

2014 Full Year Results Presentation



12th February 2015

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Stephen A. Carter

Group Chief Executive

2014 Measured Change

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2014 Full year results summary

- ❑ Growth in revenue and earnings
 - ❑ Organic revenue growth 0.7%
 - ❑ Adjusted operating profit of £334.1m
 - ❑ Adjusted EPS of 40.3p, constant currency growth of 4.5%
- ❑ Dividend per share +2% to 19.3p
- ❑ Strong free cash flow growth +12% to £232.5m
- ❑ Targeted and disciplined acquisitions
- ❑ Balance sheet positioned for growth

2014 Measured Change

- ✓ Manage the transition
- ✓ Improved earnings, increased dividends and stronger cash flow
- ✓ Operational fitness
- ✓ Targeted acquisitions: geography and market
- ✓ Portfolio review completed
- ✓ *2014-2017 Growth Acceleration Plan*



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

Selected highlights of 2014

Markets

- Increased discoverability driving growth
- Digital marketing and workflow integration
- Robust US, UK, Middle East and Africa
- Face-to-face media remains highly rated

Performance

- Positive organic growth in AP and GE
- Managed transition through BI leadership change
- Growth across major regional hubs at K&N
- Consolidation of Shared Services geographic hubs

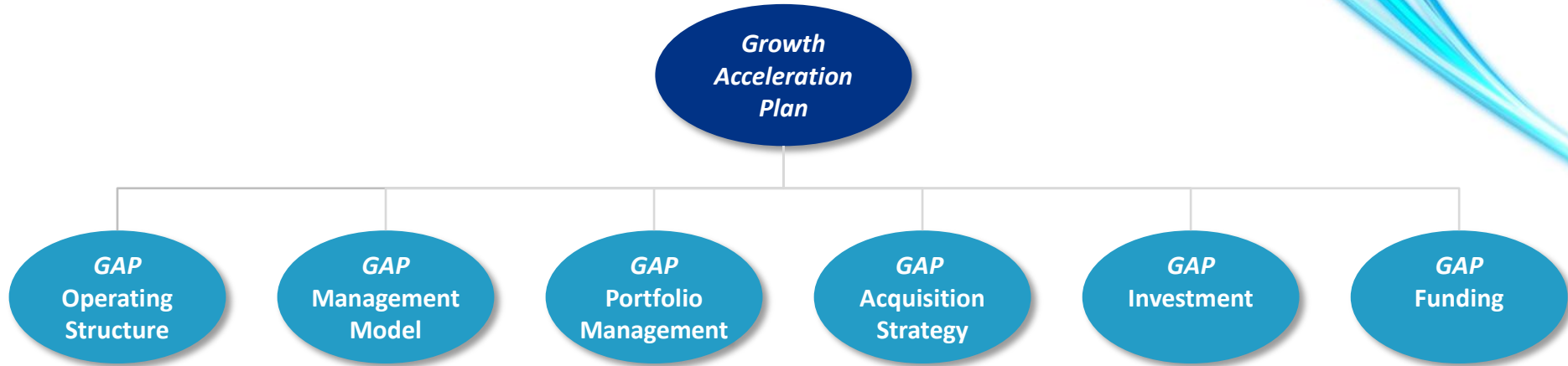
Business

- >5K new books, >100K books and >2K journals
- Increased focus on subscription management
- Exhibition power brands in double digit growth
- Consolidation of regional conference activities

Innovation

- Strengthened Exec team from Tech, B2B, media...
- Invent event drives new product development
- Employee equity uptake tripled through ShareMatch
- Growth Acceleration Plan launched

2014-2017 *Growth Acceleration Plan* framework





Gareth Wright

Group Finance Director

Maintaining financial discipline

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Divisional summary

Revenue	2014 £m	2013 £m	Actual %	Organic %
Academic Publishing	408.9	407.8	0.3	3.0
Business Intelligence	281.7	305.9	(7.9)	(8.5)
Global Exhibitions	200.2	160.2	25.0	18.9
Knowledge & Networking	246.2	256.1	(3.9)	(3.2)
Group total	1,137.0	1,130.0	0.6	0.7

Adjusted Operating Profit				
Academic Publishing	150.0	150.9	(0.6)	3.3
Business Intelligence	75.2	86.8	(13.4)	(16.8)
Global Exhibitions	67.4	50.0	34.8	18.2
Knowledge & Networking	41.5	47.0	(11.7)	(17.2)
Group total	334.1	334.7	(0.2)	(2.6)

Adjusted Operating Margin	%	%		
Academic Publishing	36.7	37.0		
Business Intelligence	26.7	28.4		
Global Exhibitions	33.7	31.2		
Knowledge & Networking	16.9	18.4		
Group total	29.4	29.6		

¹Restated for the change in accounting for joint ventures and discontinued operations

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Income statement

	2014 £m	2013 £m
Revenue	1,137.0	1,130.0
Adjusted operating profit	334.1	334.7
<i>Adjusted operating margin</i>	29.4%	29.6%
Amortisation	(93.9)	(105.0)
Other adjusting items	(242.6)	(83.7)
Operating (loss)/profit	(2.4)	146.0
Share of results of joint ventures	(0.4)	0.4
Net interest	(25.6)	(27.6)
Loss on disposal	(2.8)	(3.4)
Tax	(19.8)	(12.4)
(Loss)/profit for the year	(51.0)	103.0
Adjusted EPS (diluted)	40.3	40.1
Dividend per share	19.3	18.9

Increased financial discipline

Operating discipline

- Re-domicile to UK
- Simplified operating structure

Portfolio discipline

- Asset review of historical Datamonitor acquisition
- Closure & consolidation of Jo'burg, Singapore and Melbourne events activities
- Consumer assets under review

Investment discipline

- Impairment of historical Chinese Pharma data investment

Operating cash flow

	2014 £m	2013 £m
Adjusted operating profit from continuing operations	334.1	334.7
Depreciation of PP&E	6.1	6.4
Amortisation	12.1	15.7
Share-based payments	1.7	2.2
EBITDA from continuing operations	354.0	359.0
Net capital expenditure	(14.7)	(14.4)
Working capital movement	(15.5)	(15.4)
Operating cash flow from continuing operations	323.8	329.2
<i>Adjusted cash conversion</i>	<i>97%</i>	<i>98%</i>
Restructuring and reorganisation	(21.0)	(20.1)
Net interest	(26.0)	(30.1)
Dividends from joint ventures	0.0	0.2
Taxation	(44.3)	(71.4)
Free cash flow	232.5	207.8

Cash flow discipline

- ❑ Completion of tax settlement process
- ❑ 2014-2017 *Growth Acceleration Plan*
 - ❑ Capital allocation controlled by Design Authority
 - ❑ Stage-gate payments dependent on delivering benefits
- ❑ Positive underlying deferred income at year-end
 - ❑ Strong deferred income in growing Global Exhibitions business
 - ❑ Increased discipline on subscriptions in Business Intelligence
 - ❑ Academic Publishing one-off adjustment for SWETS timing

Net debt movement

	2014 £m	2013 £m
Net debt at 1 January	(782.6)	(802.4)
Free cash flow	232.5	207.8
Dividends	(114.9)	(114.0)
Net acquisition spend	(369.0)	(88.8)
Operating cash flow of discontinued operations	(3.8)	4.5
Foreign exchange	(40.1)	11.8
Other items *	201.7	(1.5)
Net Debt at 31 December	(876.2)	(782.6)
<i>Net debt/EBITDA (using average exchange rates)</i>	<i>2.2x</i>	<i>2.2x</i>

* Issue/acquisition of shares and loan fee amortisation

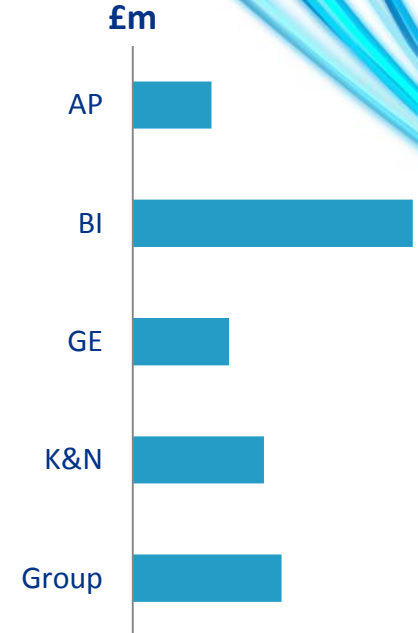
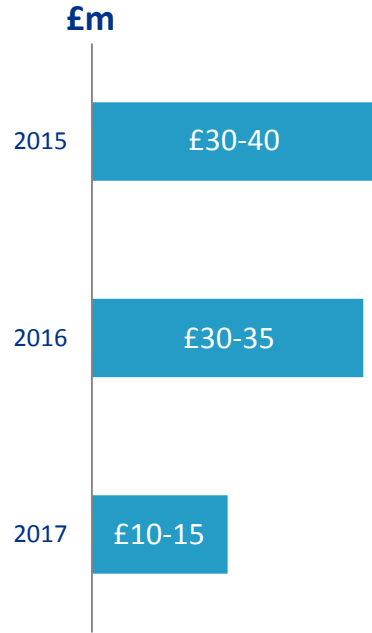
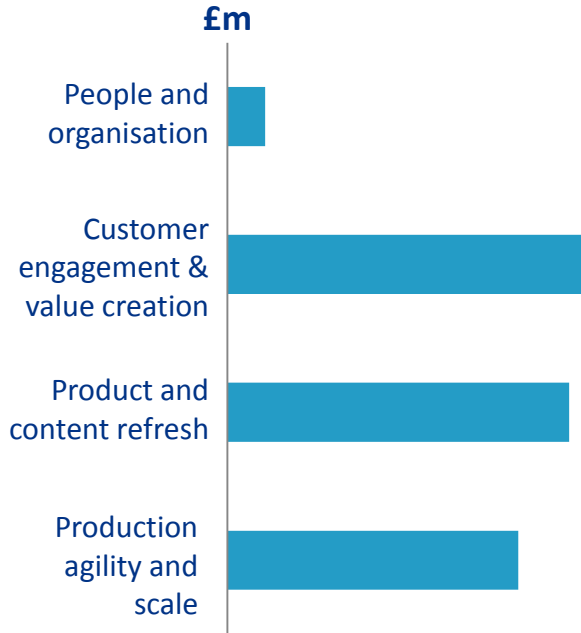
Balance sheet summary

	2014 £m	2013 £m
Intangibles and goodwill	2,529.7	2,376.9
Fixed assets	17.5	16.5
Other non-current assets	31.1	39.2
Current assets	267.6	247.6
Deferred income	(342.9)	(315.9)
Other current liabilities	(241.7)	(237.1)
Net debt	(876.2)	(782.6)
Other non-current liabilities	(153.4)	(153.5)
Total Equity	1,231.7	1,191.1

Return on Capital Employed	2014	2013
Group ROCE	8.8%	8.9%

ROCE: Adjusted operating profit less tax divided by the average capital employed. Capital employed: net assets + cumulative intangibles amortisation + goodwill impairments + pension deficit (grossed up for deferred tax) + net debt.

GAP Investment: financial profile



GAP investment quantum and profile on track

2014-2017 Financial execution & delivery

Portfolio

- Focus on priority verticals
- Review of alternatives for non-core assets
- Consistent cash management and control

Returns

- Minimum commitment of 2% DPS growth
- Targeted approach to M&A - strategic & financial hurdles
- Consolidation of regional Shared Services hubs

Funding

- Revolving credit facility
- Share placing to raise £207m
- Target leverage of 2.0x to 2.5x

Increased operating and financial focus



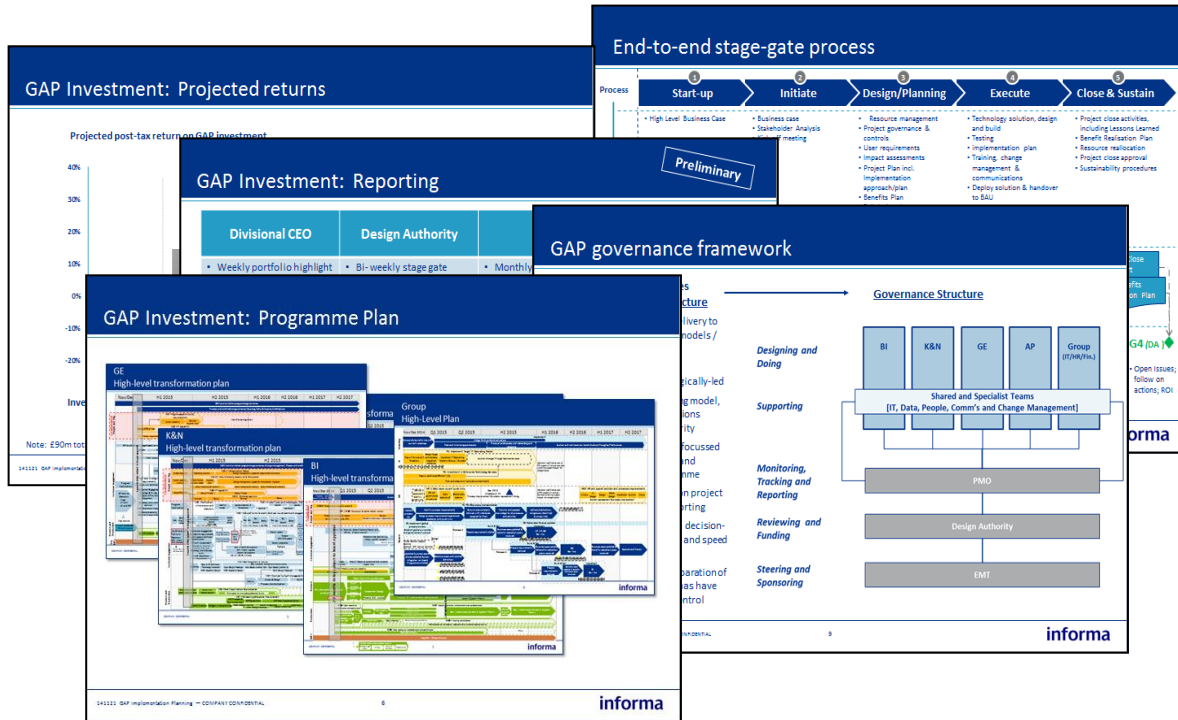
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Group Chief Executive

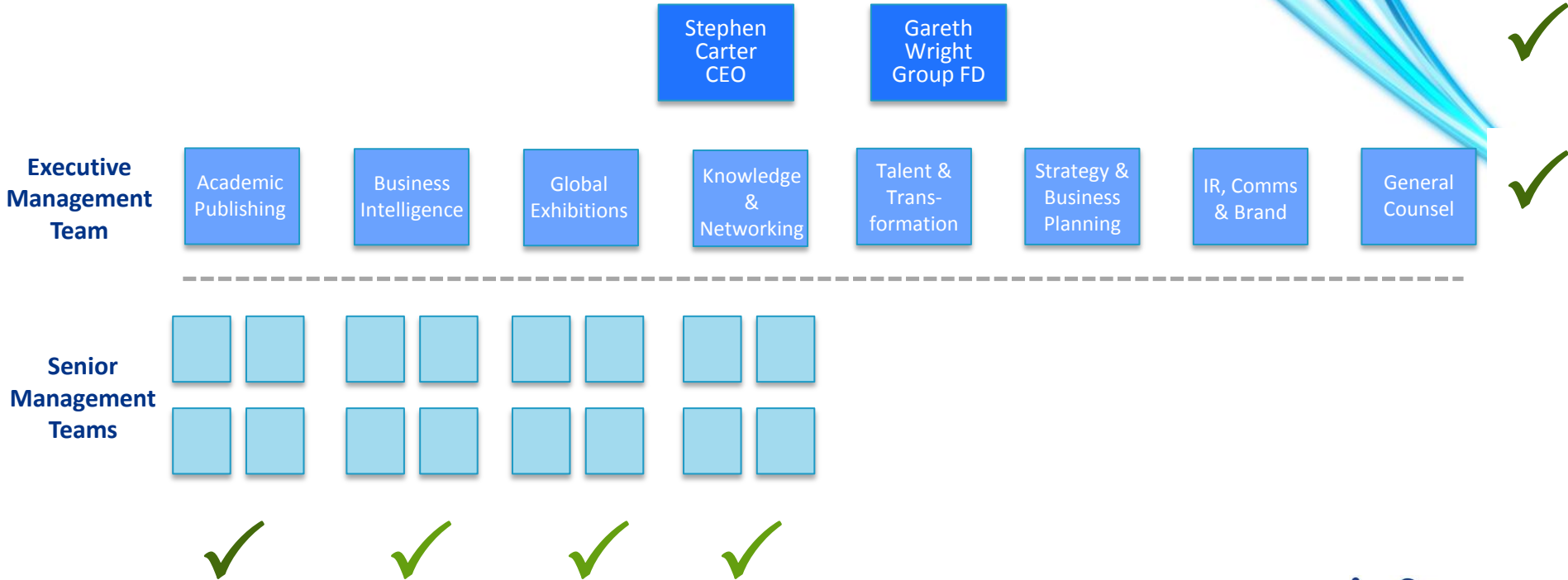
Accelerating growth

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2014-2017 Growth Acceleration Plan

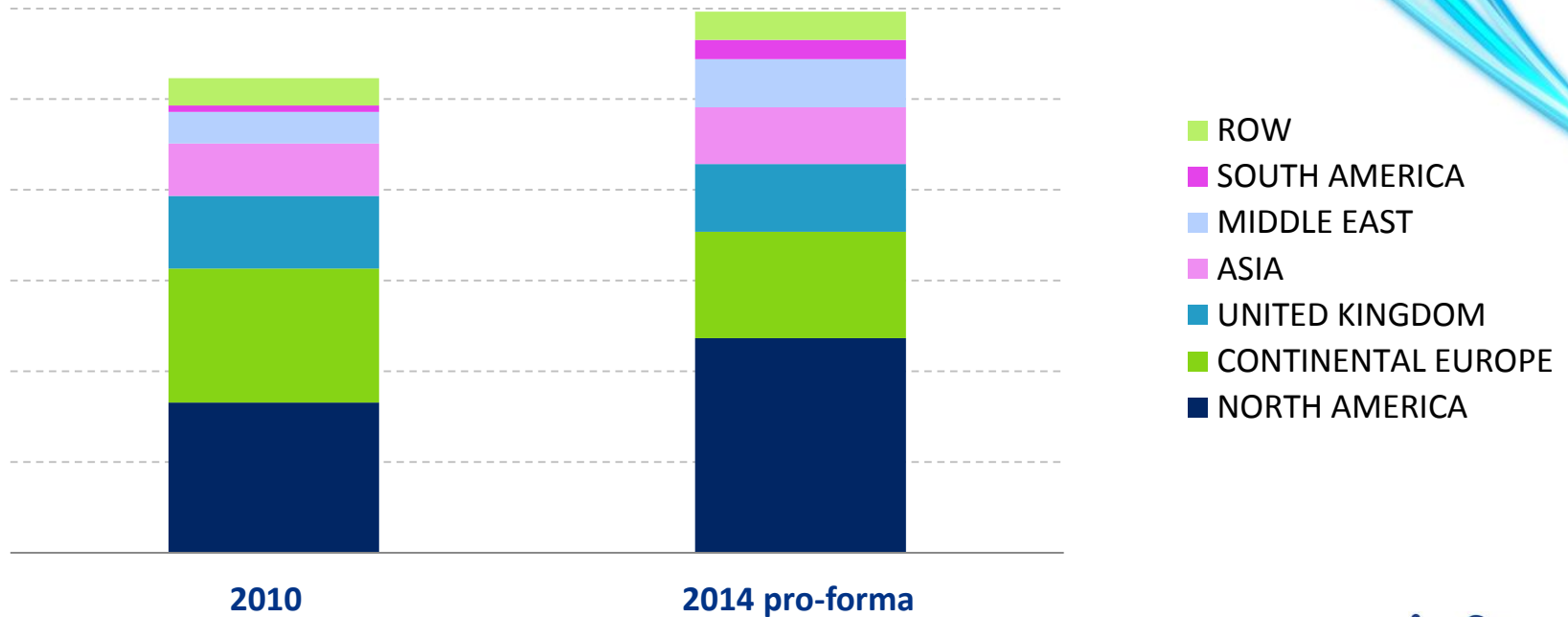


Strengthened management capability



Internationalisation of Informa

Informa revenue by region



Market focus and prioritisation – Academic Publishing

Academic Publishing

- Sales internationalisation
- Platform development and product innovation
- Content growth and discoverability
- Medical Journals expansion

STM

HSS

Business Intelligence

- Reorganised into five market-facing units
- Improved vertical focus and customer engagement
- Disciplined sales and subscription management
- Product technology and new product development

Pharma

TMT

Agra

Maritime
& Law

Finance

Global Exhibitions

- Building & Buying a world class Exhibition business
- Focus on geo-cloning and organic growth
- Expansion into major exhibition markets
- Strengthening priority verticals

Health &
Nutrition

Beauty

Property &
Construction

Pop
Culture

Knowledge & Networking

- Spot transaction to continuous engagement model
- Three core geographic hubs, supported by local teams
- Events prioritising power verticals
- Refreshed global strategy for Training & Learning

Finance

Life
Sciences

TMT

Training &
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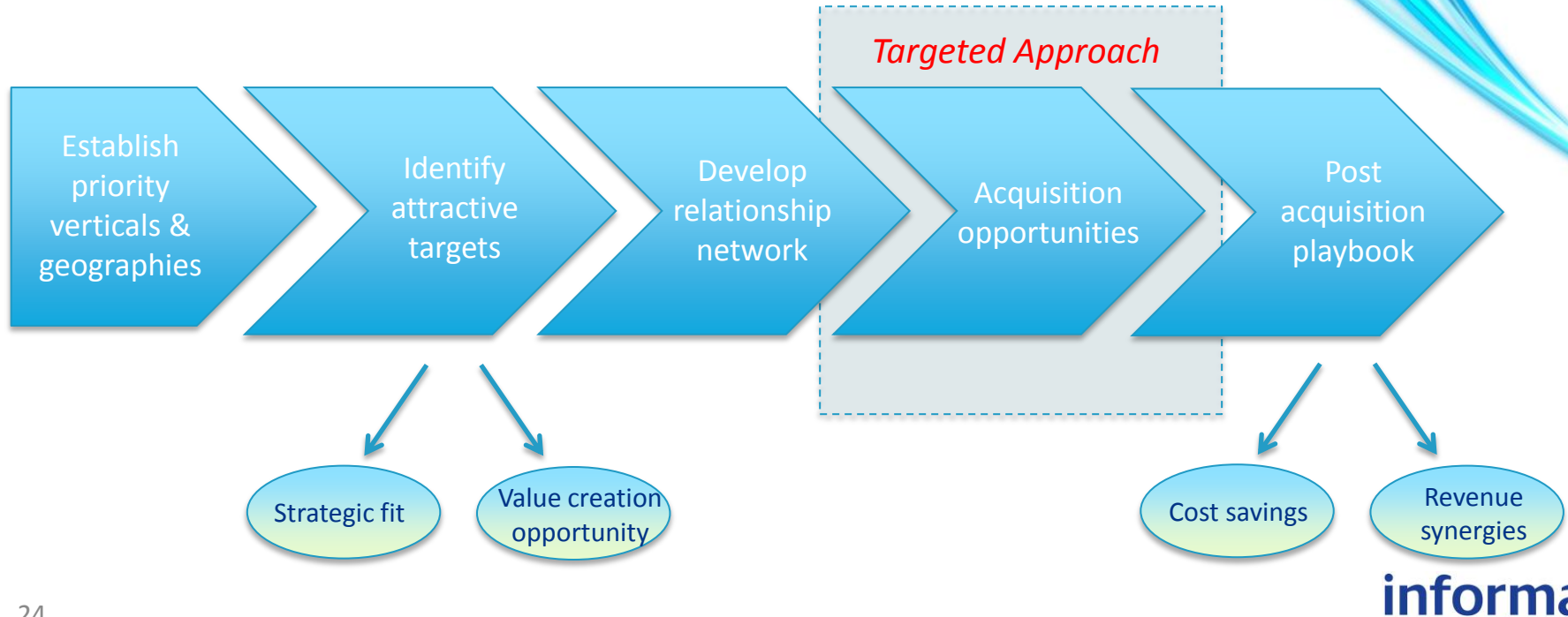
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Building & Buying a world class Exhibition business



Geo and vertical expansion: Construction & Real Estate

- ❑ Hanley Wood Exhibitions builds on existing strengths in C&RE
- ❑ 17 major mainly US based exhibitions and trade shows
- ❑ Well established, market leading brands
- ❑ Strong Management team: Rick McConnell Chairman of SISO
- ❑ Advanced systems, technology and innovation

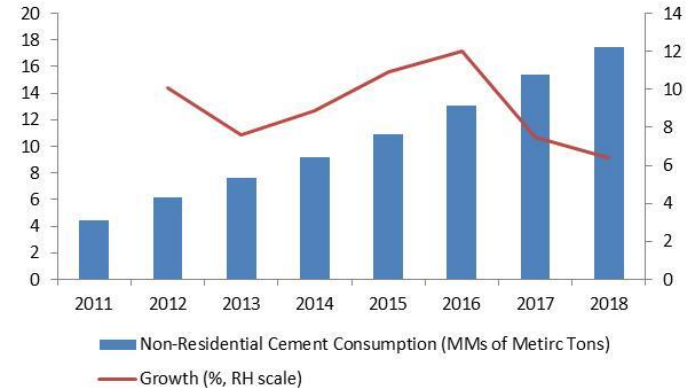
Strengthens position in a priority vertical and geography



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Construction & Real Estate: an attractive vertical

- External market trends
 - Global construction output to grow >70% to \$15 trillion by 2025
 - US housing starts +15.8% YoY (Jan 2015 projection)
 - US Architecture Billings Index +7.4% YoY (Dec 14)
- Informa performance
 - 2015 World of Concrete >20% YoY
 - 2016 World of Concrete re-bookings >15% YoY
 - Q1 events forward bookings +15% YoY



Source: Portland Cement Association

Informa Construction & Real Estate more than doubled 2010-14

Strengthening priority verticals

Strong base

Target acquisitions & geo-cloning

Construction & Real Estate



designjunction

Health & Nutrition



Pop Culture



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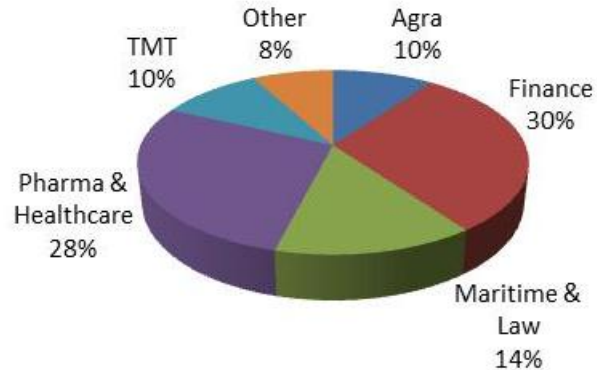
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Business Intelligence roadmap

	2010-2014	2015	2016
Organic growth	<ul style="list-style-type: none"> • CAGR of -3%; -8.5% in 2014 	<ul style="list-style-type: none"> • Halve organic decline by yr-end 	<ul style="list-style-type: none"> • Positive run-rate by year-end
Product	<ul style="list-style-type: none"> • Underinvestment • Diverse & distributed portfolio • Fragmented operating model 	<ul style="list-style-type: none"> • Restructure around verticals • Product management refresh • Portfolio rationalisation 	<ul style="list-style-type: none"> • Accelerated new product development • Digital delivery, workflow, intelligence • Consolidate news/ info services
Sales	<ul style="list-style-type: none"> • Inconsistent CRM • Under-developed client services • Inconsistent incentive structure • Lack of subs management 	<ul style="list-style-type: none"> • Revitalise sales leadership • Sales management discipline • Rebalance incentive structure • Focus on subs renewal cycle 	<ul style="list-style-type: none"> • Integrate user tracking into sales and pricing • Increase sales discipline on non-subscription products
People	<ul style="list-style-type: none"> • Competing agendas • Misalignment of decision making 	<ul style="list-style-type: none"> • Simplified operating structure • Strengthened management team • Central cost reduction 	<ul style="list-style-type: none"> • Technology leadership • Training and development • Content excellence

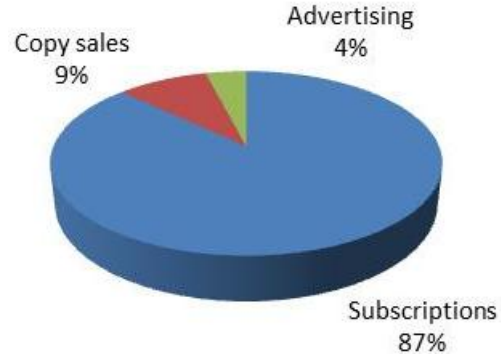
Business Intelligence profile

Revenue by vertical
2014



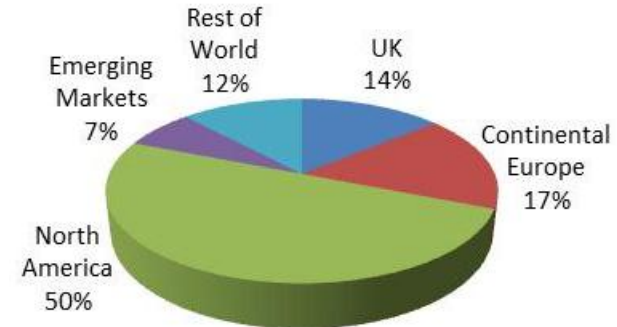
Focus

Revenue by type
2014



Resilience

Revenue by region
2014



Geo-Diversity

Business Intelligence operating metrics

Snapshot 2013/4

% of revenue from subscriptions	▶	87%
Annualised Contract Value (ACV)	▶	↓
Value Renewal Rate	▶	75-80% ▶
Pre-Expiry Value Renewal Rate	▶	50-55% ↓
New Business Value Rate	▶	↓
Absolute Pipeline Value	▶	↓

Market focus and prioritisation – Knowledge & Networking

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2014 Delivery

Focus

Increased operational fitness and business focus

GAP

In depth portfolio review leading to launch of *Growth Acceleration Plan*

M&A

Targeted acquisitions in Global Exhibitions to build US presence

Pace

Measured Change approach to manage the transition

Performance

Improved earnings, increased dividends and stronger cash flow

2015 Ambition

Focus

Increased focus and purpose across the Group...a clear mandate

GAP

Launch of investment programme: >£30m budgeted investment in 2015

M&A

Further targeted acquisitions; Selective disposals

Pace

From Measured Change to Accelerated Change

Performance

Continued delivery: further growth in adjusted EPS, DPS and cash flow

Thank you

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Appendices

Tax

	Profit/(loss) £m	Tax £m	ETR %
Statutory results	(31.2)	19.8	(63.5)
Adjusted for:			
Restructuring and reorganisation costs	20.7	4.1	
Intangible asset amortisation	4.7	1.4	
Impairments	93.9	25.6	
Loss on disposal of investments	2.8	-	
Other adjusting items	(0.3)	0.7	
Deferred tax credit arising from UK corporation tax rate change	-	(0.4)	
Exceptional tax credit	-	11.6	
Adjusted results	309.6	62.8	20.3

Other adjusting items

	2014 £m	2013 £m
Impairment :		
- Consumer information assets	150.0	-
- Pharma & Healthcare information assets	40.0	-
- Melbourne Events	12.5	-
- Chinese Pharma data investment loan	13.5	-
- Expo Vinis loan	1.0	-
- European Conferences	-	40.5
- Software intangibles	-	17.1
- Robbins Gioia	-	8.3
- Other	2.0	0.3
Restructuring and reorganisation costs	20.7	14.2
Acquisition related costs	4.7	5.8
Subsequent re-measurement of contingent consideration	(1.8)	(2.5)
Total	242.6	83.7

Deferred income

	2014 £m	2013 £m	Actual %	Constant Currency %
Academic Publishing	101.5	114.0	(11.0)	(16.7)
Business Intelligence	77.2	75.6	2.1	(1.2)
Global Exhibitions	122.2	82.0	49.0	44.2
Knowledge & Networking	42.0	44.3	(5.2)	(4.8)
Group total	342.9	315.9	8.5	4.6

Currency

Major currencies	Average Rates		Closing Rates	
	2014	2013	2014	2013
USD	1.6485	1.5635	1.5596	1.6510
EUR	1.2422	1.1776	1.2833	1.1997

Impact of a 1 cent movement in 2014

	USD £m	EUR £m
Revenue	3.4	0.7
Operating Profit	1.5	0.2
Net Debt	5.3	0.3
EPS	0.16p	0.03p

Sponsored ADR program

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

Symbol	IFJPY
ISIN	US45672B305
Ratio	1 ADR : 2 ORD
Effective date	1 st July 2013
Underlying ISIN	JE00B3WJHK45
Depository Bank	BNY Mellon

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

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