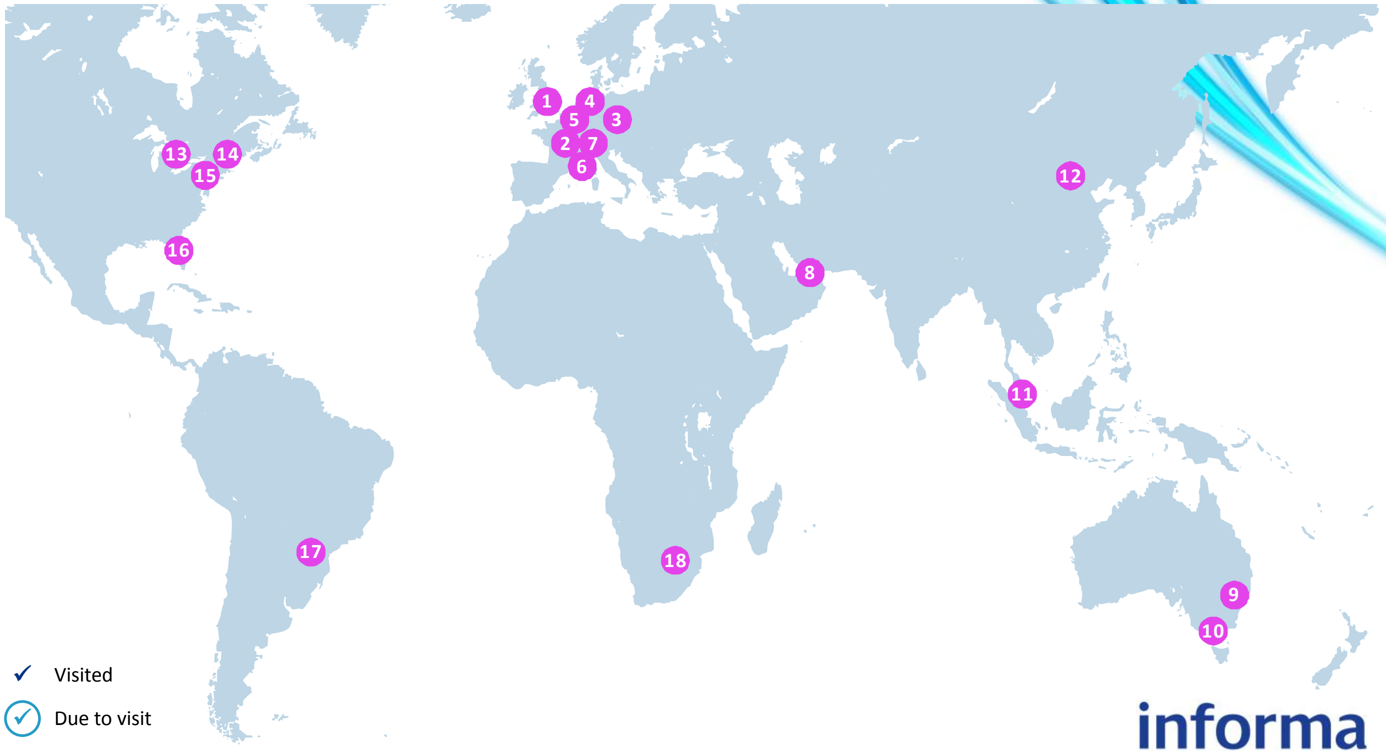
Working day 40

Key business centres visited

✓	1	United Kingdom
✓	2	Paris, France
✓	3	Dusseldorf, Germany
✓	4	Amsterdam, Holland
✓	5	Eindhoven, Holland
✓	6	Monaco
✓	7	Zug, Switzerland
✓	8	Dubai, Middle East
✓	9	Sydney, Australia
✓	10	Melbourne, Australia
✓	11	Singapore
✓	12	Beijing, China
✓	13	Toronto, Canada
✓	14	Boston, United States
✓	15	New York, United States
✓	16	Florida, United States
✓	17	Sao Paulo, Brazil
✓	18	Johannesburg, South Africa



✓ Visited

✓ Due to visit

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The knowledge and information economy

2.7bn

2.7bn Internet users Globally, rising to half the world population of 7.4bn by 2017

262m

Number of students globally will double to 262m by 2025

By the end of 2014, the number of mobile-connected devices will exceed the number of people on earth

12 months to 12 hrs

On average, human knowledge is doubling every 12 months…and soon will double every 12 hours

1125m

375m people use English as a 1st language
750m people speak English as a foreign language

Doubling

The volume of business data is doubling every 1.2 years

$20 trillion

The Global Digital Economy estimated at $20 trillion in 2013

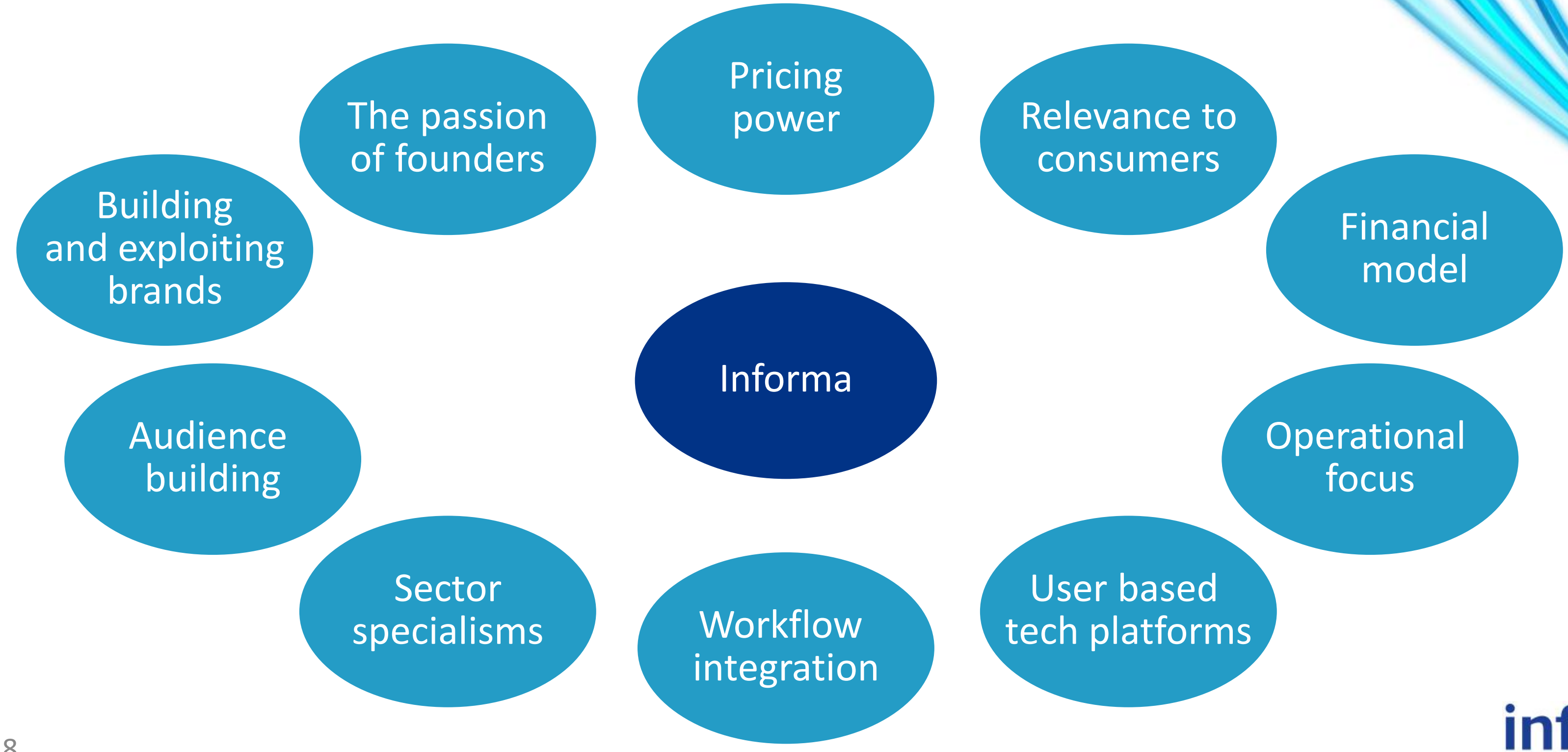
15%

UK professional services global value accounts for 15% of UK GDP

50%

By 2020, the BRIC economies will account for nearly 50% of global GDP

Information industry: the ingredients



Management approach

Use the discovery period	Gently gently	Identify key talent	Create a relationship with the entire company	Recruit targeted Executive talent
Product, brands, platforms, people	Manage performance expectations	Harness technology	Sharpen acquisition strategy and integration	Maintain a high internal profile

Operational fitness

Generate growth

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Operational fitness

- Simplification of business structure
- Acceleration of Group support and shared service activities
- International market expansion and speed to market
- Leverage scale in key sectors: Healthcare, Pharma, Technology, Telecoms, Financial etc
- Leverage scale in key markets: Middle East & Africa, North America etc
- **Encourage and implement operational fitness across the Group**

Generating profitable growth

Revenue refresh	Reorientation of portfolio towards higher growth and higher margin businesses
Creative revenue	Leveraging existing customer, brand and IP assets to extend the business into new product areas, geographies and customer segments
Investment revenue	Reinvest in existing business to refresh, upgrade and develop products, leading to longer more attractive profit cycles
Platform revenue	Development of product delivery technologies that support product extensions and new product through an enhanced, differentiated customer experience
Tactical revenue	Optimise product pricing and segmentation strategies

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Informa operational anatomy

Marketing, Sales, Technology

Academic Publishing

2013 Revenue: £367.1m
2013 Adjusted OP: £130.9m
Headcount: 1,757

Books | Journals

- Strong brand, reputation & management
- Emerging market opportunities
- Further exploitation of digital archives
- Open access threat and opportunity
- EBooks and Amazon

Taylor & Francis Taylor & Francis Group
Routledge Taylor & Francis Group
cogent oa

Business Intelligence

2013 Revenue: £350.6m
2013 Adjusted OP: £109.1m
Headcount: 2,518

Financial | Maritime | Consumer
Health & Pharma | Professional | Telco & Media

- Highly diversified portfolio with long tail
- Some brands underplaying strength and value in end markets
- Opportunities from simplification, segmentation and pricing
- Material competitors with deep pockets
- Scale debate for some businesses

DATAMONITOR Healthcare
verdict.
OVUM
EPFR GLOBAL
Lloyd's List

Global Events

2013 Revenue: £414.7m
2013 Adjusted OP: £95.5m
Headcount: 2,319

Conferences | Exhibitions

- Strong exhibition business, fragmented market
- Speed to market & geographic opportunities
- Content refresh & process standardisation
- Need for product innovation on conferences
- Conference competition from new entrants

19th China Beauty Expo May 7-9, 2014
ARAB HEALTH
SuperReturn International 2014
Monaco Yacht Show

Finance, Talent, Legal

GROWTH ENABLERS

SUPPORT

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Summary

> *2014 will be a year of measured change, operational focus and building a platform for the future growth of the group*

- A solid earnings and cash performance in 2013
- A year of operational focus and management transition in 2014
- Improve operational fitness across the Group
- Academic Publishing and Global Events performing well
- Industrialising growth platforms in Business Intelligence
- Another positive outcome in 2014

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Thank you

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Appendices

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Tax

	Profits £m	Tax £m	ETR %
Statutory results	115.7	(12.6)	10.9
Adjusted for:			
Restructuring and reorganisation costs	14.2	(3.7)	
Intangible asset amortisation	105.1	(26.9)	
Impairment	66.2	(4.0)	
Loss on disposal of investments	3.4	-	
Other adjusting items	3.0	0.1	
Deferred tax credit arising from UK corporation tax rate change	-	(5.3)	
Exceptional tax credit	-	(13.7)	
Adjusted results	307.6	(66.1)	21.5

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Other adjusting items

	2013 £m	2012 £m
Impairment :		
- European Conferences	40.5	80.0
- Software intangibles	17.1	-
- Robbins Gioia	8.3	-
- Other	0.3	1.3
Restructuring and reorganisation costs	14.2	9.9
Acquisition related costs	5.8	1.3
Subsequent re-measurement of contingent consideration	(2.5)	(1.6)
Total	83.7	90.9

Deferred income

	2013 £m	2012 £m	Actual %	Constant Currency %
Academic Publishing	105.0	109.6	(4.2)	3.4
Business Intelligence	92.4	90.5	2.1	2.3
Global Events	118.6	105.1	12.8	16.8
Group total	316.0	305.2	3.5	7.7

Currency

Major currencies	Average Rates		Closing Rates	
	2013	2012	2013	2012
USD	1.5635	1.5898	1.651	1.6175
EUR	1.1776	1.2308	1.1997	1.2265

Impact of a 1 cent movement on full year financials

	USD £m	EUR £m
Revenue	3.2	0.9
Operating Profit	1.4	0.3
Net Debt	3.4	0.3

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Return on investment

Last 3 years ROI on acquisitions	%
2012 acquisitions - 1st year ROI	10.9
2011 acquisitions - 1st year ROI	12.0
2010 acquisitions - 1st year ROI	12.5

Return on Capital Employed (%)	2013	2012	2011	2010	2009
Group ROCE	9.1	9.2	9.0	8.8	8.8

ROI is defined as tax-affected Adjusted EBITDA in the First Year post-acquisition, as a proportion of Total Consideration. Adjusted EBITDA is translated at the exchange rates in effect at the date of acquisition.

ROCE: ((OP + interest income + adjusting items)*(1-tax rate) + other intangible amortisation)/(total assets – current liabilities + ST debt + accumulated other intangible amortisation + accumulated goodwill impairment)

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Sponsored ADR program

Informa ADRs trade on the US over-the-counter (OTC) market

Symbol	IFJPY
ISIN	US45672B2060
Ratio	1 ADR : 2 ORD
Effective date	1st July 2013
Underlying ISIN	JE00B3WJHK45
Depositary Bank	BNY Mellon

For any questions relating to Informa ADRs, please contact BNY Mellon

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