UNDERSTANDING INFORMA

Annual Report and Financial Statements 2014

informa

Whilst continuing to deliver positive results, 2014 was a year of Measured Change.

This report reviews those changes and explains what Informa is and does today.

We outline the Group divisional structure p8, Group strategy p12, and explain how our business model creates value p19.

We highlight how we measure performance p60, manage risk p62 and celebrate talent and entrepreneurialism.

STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS

COMPANY INFORMATION

CONNECTION. INSIGHT. ADVANTAGE.

Informa's global portfolio of knowledge, event and information-based businesses connects people, providing unrivalled access to high quality, specialist intelligence and links across commercial, professional and academic communities.

Our content and connectivity deliver insights, networks and competitive advantage, enabling individuals, organisations and communities to connect, work smarter and achieve their goals.

WHO WE ARE

Informa operates at the heart of the Knowledge and Information Economy. It is one of the world's leading business intelligence, academic publishing, knowledge and events businesses. With more than 6,500 employees globally, it has a presence in all major geographies, including North America, South America, Asia, Europe, the Middle East and Africa.

WHAT WE DO

Informa's global portfolio of knowledge, event and information-based businesses connects people, providing unrivalled access to high quality, specialist intelligence and links across commercial, professional and academic communities. At a Group level we provide the stewardship, strategy and structure that enable these businesses to focus on being the very best they can be.

Our ACADEMIC PUBLISHING Division publishes specialist academic books and journals. We produce unique, trusted content by expert authors, spreading knowledge and promoting discovery globally. We aim to broaden thinking and advance understanding, providing academics and professionals with a platform to share ideas and realise their individual potential.

p.23

In BUSINESS INTELLIGENCE we offer expert analysis of data and information that delivers unique insights to create competitive advantage. Across five core industry sectors, we help our customers identify new opportunities, understand and mitigate risk and make better decisions faster.

p.29

WHY INVEST?

Informa has strong Brands that are well positioned in attractive markets, providing a framework for delivering consistent returns. Our business model is robust and highly cash generative, allowing us to balance organic investment with targeted acquisitions and the payment of dividends to shareholders. This is reflected in the commitment to grow annual dividends by a minimum of 2% per annum throughout the period of the 2014-2017 *Growth Acceleration Plan*.

OUR STRATEGY

The 2014-2017 *Growth Acceleration Plan* is Informa's strategy to accelerate growth and improve the returns generated across all four Operating Divisions. It is referred to throughout this report and covers six key areas:

- Operating structure
- Management model
- Portfolio management
- Acquisition strategy
- Investment
- Funding

In GLOBAL EXHIBITIONS we connect Groups seeking to identify new contacts, develop relationships, improve and expand their business. We bring communities together to share information, gain inspiration and secure new business, creating platforms for organisations to build profitable alliances, create value and drive commercial success.

p.35

In KNOWLEDGE & NETWORKING, we nurture, build and connect communities through the exchange of insights and strategic thinking. We create platforms online and through face-to-face events that facilitate learning and networking, helping people build knowledge, work smarter and become leaders in their field.

p.41

When I introduced our last Annual Report, I marked my fifth year as your Non-Executive Chairman by highlighting the significant leadership change at Informa. Twelve months on, the "wind of change" has been felt in almost every corner of the Company.

This change has been led by Stephen A. Carter, who became your Group Chief Executive at the beginning of 2014. When Stephen was appointed, his mandate from the Board was to manage the transition effectively and seek to position the Group to ensure we are extracting full value from the attractive markets in which we operate.

I am pleased to report solid progress following an initial period of Measured Change, which led in mid-2014 to the announcement of the *Growth Acceleration Plan*. This plan, which encapsulates the Group strategy through to 2017, is explained in detail within this Strategic Report, including reviews of each of our Operating Divisions.

BUSINESS HIGHLIGHTS

In the last financial year, basic earnings per share rose to 40.3p, and the Board recommended a final dividend of 12.9p, lifting the total dividend per share by 2% to 19.3p (2013: 18.9p). This dividend reflects the Board's confidence in the strategy and growth plan put in place by Stephen and his strengthened management team.

Your new management team has successfully launched and begun to implement a new growth strategy, whilst maintaining a disciplined operational focus in our balanced portfolio of businesses. This has resulted in strong performances in two of our four Operating Divisions, and renewed focus on growth and reorganisation at the two remaining business areas.

Global Exhibitions was the highlight, as organic revenue and profits rose strongly in a healthy Exhibitions market. This performance was enhanced by a number of targeted acquisitions, including the Division's first major foray into the important US market. This helps to lift the annualised revenue of **Global Exhibitions** to around £250m annually, reinforcing its position as one of the leading Exhibition groups globally.

The **Academic Publishing** Division also performed well, delivering consistent organic growth in a benign budgetary environment. Its success is a testament to the strength of our academic Brands and our differentiated approach to authors and customers. Towards the end of the year, we transferred our Medical Journals business from **Business Intelligence** to **Academic Publishing**. This will add valuable scale to our journal portfolio and generate cost savings, and should enable us to target the institutional market with its products much more effectively.

The **Business Intelligence** and **Knowledge & Networking** Divisions had a more difficult year. Some key end markets and geographies remain challenging but we also recognised a need to make changes to the operating structure and focus of these businesses. This is already under way, following the appointment of new Divisional Management Teams in 2014, and I have confidence that we will see steady operational progress by both businesses through 2015.

Your Board also supports the greater focus within our "fifth" Division, **Global Support**. This Division plays an increasingly important role in generating value across the Group. Management worked hard to improve our Shared Services function in 2014, consolidating the number of geographic hubs operated by the Company and delivering back-office efficiencies.

STRATEGY – 2014–2017 GROWTH ACCELERATION PLAN

The Board welcomes the commitment to accelerate growth across the Group. The good long-term growth prospects of Informa's markets within the wider Knowledge and Information Economy give us confidence we can deliver on this ambition.

Our growth priorities were identified as part of an in-depth review led by Stephen and his senior team shortly after he became Group Chief Executive in January 2014. This review's conclusions provided the blueprint for the 2014–2017 *Growth Acceleration Plan*, a new Group strategy announced in July.

I am pleased that the plan will build on our existing strengths and align the Group more closely to customers. As you will read elsewhere in this report, the *Growth Acceleration Plan* is a comprehensive programme, addressing the operating structure, management, portfolio discipline, acquisition strategy and funding of the Group. It includes significant investment into a range of growth initiatives identified across the Group.

GOVERNANCE

Informa is committed to the highest standards of governance. The Corporate Governance Statement (pages 78 to 83) outlines these standards.

At Board level, we added further breadth and depth of experience in 2014 with the appointment of several new Non-Executive Directors. This included Gareth Bullock, former Group Executive Director at Standard Chartered, who was also appointed Senior Independent Non-Executive Director.

TALENT AND CULTURE

As we invest in various initiatives as part of the *Growth Acceleration Plan* and as the shape of the Group evolves, one constant is the value of our people. It might be a cliché, but we are a people business. All our achievements are dependent on the hard work and commitment of our teams around the globe.

Our Group has a wide array of talented individuals, and we will invest continually in developing and strengthening this most valuable of resources. In 2014, Tom Moloney was appointed to the new post of Director of Talent & Transformation. Tom, the former Chief Executive of media group EMAP, has significant experience in change management. His appointment reflects the importance we place on this aspect of the business.

With people comes culture. At Informa, we believe our culture is unique, reflecting the value we place on our staff and the freedom we provide them to innovate, develop and succeed.

This extends to our belief in a balanced and inclusive working environment, where everyone has an equal opportunity to participate and flourish. For example, the latest Group statistics show that more than half of our employees are female (57% in 2014 and 2013).

In terms of remuneration, the role of your Board Remuneration Committee is to ensure the right balance between short and long-term rewards. These rewards are linked to value creation and delivery against our business strategy. Detailed information on our remuneration approach can be found on pages 90 to 107.

At Informa, our culture also reflects a strong sense of responsibility towards community and the environment, something encapsulated in our Group Sustainability Strategy. This is an area we constantly re-evaluate to see how we can do more. Later in 2015 we are planning to re-launch this programme, in a bid to focus our efforts and more closely align our activities with the core skills and capabilities of the Group.

OUTLOOK

Informa can look forward to the year ahead with confidence. Our robust and disciplined performance in 2014, combined with a strengthened management team and simplified operating model, gives us belief that we can continue to deliver on market expectations whilst investing in the various growth initiatives identified across the Group, as part of the broader *Growth Acceleration Plan* strategy.

This belief is reflected in the commitment of the Board to raise the annual dividend by a minimum of 2% through the period of the *Growth Acceleration Plan*. This pledge gives strong visibility to shareholders as we invest in the future growth of the business. This investment in strengthening the business, the reorganisation launched in 2014 and the accelerated momentum of change will, I am confident, create further value for all our stakeholders in 2015.

DEREK MAPP
CHAIRMAN

FINANCIAL HIGHLIGHTS

- Group revenue increased to £1,137m (2013: £1,130m[1])
- Adjusted operating profit consistent at £334.1m (2013: £334.7m[1])
- Adjusted diluted EPS ahead at 40.3p (2013: 40.1p)
- Free cash flow strong at £232.5m (2013: £207.8m[1])
- Total dividend per share increased by 2% to 19.3p; final dividend of 12.9p (2013: 18.9p)
- Non-cash impairment of £219m leads to statutory pre-tax loss of £31.2m (2013: £115.4m profit[1])

[1] Restated for the change in accounting for joint ventures (see Note 5).

OPERATIONAL HIGHLIGHTS

- 2014-2017 *Growth Acceleration Plan* launched and implementation under way
- Strong organic growth in **Global Exhibitions** with revenues up 18.9%; expanding US presence
- Differentiated operating model delivering consistent organic growth in **Academic Publishing**
- Organic decline demands increased market and customer focus in **Business Intelligence**
- New management at **Knowledge & Networking** pursuing community engagement model
- Full portfolio review leads to exit from certain conference businesses and a full provision for our Chinese Pharmaceutical loans
- Balance sheet write down of underperforming Datamonitor information assets acquired in 2007
- Refinanced balance sheet; net debt/EBITDA ratio within target range of 2.0 to 2.5 times

United Kingdom	£149.0m
North America	£416.4m
Continental Europe	£235.1m
Rest of world	£336.5m

United Kingdom	£1,130.2m
North America	£1,334.6m
Continental Europe	£77.3m
Rest of world	£342.4m

REVENUE

£1,137.0m +0.6%

ADJUSTED OPERATING PROFIT

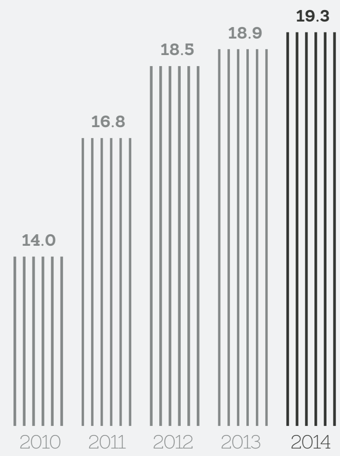
£334.1m -0.2%

ADJUSTED DILUTED EPS

40.3p +0.5%

DIVIDEND PER SHARE

19.3p +2.1%



ACADEMIC PUBLISHING

p.23

WHAT IT DOES

The **Academic Publishing** Division publishes specialist books and journals. Operating as the Taylor & Francis Group, it is recognised internationally as one of the world's leading education publishers through its five leading imprints: Taylor & Francis, Routledge, CRC Press, Garland Science and Cogent OA. It has a portfolio of more than 100,000 book titles and 2,100 journals available in both print and digital formats, across subject areas within Humanities and Social Sciences, and Science, Technology and Medicine.

SELECTED BRANDS/PRODUCTS

The Molecular Biology of the Cell, Journal of Natural History, Applied Economics, Journal of Modern Optics, CMRO – Current Medical Research & Opinion

CONTRIBUTION TO 2014 REVENUE

36%

REVENUE BREAKDOWN

Subscriptions	**53%**
Copy sales	**47%**

HIGHLIGHTS OF THE YEAR

- 3.0% organic revenue growth
- The number of book titles available passed 100,000
- Expansion of open access offering through Cogent OA

KEY STRATEGIES

- Continued growth at, or ahead of, the academic market
- Increase revenue from developing markets
- Continued expansion of open access offering

BUSINESS INTELLIGENCE

p.29

WHAT IT DOES

The **Business Intelligence** Division provides specialist data, intelligence and insight to businesses, helping them make better decisions, gain competitive advantage and enhance return on investment. It has a portfolio of more than 400 digital subscription products, providing critical intelligence to niche communities within five core industry verticals: Pharma & Healthcare, Finance, Maritime & Law, Technology/Media/Telecoms and Agriculture/Food.

SELECTED BRANDS/PRODUCTS

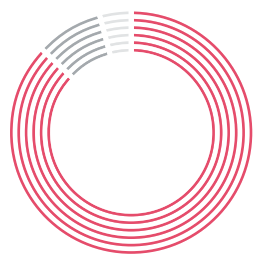
Lloyd's List, Citeline, Datamonitor Healthcare, Scrip, Sagient, Ovum, Informa Global Markets, EPFR Global

CONTRIBUTION TO 2014 REVENUE

25%

REVENUE BREAKDOWN

Subscriptions	**87%**
Copy sales	**9%**
Advertising	**4%**



HIGHLIGHTS OF THE YEAR

- Appointment of Patrick Martell as Divisional Chief Executive and creation of senior management team
- Simplified operating structure via reorganisation into five market-facing verticals
- Targeted investment programme created following in-depth review

KEY STRATEGIES

- Positive organic revenue growth run rate by end 2016
- Immediate focus on sales and subscription management
- Investment in product innovation and format flexibility

UNDERPINNED BY: GLOBAL SUPPORT

p.47

The team behind the teams, working effectively to provide the strategy, stewardship and structure that enable our Operating Divisions to focus on being the very best they can be.

GLOBAL EXHIBITIONS

p.35

WHAT IT DOES

The **Global Exhibitions** Division organises transaction-oriented Exhibitions and trade shows, which provide buyers and sellers across different industries and communities with a powerful platform to meet face to face, build relationships and conduct business. Informa has a portfolio of over 150 Exhibitions, serving a number of core verticals, including Health & Nutrition, Beauty, Property & Construction and Pop Culture.

SELECTED BRANDS/PRODUCTS

Arab Health, Middle East Electricity, Cityscape Global, China Beauty Expo, Vitafoods, World of Concrete, Fan Expo

CONTRIBUTION TO 2014 REVENUE

17%

REVENUE BREAKDOWN

Exhibitors	79%
Attendees	10%
Sponsorship	8%
Advertising	3%

HIGHLIGHTS OF THE YEAR

- Strong organic revenue growth, +18.9% year-on-year
- Expansion into the US, the single largest Exhibitions market globally
- Strengthened position in Real Estate & Construction, Health & Nutrition, and Pop Culture

KEY STRATEGIES

- Continued growth ahead of the Exhibitions market
- Balance fast-growth emerging markets exposure with more mature markets
- Enhance customer experience through engagement and technology

KNOWLEDGE & NETWORKING

p.41

WHAT IT DOES

The **Knowledge & Networking** Division incorporates all the Group's training, learning, conference, advisory and congress businesses. It organises content-driven events and programmes that provide a platform for communities to meet, network and share knowledge. It runs around 3,000 conferences and training events across the globe each year, covering a range of subject areas, but with a particular focus on Life Sciences, Technology/Media/Telecoms ("TMT")and Finance.

SELECTED BRANDS/PRODUCTS

SuperReturn, Fund Forum, Bio-Europe, AfricaCom, Broadband World Series, TV Connect

CONTRIBUTION TO 2014 REVENUE

22%

REVENUE BREAKDOWN

Attendees	60%
Sponsorship	23%
Exhibitors	15%
Advertising	2%

HIGHLIGHTS OF THE YEAR

- Appointment of Andrew Mullins as Divisional Chief Executive and creation of senior management team
- Strong performance in Life Sciences and large-scale Finance events
- US West Coast TMT operation established and major *Internet of Things* event launched

KEY STRATEGIES

- Positive organic revenue growth run rate by end 2015
- Migrate from a spot transaction to community engagement model
- Harness technology to drive differentiation in products and marketing

- Strategy & Planning
- Talent & Transformation
- Finance, Tax & Treasury
- Technology
- Capital Allocation
- Communications
- Legal
- Intellectual Property

UNDERSTANDING THE INFORMA GROUP

STEWARDSHIP AND STRUCTURE…

// The goal is simple but demanding: progressively to return every part of our business to growth, and simultaneously to build the capabilities and platforms needed for future scale and consistent performance. //

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE

// In the past year, we have made solid progress by introducing a simplified divisional operating model. We also enhanced the management team, refinanced our balance sheet and seized acquisition opportunities. //

// We operate in some of the most exciting and valuable sectors of our industry: specialist business information, must-have academic content, Exhibitions and events that are a showcase for different sectors. //

// The market opportunity is reflected by industry estimates that the Information Economy, in which Informa operates, is worth more than £200bn globally. //

// The *Growth Acceleration Plan* is a multi-year strategy to improve operational performance and better exploit the growth opportunities in our core markets. //

In 2014, Informa embarked on a period of transition. It was a year in which we took concerted action to enhance our business performance and strengthen the leadership team, our operating model and our corporate culture.

Steadily and surely, we have begun to deliver on this transition, with two overriding objectives: improving operational fitness, and creating the conditions for long-term growth.

Since our last Annual Report to shareholders, a long-term growth strategy has been unveiled, building on the strong basic foundations of Informa's **Academic Publishing, Business Intelligence, Global Exhibitions** and **Knowledge & Networking** Divisions. This Strategic Report provides details of how this strategy is being implemented through our Group Business Model (page 19) and via the individual Business Models of each of the four Operating Divisions (from page 23).

The goal is simple but demanding: progressively to return every part of our business to growth, and simultaneously to build the capabilities and platforms needed for future scale and consistent performance.

In the past year, we have made solid progress by introducing a simplified divisional operating model. We also enhanced the management team, refinanced our balance sheet and seized acquisition opportunities, particularly in the important US market, to expand our **Global Exhibitions** business. Together, these measures will deliver sustainable shareholder returns.

To implement this strategy, we announced the 2014–2017 *Growth Acceleration Plan* in July of last year.

As part of that plan, we expect the current year to be one of execution and delivery, positioning Informa for subsequent growth and improving our ability to operate at scale.

In executing the *Growth Acceleration Plan*, your management team will prioritise financial discipline and operational focus, ensuring that we continue to deliver revenue growth, consistent underlying profits and positive cash generation.

The full year figures in this report reflect our focused performance in 2014.

There are significant challenges ahead, and there are areas of our portfolio that require investment and an injection of fresh thinking. But the opportunities in the Knowledge and Information industries far outweigh the risks. And this means that our management, Informa colleagues and shareholders can look forward with confidence to the period ahead.

MARKET OPPORTUNITY

Informa's market opportunity, as we reshape the business, reflects the worldwide expansion of the Knowledge and Information Economy.

We operate in some of the most exciting and valuable sectors of our industry: specialist business information, must-have academic content, and business Exhibitions and events that are a showcase for different sectors.

Informa benefits from business confidence, itself a by-product of economic growth, in markets such as the US, in China and parts of Western Europe such as the UK. We are also exposed to long-term, predictable, areas of content demand, notably for the academic journals and content published by Taylor & Francis. We are also present in emerging markets, where growth rates remain attractive – albeit volatile. And we are leaders in specialist business-to-business Exhibitions, where demand from delegates and exhibitors alike is on the increase.

Your company is, therefore, well placed from a market perspective. There are countries where we need to be bigger, notably the US, China, the Middle East and Africa. But our overall geographic presence is building and gives us a platform.

Nevertheless, this poses a challenge that we began to address in 2014: have we been operating effectively in all these markets, with the right mix of assets, the most efficient portfolio and the right go-to-market strategies? We set out to answer those questions with a Group-wide review last year. It confirmed the market opportunities before us: especially given the explosion in data sharing, business information exchange and demand for the sort of specialist information that we provide.

The market opportunity is reflected by industry estimates that the Information Economy, in which Informa operates, is worth more than £200bn globally. This figure is growing at 2% to 6% a year, creating significant expansion potential for the Group. To seize those opportunities, Informa requires a more focused, growth-oriented and reorganised business proposition. That is what we started to put in place during 2014 – a year in which we also delivered solid financial results.

The past year's results, set out in more detail in the Financial Review, reflect the attractive nature of the markets in which we operate. But they also show that we must take a long hard look at our portfolio; we must maintain our financial discipline; and we must perform consistently during the coming period of transition.

FINANCIAL PERFORMANCE

In the 12 months to 31 December 2014, Informa delivered stable revenues of £1.13bn and adjusted operating profits of £334.1m. This was a creditable performance given challenging conditions in some of our markets, particularly impacting **Business Intelligence**.

DATA IS THE POWER BEHIND TODAY'S BUSINESSES

It has been calculated that in 2013 there was 4.4ZB of data worldwide.

ZB

A zettabyte (ZB) is 1 followed by 21 zeros of bytes – that is, a trillion gigabytes. By 2020, that total is forecast to have grown to 40ZB. Such numbers are unimaginably large. We generate useful information from this mass.

We generated strong free cash flow of £232.5m – up from £207.8m in the prior year – as our leading positions in **Academic Publishing** and **Global Exhibitions** offset volatility in other businesses.

As part of the strategic review undertaken in 2014 and our annual assessment of the future returns from our businesses and investments, we reassessed our business portfolio, and the asset values attached to different businesses. Following that review, we took a non-cash impairment charge of £219.0m against our 12 month earnings, which resulted in a statutory pre-tax loss for the year of £31.2m. This reflects our determination to be financially prudent, and to continually reassess our portfolio mix.

Gareth Wright, who was appointed Group Finance Director during the year, explains the results and divisional performance in more detail in the Financial Review (pages 56 to 59). But shareholders can be reassured that our cash generation and earnings per share remain solid; our balance sheet is strong; and we have sufficient confidence in the trading outlook to recommend to the Board an increase to the full year dividend.

In the current year and beyond, several parts of the business are growing and have the potential to grow faster. And we believe we have the potential to double in size over the long term. Given this opportunity, we laid down a roadmap for future expansion and accelerated growth in 2014. We concluded that a revised strategy was required to deliver growth in all our markets and improve the returns we generate for shareholders. This was the basis for the *Growth Acceleration Plan*.

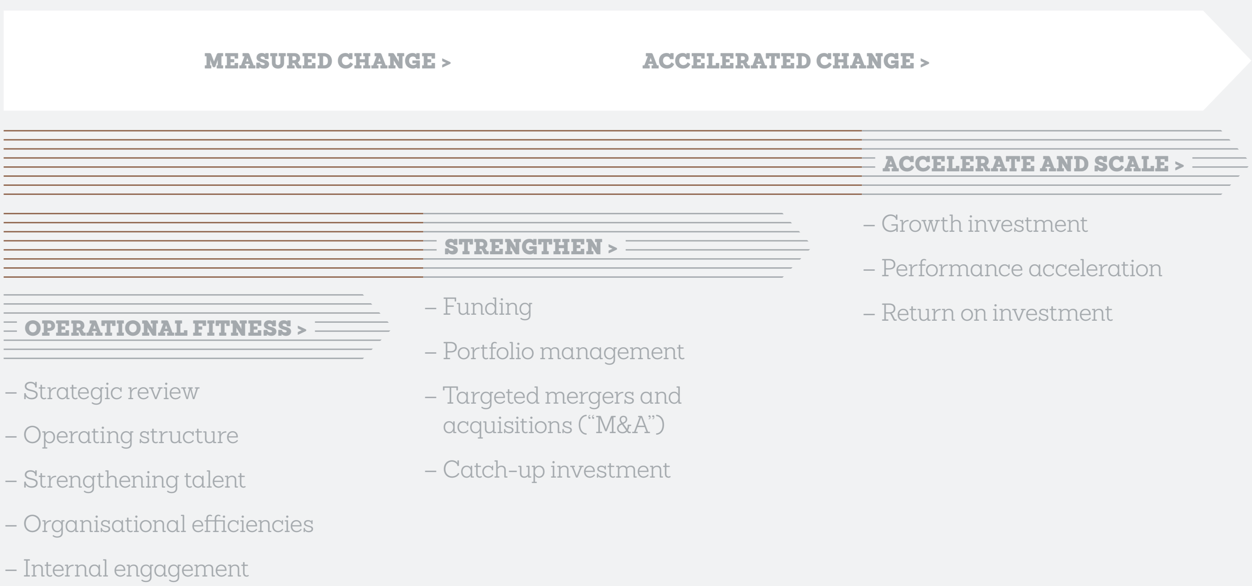
2014–2017 *GROWTH ACCELERATION PLAN*

In July of last year, we announced the 2014–2017 *Growth Acceleration Plan*, which is a multi-year strategy to improve operational performance and better exploit the growth opportunities in our core markets.

As mentioned earlier in this report to shareholders – and in that of the Chairman – the *Growth Acceleration Plan* aims to have all four Operating Divisions delivering a positive organic growth run rate by the end of 2016.

The *Growth Acceleration Plan* comprises six core elements: a new operating structure for the Group; a strengthened management team; enhanced portfolio management; a focused acquisition strategy; a new investment programme; and finally, a new funding model. Given the time that has elapsed since we first unveiled the *Growth Acceleration Plan*, it is worth reminding shareholders about what we are seeking to do.

2014-2017 *GROWTH ACCELERATION PLAN*



// The 2014–2017 *Growth Acceleration Plan* is a multi-year strategy to improve operational performance and better exploit the growth opportunities in our core markets. //

1. OPERATING STRUCTURE

Under the operating structure unveiled in July 2014, Informa now has four market-facing Operating Divisions: **Academic Publishing**, **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**.

I believe, as does the Board and management, that this structure aligns the Group more closely with the markets it serves. It improves our customer focus, and will encourage collaboration within business segments and across geographies. Additionally, it creates the potential to leverage scale more effectively.

The four Operating Divisions are supported by a "fifth" Division: **Global Support**, incorporating all central Group functions such as Shared Services, Information Technology and Finance. As the Group builds scale globally, the **Global Support** Division will become increasingly important in ensuring we maximise scale efficiencies across process functions and the broader back office.

2. STRENGTHENED MANAGEMENT TEAM

As I mentioned earlier, Gareth Wright was appointed Group Finance Director in July, stepping up from his previous role as Deputy Finance Director. Gareth explains our financial performance and the impact of balance sheet changes following our 2014 refinancing on pages 56 to 59 of this report.

At the divisional operating level, we have appointed Patrick Martell as Chief Executive of **Business Intelligence** and Andrew Mullins as Chief Executive of **Knowledge & Networking**. They have brought fresh perspective and focus to our management planning in those businesses, and will be implementing a range of growth measures during 2015.

The four Divisional Chief Executives have formed their own senior management teams through a mixture of internal transfers and external recruitment. This leaves each Operating Division with a well-defined organisational structure and clear lines of authority and accountability.

At the Group level, Tom Moloney has joined Informa as Director of Talent & Transformation, and Alex Roth as Director of Strategy & Business Planning. Each brings their own experience to their roles, complementing other internal appointments made to the Executive Management Team.

As the Chairman highlights in his report, we also added further valuable experience to the Board in 2014.

3. PORTFOLIO MANAGEMENT

One of the principles behind the *Growth Acceleration Plan* is to continually reassess the mix and focus of the Group. This enables us to ensure we are allocating capital to the right areas, where the potential to improve returns are greatest. Our thorough review in 2014 led to a number of key decisions:

- transferring the management of the Medical Journals business from **Business Intelligence** to **Academic Publishing** and several other small assets to **Knowledge & Networking**;
- creating a single Informa operating centre in Shanghai, China;
- considering strategic alternatives for the smaller Consumer information and forecasting businesses within **Business Intelligence**;
- fully providing for the loans to the Chinese Pharmaceutical data business;
- closing our conference business in Johannesburg and events business in Melbourne; and

- taking an impairment against the carrying value of certain information assets acquired as part of the 2007 Datamonitor acquisition, including the Consumer portfolio under review.

4. ACQUISITION STRATEGY

As part of the *Growth Acceleration Plan*, Informa has a targeted and disciplined acquisition strategy to build scale and capability across priority industry verticals and geographic markets.

In 2014, acquisition activity was primarily focused on the **Global Exhibitions** Division, with a particular emphasis on building our US presence. This is the largest Exhibitions market in the world and, consequently, it leads the industry in terms of innovation and product development.

- In August, we acquired Virgo Holdings and its portfolio of six major Health and Nutrition shows – including *SupplySide West*. This event complements our established *Vitafoods* Exhibition Brand, which runs the leading equivalent event in Europe, as well as events in Asia and Latin America. This confirms Informa's position as the market leader in this growing vertical.
- In December, we acquired Hanley Wood Exhibitions, with a portfolio of 17 major Exhibitions and trade shows in Construction and Real Estate, including *World of Concrete* and *Greenbuild*. This acquisition complements our leading position within this vertical in Canada, through Brands such as *Construct* and the *Real Estate Global Forum*, and in the Middle East, through the *Cityscape* series of events.
- More recently, we completed the bolt-on acquisition of the *Orlando MegaCon* Consumer Exhibition. This expands our strong Canadian *Fan Expo* Pop Culture franchise further into the US, following the acquisition of the *Dallas ComiCon* in 2014, strengthening our position in this exciting and fast growing vertical.

These businesses offer the prospect of strong growth and good potential for synergies through customer marketing and geo-cloning. They enhance our existing presence in each business segment.

With newly acquired businesses, we remain focused on post-acquisition integration, increasing the attention paid to businesses after they have been bought, to facilitate a smooth and efficient transition and ensure potential synergies are maximised. In our recently acquired businesses, forward bookings are strong, and *World of Concrete* (held in February 2015) reported an increase in revenue of more than 20% on the previous year.

5. ORGANIC INVESTMENT

One of the most significant elements of the *Growth Acceleration Plan* is a commitment, over the next three years, to invest up to £90m in a range of internal projects across the Group. These initiatives represent a mixture of catch-up investment and incremental growth projects, falling into four key categories:

- People and organisation
- Customer engagement and value creation
- Product and content refresh
- Production agility and scale

The investment programme spans all four Operating Divisions, as well as the **Global Support** Division, with a particular weighting towards **Business Intelligence**. This Division is expected to account for about one third of the total spend.

The deployment of capital into these initiatives will be carefully managed, with each project assessed on its merits and funds only provided in stages, depending on delivery to specific targets.

The first priority projects were submitted for funding in January 2015 and the volume of work streams is expected to build through the year. The Group expects to invest between £70m and £90m in *Growth Acceleration Plan* projects over the next three years, with between £30m and £40m budgeted for 2015.

It is anticipated that by 2017, the investment programme will deliver a positive cash return on investment, with a full cash payback expected the following year.

6. FUNDING

The Group's ambition is to retain a robust financing framework for the duration of the 2014–2017 programme, incorporating a varied and balanced mix of funding sources and maintaining net debt to earnings before interest, taxes, depreciation and amortisation ("EBITDA") within the Group's target range of 2.0 times to 2.5 times. This will ensure adequate liquidity to fund all elements of the *Growth Acceleration Plan*, including the investment programme and acquisition strategy. Our funding plan will also allow the Group to meet its stated commitment to increase annual dividends per share by a minimum of 2% per annum through the 2014–2017 period.

The first step in delivering this strategy was the refinancing of the Group's revolving credit facility in October 2014, with a maturity of October 2019, and increasing its size from £625m to £900m at an interest rate of LIBOR +0.6 to 1.2%, depending on the ratio of actual net debt/EBITDA.

> // Informa has emerged from the 2014 transition year with purpose, with performance and with a clear plan for growth. //

More recently, we raised £207m through the issue of 45m new shares. This ensured that the Group's net debt to EBITDA ratio at year end stood at 2.2 times, within our target range, providing ongoing flexibility for the pursuit of targeted acquisitions, in line with the *Growth Acceleration Plan* acquisition strategy.

OUR 2015 ROADMAP

I hope to have demonstrated that Informa has emerged from the 2014 transition year with purpose, with performance and with a clear plan for growth. We have made a detailed assessment of our strengths and weaknesses; and we examined the global markets in which we operate to better understand our customers and the opportunities for expansion. This led to our plan for accelerated growth. It is a plan to ensure Informa achieves its full potential and improves returns for shareholders.

We have begun to put this plan into action. We now have a simplified operating structure and a strengthened management team. Our balance sheet is robust, providing flexibility to invest in the business and pursue acquisitions. We have discipline and patience. This gives us positive momentum and strong belief we are on the right path.

The year ahead will see further change as we continue with the *Growth Acceleration Plan*. But we also expect to see steady operational progress, as these changes start to have a positive impact.

I am confident that our operating discipline will ensure we also continue to deliver on our promises and, in Year Two of the *Growth Acceleration Plan*, assuming current exchange rates are maintained, we intend to deliver another year of adjusted earnings growth, alongside our commitment to further dividend growth and over £30m of investment into the *Growth Acceleration Plan*.

This will require discipline and hard work throughout the Group. It also depends on Informa preserving the best of its past, and applying its quality franchises and management talent to a future of sustained, focused growth. We have made an encouraging start. I firmly believe that all the right ingredients are in place: we have assets from which to grow; an international team of talented colleagues; and an increasingly united vision of what can be achieved.

I would like to thank our shareholders, our customers, our suppliers and business partners for their support as we embark on this growth strategy.

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE

BUSINESS MODEL

Our business model is based on providing oversight, strategy and governance at the centre, to support the individual business models of each of the autonomous Operating Divisions, as laid out in the respective sections of this report. Within a strong framework of value drivers, our goal is to improve returns and sustain shareholder value over the long term.

RELATIONSHIPS & RESOURCES	TALENT	VALUE PROTECTION	INFRASTRUCTURE
Informa's history is one of forging strong relationships. Our communities provide the content and customer base for many of our products. Our strong cash flow and financial headroom provide the means to invest and grow.	Our people are the driving force behind Informa, delivering expertise, insight and innovation. Finding, developing and retaining talent is pivotal to our success. We invest to attract, nurture, develop and reward our talent.	Value is protected by the stewardship of the Group. Clear strategic direction and a governance framework provide the structure within which the Divisions work. Monitoring of performance provides feedback to highlight where an adaptation in approach may be necessary.	Our global scale and reach enable the Divisions to bring new products to existing markets or existing products into new markets. The provision of unified, consistent services drives cost-efficiency and ensures compliance.

STRATEGY

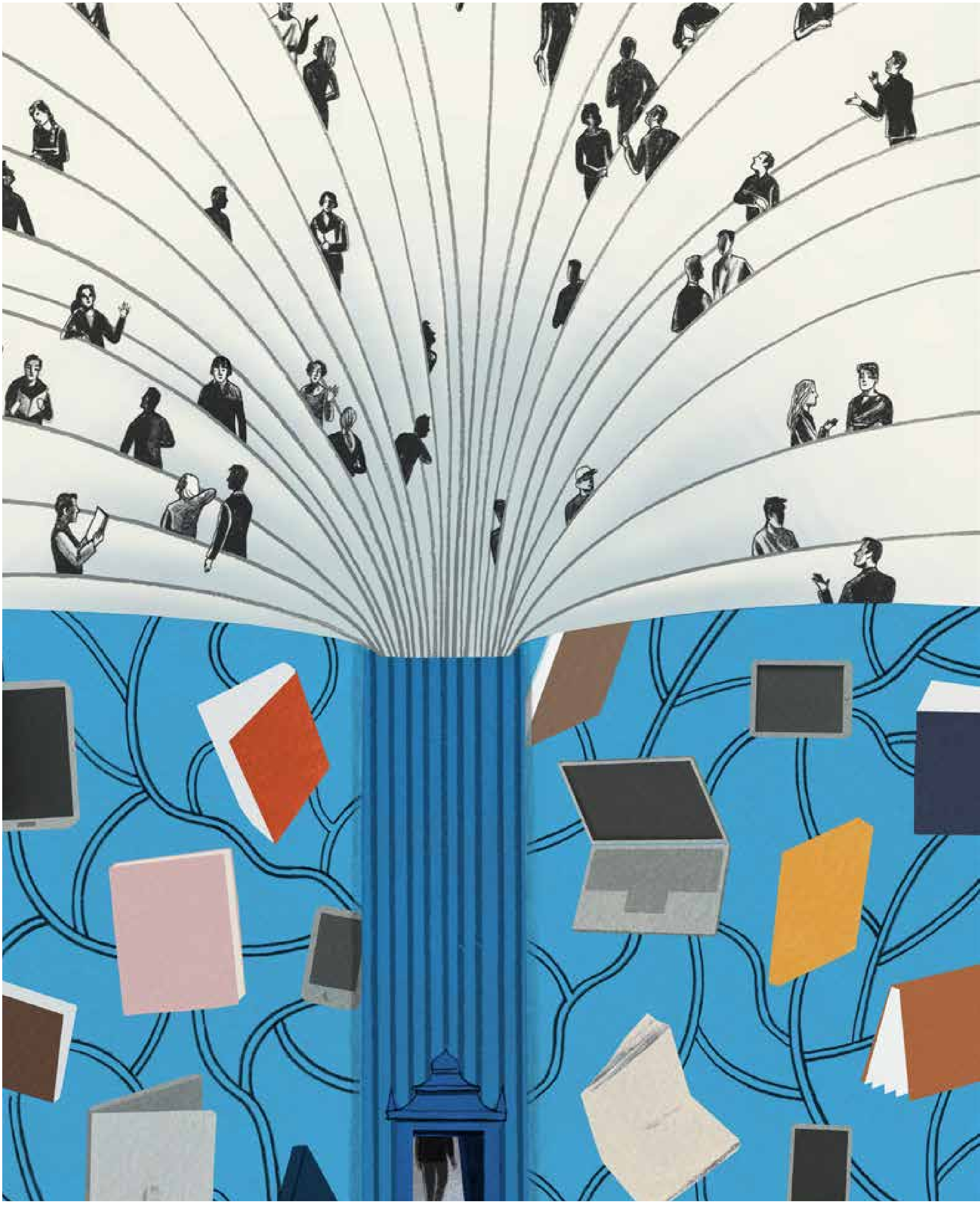
OPERATING STRUCTURE	MANAGEMENT MODEL	PORTFOLIO MANAGEMENT	ACQUISITION STRATEGY	INVESTMENT	FUNDING
Alignment to markets served, improving customer focus, facilitating leverage of scale and ensuring divisional/geographic collaboration.	Maintain a well-defined organisational structure, build management capability and define clear lines of authority and accountability.	Continual reassessment of the mix and focus of the Group, ensuring efficient allocation of capital, to where the potential returns are greatest.	Targeted and disciplined approach, focused on building scale and capability across priority industry verticals and geographic markets.	Commitment to invest up to £90m over three years on a range of internal projects to accelerate growth across the Group.	Retain a robust and flexible financing framework to fund investment and acquisition strategy.

DELIVERED BY OUR DIVISIONS

ACADEMIC PUBLISHING	BUSINESS INTELLIGENCE	GLOBAL EXHIBITIONS	KNOWLEDGE & NETWORKING	GLOBAL SUPPORT

UNDERSTANDING OUR DIVISIONS

A PORTFOLIO OF LEADING INFORMATION BUSINESSES…



A GLOBAL LEADER IN EDUCATION

The **Academic Publishing** Division publishes specialist books and journals. Operating as the Taylor & Francis Group, it is recognised internationally as one of the world's leading education publishers through its five leading imprints: Taylor & Francis, Routledge, CRC Press, Garland Science and Cogent OA. Its core strengths include a catalogue of more than 100,000 book titles and 2,100 peer reviewed journals available in both print and digital formats, across subject areas within Humanities and Social Sciences, and Science, Technology and Medicine.

The Division provides academics, researchers and businesses with the knowledge and information to stay at the forefront of their fields of expertise, and a publishing platform to promote new theories and discoveries.

Book and journal titles include *The Molecular Biology of the Cell*, *Journal of Natural History*, *Applied Economics*, *Journal of Modern Optics* and *CMRO – Current Medical Research & Opinion*.

This Division accounts for 36% of Informa's revenue.

WORLD-CLASS CONTENT AND DISTRIBUTION

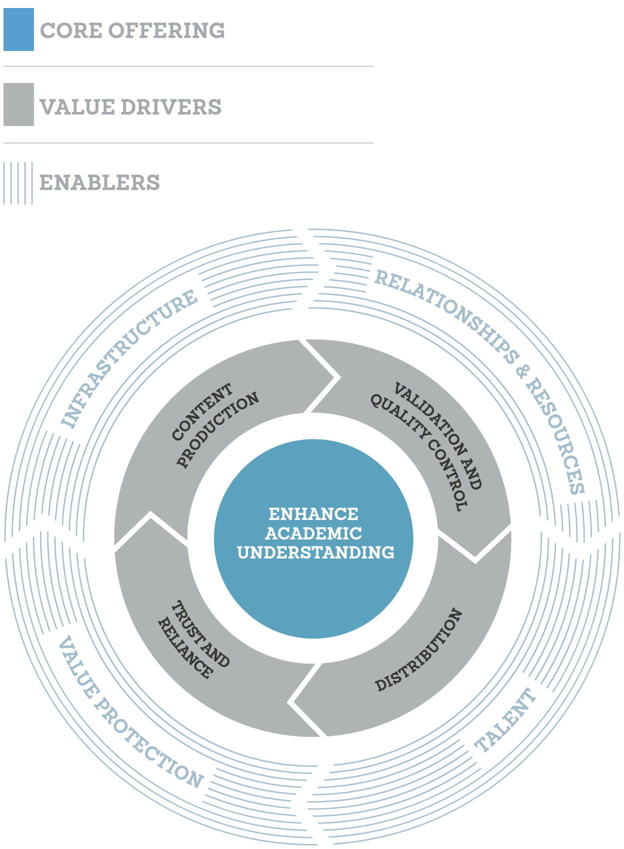
In the **Academic Publishing** Division, our goal is to enhance Academic understanding, through a business model built around the quality and value of content. For generations, we have secured loyalty with authors and customers by delivering high quality, peer reviewed content.

The operating model is differentiated by taking a long-term view to relationships with authors and institutions, building trust over many years. The publishing strategy concentrates on being a leading player in a broad range of specialist niches. Control of the content and pricing is key to our success.

In terms of production and distribution, we rely upon a lean and efficient infrastructure. Where possible, **Academic Publishing** centralises processes and harnesses technology to drive down costs. These processes are designed to ensure cost-effective production of content and efficient distribution to end-users. The production process is 100% digital but the format output is flexible, enabling the Division to respond to customer requirements.

In this business, customers and their needs come first. Whether for authors or readers, products are tailored to demand. In print, online or on demand, content is searchable and discoverable, and can be purchased or rented in increasingly innovative ways.

BUSINESS MODEL



// The publishing strategy concentrates on being a leading player in a broad range of specialist niches. Control of the content and pricing is key to our success. //

REVENUE

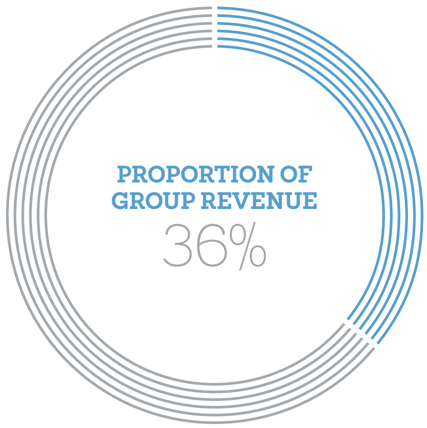
£408.9m

(2013: £407.8m)

ADJUSTED OPERATING PROFIT

£150.0m

(2013: £150.9m)



MARKET TRENDS

- The global academic publishing market is growing 2%–3% annually
- Investment in higher education in emerging markets is a growth opportunity
- English remains the primary language of academia
- Peer reviewed journals are a validation tool for academic research
- The academic market is seasonal rather than cyclical

STRATEGIC PRIORITIES

- Continue to grow at, or ahead of, the academic market
- Increase revenue from developing markets
- Continue to expand our content database through expansion of front-list publishing and targeted acquisitions
- Increase content origination from developing markets
- Remain flexible on format delivery, reflecting customer demand
- Continue to expand open access offering

PERFORMANCE HIGHLIGHTS IN 2014

- Organic revenue growth of 3%
- More than 5,000 new books published, the highest number ever produced by the Division
- Book catalogue passed 100,000 titles
- Expansion of open access offering through Cogent OA
- Merger of Medical Journals business into Taylor & Francis

RELIABLE AND CONSISTENT GROWTH

The **Academic Publishing** Division has grown consistently, contributing reliable and robust income for the Group. In 2014, organic revenue growth was 3%.

For the Division, the Books business represents 47% of revenue. It published more than 5,000 new titles in 2014, taking the total number of books in the catalogue to over 100,000 in multiple formats, providing customers with flexibility and choice. In 2014, 22% of sales were ebooks, up from 20% in 2013. All front-list titles are available digitally, as well as 60% of the backlist.

Academic Publishing publishes specialist books in niche subject areas. Typically sold in relatively low volumes, our books are highly valued by our customers, who rely on our author expertise in particular subject areas. Our core audience ranges from second year undergraduates through to postgraduates and professional researchers.

Many of the books are one-off studies and remain relevant for many years. Some are repeatable, updated regularly into new editions. In 2014, for example, we published the 6th Edition of one our best-selling textbooks, *The Molecular Biology of the Cell*.

The Journals business represents 53% of **Academic Publishing** revenue. It publishes more than 2,100 journals, mainly in the English language, and predominantly in two subject areas: Science, Technical and Medical, and Humanities and Social Sciences, where it is the world leader.

This is a digital business, from the front end to the back end. The journals are produced and published digitally.

Overall content usage is increasing, reflecting its value and international relevance, as the global number of students continues to grow. This also highlights the flexibility of digital content and the impact that the ability to search, index, reference and link content has on discoverability.

The majority of journals are sold through annual subscriptions. However, with the recent development in open access models, **Academic Publishing** offers authors flexibility in how their content is used and sold. Through Cogent OA, a leading portfolio of open access journals is being created. Here, fees are received for accepted peer reviewed content which is then available for free at the point of use.

In 2014, Informa transferred its Medical Journals operation from the **Business Intelligence** Division to **Academic Publishing**. This added 181 titles to the journal portfolio, increasing the scale and relevance for some customers. The combination will generate cost savings in 2015 but the real opportunity lies in accelerating growth and increasing penetration and usage in the academic sector.

The enlarged Division depends upon a robust and efficient infrastructure. Processes are centralised where possible and technology is deployed to improve production speed and flexibility.

MARKET TRENDS SHAPING GROWTH

In total, the academic market is worth $16bn–$17bn worldwide. While the market is relatively mature in the developed world, opportunities for sourcing content and generating revenue are increasing in emerging markets. In these regions English continues to grow in importance, being the primary language of academia.

The structure of the market is characterised by a number of large-scale players with global reach, including Taylor & Francis. There is then a broad spectrum of smaller, niche suppliers, many of whom specialise in a particular subject area.

For all players in the industry, growth depends partly on library and education budgets, research and development trends and advances in technology. But investment in higher education and professional research within developing markets provides a long-term growth opportunity.

FUTURE PROSPECTS – CONTENT GROWTH AND DISCOVERABILITY

For the Division, the US is the single largest market, accounting for almost 50% of sales in 2014. While it is mature, growth opportunities exist in the US in unexploited publishing niches, through increased discoverability and product innovation.

Developing markets have strong growth prospects. Rising numbers of students, new universities and research and development all provide attractive underlying expansion opportunities. As these economies mature, the Division anticipates growing demand for Humanities and Social Sciences subject areas. Growing content creation accelerates in developing regions such as India and China, and greater regional emphasis on revenue generation should follow.

Across the business, the core customer segment remains the academic community with academic libraries accounting for around 75% of revenue. But, increasingly, growth opportunities are emerging in business and professional markets.

The Division's performance in 2014 and the prospects for future growth reinforce its view that content is central to everything **Academic Publishing** does. This is the lifeblood and the currency and will remain the key driver of future growth. Identifying new niches, re-purposing existing content, developing new formats, increasing discoverability, expanding front list, building open access offerings – all provide opportunities to drive incremental value from content. The Division is well positioned to benefit from these trends in 2015 and beyond.

// The Division's performance in 2014 and the prospects for future growth reinforce its view that content is central to everything **Academic Publishing** does. //

TALENT

BRYAN VICKERY
OPEN ACCESS DIRECTOR, COGENT OA

// It's only with the support of an organisation like Informa that we could have achieved so much so quickly. //

I joined Taylor & Francis in 2013 to create a new team and launch a new imprint focused specifically on open access publishing, having previously been Chief Operating Officer at a large open access publisher for six years. My passion is the use of technology to facilitate research communication and a publishing process that allows researchers to do what they do best – carry out research.

I have been given the autonomy to set up this new unit based on my knowledge of how open access works and the differences to the traditional journal publishing models. The first year disappeared in the blink of an eye – setting out the strategy and business plan, creating and testing the Brand, overseeing our PDF designs (which use a font designed to be accessible to those with a learning difficulty), building the editorial boards for our journals, developing the new functionality that drives our website and, of course, working with authors on their manuscripts. In 2014 Cogent OA was born and now publishes 18 journals.

Starting something from scratch is daunting – but having the chance to critically look at each part of our business is ultimately rewarding. I'm delighted that many of the things we do "differently" are already being adopted across the wider business. It's only with the support of an organisation like Informa that we could have achieved so much so quickly – the can-do approach of so many teams from across the business and around the world was remarkable.

SPECIALIST INSIGHT AND INTELLIGENCE

The **Business Intelligence** Division provides specialist data, intelligence and insight to businesses around the world, helping customers to make better decisions faster, gain competitive advantage and enhance return on investment. The Division has a portfolio of more than 400 digital subscription products, providing critical insight and intelligence into niche communities across five core industry verticals: Pharma & Healthcare, Finance, Maritime & Law, Telecoms/Media/Technology ("TMT"), and Agriculture/Food.

Our Brands and products include *Lloyd's List, Citeline, Datamonitor Healthcare, Scrip, Sagient, Ovum, Informa Global Markets* and *EPFR Global.*

In total, this Division accounts for 25% of Informa's revenue.

TURNING INSIGHT INTO ADVANTAGE

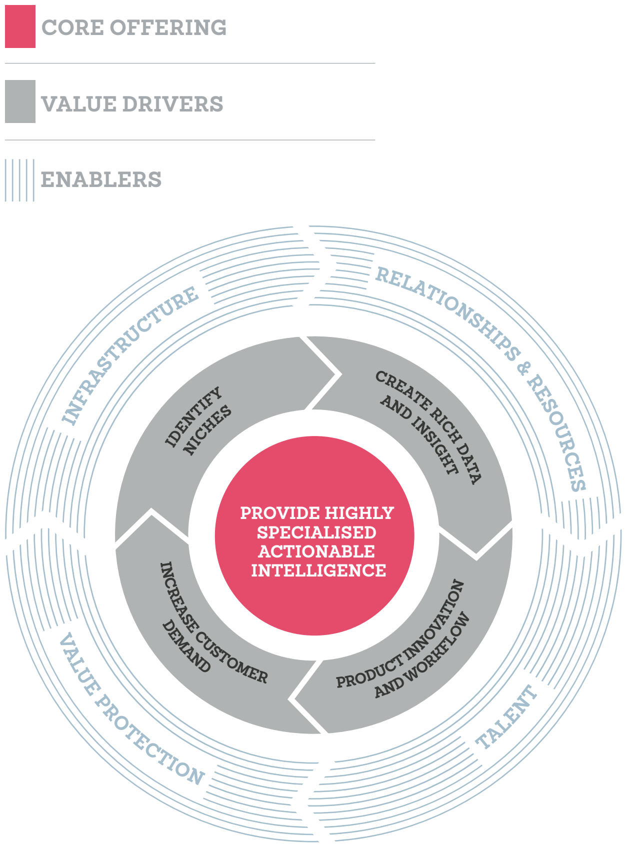
In the digital age the volume and range of information are growing exponentially. As this mass of information gets larger, extracting insight and intelligence becomes increasingly valuable. When insight translates into competitive advantage, it becomes indispensable.

This is at the heart of how our business model in the **Business Intelligence** Division creates value. Operating across five core industry verticals, it supplies intelligence and insight into niche communities within them.

Its insight and analysis help customers make better decisions, providing industry intelligence that enables users to pursue relevant strategies and, ultimately, to drive a higher return on investment.

Where possible, intelligence is embedded directly into customers' workflow. The aim is for the Division's services to become an integral part of customers' daily routine, whether providing specific news and critical alerts on developments in a particular market, or sensitivity analysis on market data. The more integrated it becomes, the more efficient it is for customers and the more valuable **Business Intelligence** becomes to them, making it more difficult to cancel its product.

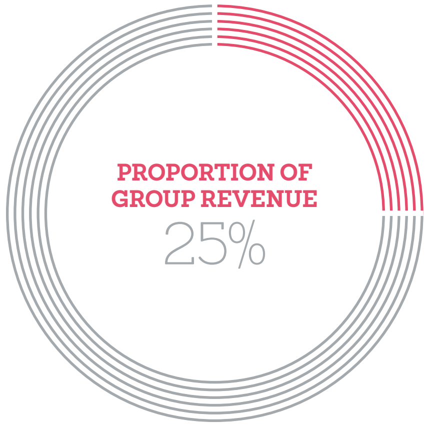
BUSINESS MODEL



// Its insight and analysis help customers make better decisions, providing industry intelligence that enables users to pursue relevant strategies and, ultimately, to drive a higher return on investment. //

REVENUE
£281.7m
(2013: £305.9m)

ADJUSTED OPERATING PROFIT
£75.2m
(2013: £86.8m)



MARKET TRENDS
- Global market over $70bn a year, more than half in North America
- Historical growth rates of 3%–5% per annum, varying by sector
- Growing importance of insight and intelligence for corporate decision making and compliance/regulation
- Large-scale platform players in major sectors; competition less intense and more specialised within individual niches

STRATEGIC PRIORITIES
- Achieve a positive organic growth run rate by end 2016
- Focus on five core industry verticals
- Improve customer focus and engagement
- Immediate focus on subscription management and reversing customer "churn"
- Invest in product innovation and format flexibility

PERFORMANCE HIGHLIGHTS IN 2014
As part of the *Growth Acceleration Plan*, a major reorganisation was announced in **Business Intelligence**. This included:

- Appointment of Patrick Martell, former CEO of St Ives, as Divisional Chief Executive
- Strengthened senior management team including key appointments in sales and content
- Simplified operating structure through reorganisation into five market-facing verticals
- Increased focus through transfer of Medical Journals to **Academic Publishing**
- Targeted investment programme created following in-depth review

OPERATING AND MARKET FOCUS
The Knowledge and Information Economy is growing rapidly and the **Business Intelligence** Division operates at the heart of it. The Group-wide strategic review undertaken in 2014 confirmed the long-term attractions of these markets and niches. But the business has struggled to grow in recent years, with organic revenues contracting by 8.5% in 2014.

In part, this reflects short-term challenges in certain verticals such as Pharma & Healthcare, but there have also been some fundamental issues with the structure and focus of the business. In 2014, Patrick Martell was appointed as Chief Executive. Patrick was formally CEO of St Ives, the print services group, where he led its transformation from a traditional printing press operation to a digital marketing services group.

Patrick has since appointed his senior management team, bringing together experienced colleagues from within Informa alongside a number of external appointments, including in sales and content.

The new management team immediately set about simplifying the operating model, pulling together a disparate historical structure and reorganising into market-facing units focused on five priority verticals: Finance, Pharma & Healthcare, TMT, Maritime & Law and Agriculture/Food.

Reflecting this increased focus, the Division announced that it is considering options for its Consumer information and forecasting businesses which include Brands such as *Verdict*. It is a small player in what is a broad, competitive market. Given its focus on speciality areas, its presence in Consumer information remains under review.

The Division also transferred the Medical Journals business to **Academic Publishing**. This leaves the Division more focused on insight and intelligence products, and less on knowledge and information. It also gives that business a greater chance of penetrating the academic institutional market, becoming part of a much broader journal portfolio.

Subscriptions represent the bulk of revenues in **Business Intelligence**. Renewal rates have been under pressure and this is an immediate focus for new management. A key priority is to increase the focus on customers and improve engagement levels throughout the subscription cycle. The Division needs to be closer to its customers to understand how they are using its products and additional benefits they could offer. It needs to to remind them how good the products are and give them reasons to renew.

At the same time, the Division needs to keep its products best in class. It has strong Brands but customer demands change quickly and it needs to be responsive to this, to adapt the way it supplies content, to personalise its products to suit their needs. It needs to shift the focus away from information and news towards intelligence and insight. This is where the added value lies.

This will require investment and about one third of the funds from the £70m–£90m *Growth Acceleration Plan* programme are earmarked for the **Business Intelligence** Division. This will be invested across a range of projects and initiatives.

MARKET TRENDS SHAPING GROWTH

The global market for business information and intelligence is worth around £70bn, with a historical growth rate of around 3%–5%. Growth rates vary by sector and fluctuate with the wider macro cycle.

The Division's direct markets are a subset of this, as it operates in specific niches. It does not offer broad datasets or a one-stop shop for information in sectors such as Healthcare. It offers deep and rich insight into niche verticals. For example, TrialTrove offers comprehensive, real-time intelligence on clinical trials globally, covering 180 diseases across eight major therapeutic areas.

As information and data proliferate and compliance and regulation grow, intelligence markets become more important. Decisions have to be justified, investments verified. Intelligence provides insight and potentially competitive advantage. At this end of the information market, the outlook is healthy.

Despite these positive long-term trends, in recent years a number of short-term factors have impacted specific verticals:

- In verticals such as Finance and Pharma, macro and secular pressures have forced companies to focus on cost-efficiency and protecting the bottom line, ahead of investment.
- Procurement teams have gained influence with a remit to target third party supplier costs. At best, they have lengthened the lead time for subscriptions; at worst they have cancelled whole product categories without consulting internal end users.
- In some sectors, such as Pharma, consolidation has reduced the number of customers.

A number of large competitors exist within the broader information market, typically offering platforms in some of the larger verticals. They tend to compete by offering large volumes of content but often they lack the depth of content in niches, where **Business Intelligence** products are targeted. Within these specific niches, competition tends to be less intense and more specialised. Typically the Division only competes with one or two players and the landscape is fragmented.

The US is by far the biggest market for intelligence products, reflecting high levels of sophistication and regulation.

FUTURE PROSPECTS – CONTINUING TRANSFORMATION

The **Business Intelligence** Division is undergoing a period of change. It is a business that operates in attractive, growing markets. It has talented people, good products and established Brands, many of which are synonymous with their target market, such as Lloyd's List, Citeline and Ovum. This provides a good base on which to build.

It has simplified the operating structure of the business, removing internal barriers, encouraging collaboration and focusing on priority business segments. This has reorientated the business towards its customers. The refocus has been implemented by a strengthened management team, adding expertise and experience in relevant areas. All of this the Division positive momentum as it exits 2014.

In 2015, we will launch a programme of investment through the *Growth Acceleration Plan* which will continue throughout 2015. It has identified an array of different projects and initiatives, all designed to improve its core capabilities and accelerate growth over time. These range from product enhancements and workflow integration to customer engagement and sales management. All bring the Division closer to its customers and more focused on its priority markets.

The subscription nature of the business means it will take time for the changes the Division is making to be reflected on the bottom line. But it should see operational progress along the way. This will be evident in the detailed matrix of operating metrics by which the business is tracked, including improving subscription renewals, reduced attrition and growing annualised contract values. It has a target to return to positive organic growth by the end of 2016. Given the attractive markets in which it operates and the momentum it is building, the **Business Intelligence** Division is well placed to return to growth over the medium term.

TALENT

RUTH JANSSEN

SENIOR CONSULTANT, EBENCHMARKERS, BUSINESS INTELLIGENCE

// As a One Young World Ambassador, I want to encourage a positive impact on our community and Informa's Young Philanthropy syndicate has helped me to fulfil this ambition. //

I am a Senior Consultant at eBenchmarkers, part of the **Business Intelligence** Division of Informa. We provide the UK's leading financial services providers with powerful strategic insights. My role is very diverse and it includes responsibilities such as: establishing strong client relationships, data analysis, writing reports, delivering tailored workshops, and product and business development.

Informa has recently given me the opportunity to participate in the One Young World Conference, which brings together young leaders from around the globe and empowers them to develop solutions to some of the world's most pressing issues. The people that I have met through this event, together with Informa's Young Leaders Conference, have been very inspiring for me.

As a One Young World Ambassador, I want to encourage a positive impact on our community and Informa's Young Philanthropy syndicate has helped me to fulfil this ambition. Together with my fellow syndicate members, we support our charity "Springboard for Children" not merely through our funding, but more importantly by sharing our professional skills.

All of these experiences have enabled me to widen my knowledge and professional skills, ultimately benefiting my core work. As a result, working for Informa has significantly supported my personal development.

INTERNATIONAL PLATFORMS FOR TRADE AND COMMERCE

The **Global Exhibitions** Division organises Exhibitions and trade shows, which provide buyers and sellers across related industries and communities with a platform to meet face to face, build relationships and conduct business. Informa has a portfolio of more than 150 Exhibitions, serving a number of market segments including Health & Nutrition, Beauty, Property & Construction and Pop Culture.

Our Exhibition Brands include *Arab Health*, *Cityscape*, *China Beauty Expo*, *World of Concrete* and *Fan Expo*.

This Division accounts for 17% of Informa's revenue.

BUILDING PLATFORMS FOR BUYING AND SELLING

The business model in the **Global Exhibitions** Division generates value by creating platforms for buyers and sellers to congregate, network and transact.

Identifying and attracting the right audiences for the right location is critical. Exhibitors measure the success of an event through the number of contracts they sign and the quality of leads they generate. Attracting visitors is therefore key to the success of Exhibitions, and this often requires strong relationships with industry associations and government bodies.

Location is critical to success and so relationships with venue owners are very important.

Exhibition Brands have value. Well-established events become the annual destination for an industry to congregate. Building strong Brands drives competitive advantage and barriers to entry.

BUSINESS MODEL

// Informa is a leading player in the Exhibitions industry, with revenue close to £250m annually, putting it among the top organisers globally. //

REVENUE

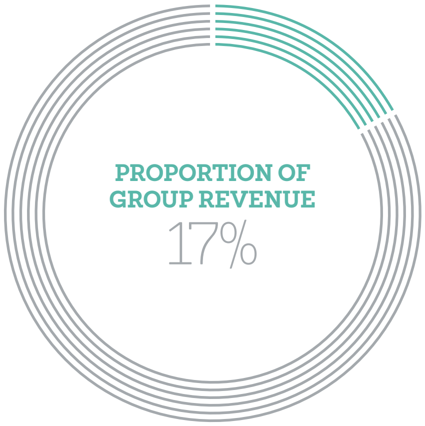
£200.2m

(2013: £160.2m)

ADJUSTED OPERATING PROFIT

£67.4m

(2013: £50.0m)



MARKET TRENDS

- The Exhibitions market is global and worth around £28bn
- It is highly fragmented; the largest operator only has a 3% market share
- The market is dominated by small producers, many of them entrepreneurs
- Exhibitions are well suited to emerging markets

STRATEGIC PRIORITIES

- Deliver continued growth ahead of the Exhibitions market
- Maintain a portfolio of Exhibitions that achieves a balance between fast growing emerging markets and more mature markets
- Pursue a targeted and disciplined acquisition strategy that strengthens **Global Exhibitions**' position in priority verticals and geographies
- Enhance the customer experience through engagement and the use of technology

PERFORMANCE HIGHLIGHTS IN 2014

- Strong organic revenue growth, 18.9% year-on-year
- Expansion into the US, the single largest Exhibition market globally
- Strengthened position in Real Estate & Construction, Health & Nutrition, and Pop Culture verticals
- Annualised revenue going forward of about £250m, putting us within the top five

STRONG GROWTH ACROSS MAJOR REGIONS

Exhibitions are platforms for networking and commerce. Organisers are trusted partners who have the knowledge and connections to bring communities together effectively. Identifying and attracting the relevant audience in the right location for an Exhibition is a key skill. Often this requires strong relationships with industry associations and government bodies, whose support is needed to encourage attendance. For this reason, some new Exhibitions fail to gain traction. But those that do can build momentum over many years to become the annual industry meeting point, a must-attend event for meeting existing customers face to face, identifying new customers and promoting new products and services.

Ten years ago, Exhibitions did not feature on the corporate budget for media investment or business development. Today, Exhibitions are viewed as an essential part of the marketing mix and one of the most efficient mediums. The return on investment from exhibiting at the right industry Exhibition is often extremely high. And it is readily measurable, as both the costs and the return are visible, with contracts signed on-site or leads generated that subsequently result in a deal.

Informa is a leading player in the Exhibitions industry, with revenue close to £250m annually, putting it among the top organisers globally. This follows a period of rapid growth, through both organic expansion and a series of targeted acquisitions. In 2014, the Division reported exceptional organic growth of 18.9%, reflecting very strong performances from its larger Exhibitions, particularly in the Middle East and China.

In 2014, **Global Exhibitions** set out to establish a presence in the US market, the single largest Exhibition market globally by some distance. This was an obvious gap in its portfolio and, given the level of investment and innovation, one that it needed to fill to be a true global player. It pursued a targeted and disciplined acquisition strategy to identify US businesses that would give the Division strong Brands, management capability and added value to its established position in key market segments.

This led to a number of high profile acquisitions. In August it acquired a portfolio of six major trade shows, including *SupplySide West*, the leading US Health & Nutrition Exhibition.

It is highly complementary to its established *Vitafoods* franchise. In December, it acquired a portfolio of 17 major Exhibitions in the Construction & Real Estate segment, including well-known Brands such as *World of Concrete* and *Greenbuild*. This complements its strong position within this vertical outside of the US, through leading Brands such as *Construct* in Canada and *Cityscape* in the Middle East. The Division recently acquired the *Orlando MegaCon* Consumer Exhibition, extending its Canadian *Fan Expo* Pop Culture franchise to the US.

Following these deals, we have an established position in most of the major Exhibition markets, including North America, the Middle East, Brazil, China and Europe. This provides a framework of relationships, giving detailed insight into developments in local markets and a capability for geo-cloning successful Exhibitions.

One of the strengths of Exhibitions is that they provide businesses with an effective entry into emerging markets. With relatively little investment, a company can use a local Exhibition to promote themselves and develop contacts in an untapped region. Alternatively, the Exhibition might reveal that the appetite for its products and services is not sufficient to warrant further investment, or the industry might not yet have reached sufficient maturity.

A successful Exhibition can be highly profitable. It also creates a credible Brand and a team with valuable knowledge and data on the industry it serves. This can be exploited by exporting the Exhibition to other regions where there may be demand, leveraging exhibitor relationships to encourage participation, and then working with local associations and government to attract relevant visitors. We call this geo-cloning and it is a core part of our Exhibition strategy. Good examples where we have geo-cloned a successful Brand to other territories include *Arab Health*, *Vitafoods*, *The Anti-Aging Medicine World Congress*, *Cityscape* and *Fan Expo*.

Geo-cloning is one way to broaden and deepen the relationship with exhibitors. It creates an international partnership, as the Division provides them with platforms to do business in multiple territories around the world. It is constantly looking for other ways to extend the relationship with exhibitors beyond the major annual show. Innovation and development are continuing in the digital space, using tools such as webinars, social networking, blogs and white papers to strengthen and deepen the relationship with exhibitors and visitors to its shows. In the US, one of the Division's businesses has developed a "ladder of engagement" approach for customers, engaging with them on various levels to build towards the big annual event. In some cases, this is having a marked impact on new business and retention rates.

MARKET TRENDS SHAPING GROWTH

The Exhibitions market is global and worth around £28bn per annum. It is highly fragmented – the biggest player only has a 3% market share – and highly entrepreneurial. Most shows launched from scratch are created by individuals who are often part of a community or industry, and see the need for a meeting point, a gathering to network. Those that are successful often develop a strong following at a local or regional level. But often the individual operators reach a size where taking it to the next level requires investment or an international capability that it doesn't have. This is a natural point when it might look to partner or sell to a larger player with the resources, expertise and relationships to grow it to the next level. The combination of fragmentation, entrepreneurial ownership and underlying Exhibition market growth is driving merger and acquisition activity in the sector.

Individual shows generally reflect the health of the particular sector they serve. Immature, growth industries tend to fuel rapid expansion in Exhibition space as the number of industry participants proliferates and investment into the sector is high. Larger and more established shows tend to be more resilient through economic cycles.

FUTURE PROSPECTS – GEOGRAPHIC AND VERTICAL EXPANSION

Global Exhibitions continues to look for growth opportunities by expanding the space rented at existing events, maximising yield, geo-cloning in new territories, new launches and targeted acquisitions. In a strong Exhibition industry, free of structural pressures and at an attractive point in the cycle, all of these channels should deliver growth.

The Division will also look for incremental value opportunities. Sponsorship and promotion, digital content and conferences are just some of the ways it increasingly looks to generate additional revenue on top of core Exhibition income streams. The deeper and broader its engagement with customers, the more value it should generate.

The Division will continue to pursue a proactive, targeted and disciplined acquisition strategy. It will look to strengthen its geographic reach and position in core markets, and build on its leading positions in priority market segments. At the same time, it constantly looks to identify unexploited markets, growing industries or derivative verticals that might provide an opportunity.

Its acquisition strategy is focused on making the most of businesses once it has bought them. It ensures there is a smooth integration process and synergies are optimised, both on the cost side and in relation to revenue.

The Division continues to leverage its global infrastructure effectively and transfer best practice across the business.

The combination of attractive market and business dynamics positions the **Global Exhibitions** Division well for the year ahead, giving it confidence it can deliver on its ambition to continue to grow ahead of the wider Exhibition market.

TALENT

RICHARD BROOK

DIVISIONAL MARKETING INTEGRATION DIRECTOR, GLOBAL EXHIBITIONS

// I spend a lot of time travelling but the pay-off is meeting diverse groups of colleagues who all share the objective of delivering successful events. //

I joined Informa in 2006 and I'm currently based in our Dubai office. Over the years I have been responsible for marketing activity across a number of our trade and Consumer Exhibitions as well as being the Exhibition Director for *PALME Middle East* and the *Middle East EVENT Show*. In my current role as the Divisional Marketing Integration Director for **Global Exhibitions** I support each business within the portfolio in the development and delivery of successful marketing strategies. The priority for me right now is driving change to take advantage of the opportunities digita transformation offers nimble and forward thinking businesses.

My job means I spend a lot of time travelling but the pay-off is meeting diverse groups of colleagues who all share the objective of delivering successful events. It's inspiring to hear of things that have gone well and communicate this news around the business for others to benefit. It's also motivating to join in the brainstorming sessions when unforeseen challenges get transformed into opportunities by creative and resourceful minds.

Informa prides itself on being a people business and with that nurtures a culture of empowerment and innovation that is rewarding to be part of.

COMMUNITY ENGAGEMENT & LEARNING PLATFORMS

The **Knowledge & Networking** Division incorporates all the Group's training, learning, conference, advisory and congress businesses. It organises content-driven events and programmes that provide a platform for communities to meet, network and share knowledge. It runs around 3,000 conferences and training events across the globe each year, covering a range of subject areas, but with a particular focus on Life Sciences, TMT and Finance.

Our events include *Bio-Europe*, *SuperReturn*, *Funds Forum* and the *Broadband World* Series.

This Division accounts for 22% of Informa's revenue.

CONNECTING AND ENGAGING COMMUNITIES

The business model in **Knowledge & Networking** aims to connect like-minded individuals within a community or niche and facilitate the sharing of knowledge and insight. Value lies in content, Brands and networks.

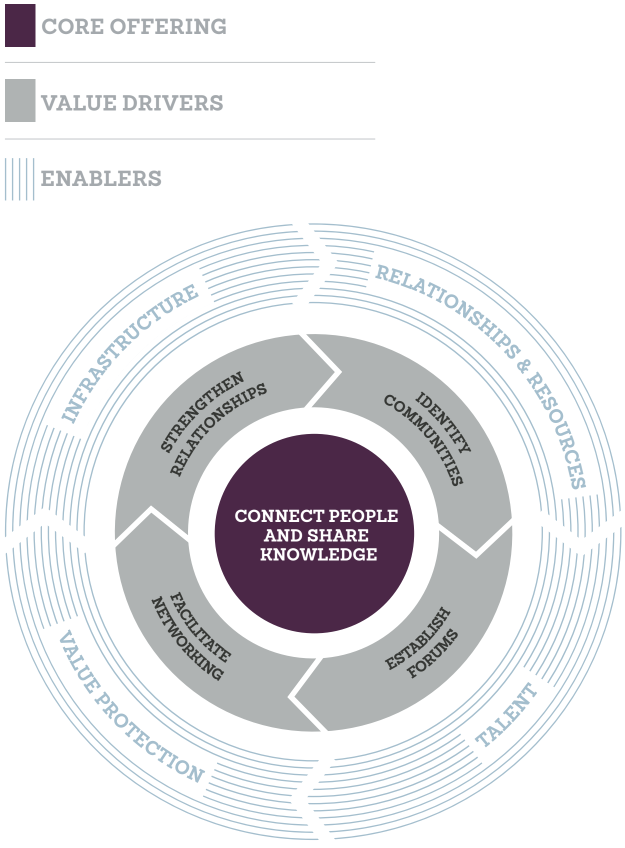
Producing these events well requires a wide range of skills, knowledge and experience. At one end of the spectrum, generating attractive content is critical. This is a research-driven operation: identifying key developments or themes within communities, attracting relevant and interesting speakers to bring them to life, and then pulling together a format and agenda that will engage the audience. This requires the Division to be an expert in its chosen verticals, to live and breathe the industry, to build strong relationships with key decision makers within these communities.

The quality of its content drives its reputation. Engaging events that attract the best speakers and become a regular fixture for a community become Brands in their own right. Industries congregate around them to learn about the latest developments and network with peers.

At the other end of the spectrum, the Division's business is about execution. Co-ordinating events effectively is complex and time-consuming, with many different stakeholders to manage, often under time pressure.

Increasingly, producing effective and popular events is about innovating. The prevalence of free content online means the attraction of individual speakers is sometimes not enough. The Division has to add more value for attendees, providing a better return on investment to justify their presence. It is about engagement – both around an event, providing continuous community engagement and relevant content, and also at an event, providing a mechanism to enable attendees to connect with relevant people and encourage networking.

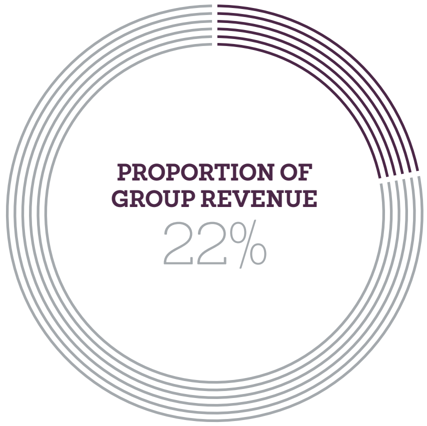
BUSINESS MODEL



// **Knowledge & Networking** identifies and frames the business issues of today and tomorrow, and is deeply connected with leading industry thinkers and speakers. //

REVENUE
£246.2m
(2013: £256.1m)

ADJUSTED OPERATING PROFIT
£41.5m
(2013: £47.0m)



MARKET TRENDS

- The global events market generates in excess of $200bn annually, dominated by small operators
- The market is cyclical, fluctuating with the wider economic cycle
- Market participants vary, from professional producers to corporates and not-for-profits
- The internet and social media have lowered barriers to entry, making it easier to identify and target communities

STRATEGIC PRIORITIES

- Deliver positive organic growth run rate by the end of 2015
- Migrate from a spot transaction to a community engagement model
- Focus and scale around three priority verticals of Finance, Life Sciences and TMT
- Harness technology to drive differentiation in products and marketing
- Focus on large events with strong Brands, multiple revenue streams and geo-cloning potential

PERFORMANCE HIGHLIGHTS IN 2014

- Increased focus by separating **Knowledge & Networking** and **Global Exhibitions**
- Appointment of Andrew Mullins as Divisional Chief Executive and creation of divisional senior management team
- Strong performance in Life Sciences and large-scale Finance events
- US West coast TMT operations established and major *Internet of Things* event launched
- Simplified operating structure and targeted investment programme

MARKET FOCUS AND PRODUCT INNOVATION

Knowledge & Networking's business ranges from providing one-to-one web-training programmes to high intensity small seminars to large sector-leading international conferences.

Every year **Knowledge & Networking** creates and runs around 3,000 events. Approximately 80% of its revenue is derived from conference activity.

Conferences are a content-rich, research-based operation. The Division identifies and frames the business issues of today and tomorrow, and is deeply connected with leading industry thinkers and speakers. It is therefore able to marry high value content with engaging delivery, connecting those who know with those who want, or need, to know.

These characteristics are very different from those of an Exhibition business, where the skill is in building platforms for commerce, bringing together relevant buyers and sellers to trade. This is one of the reasons the Group decided to split its Events Division in two in 2014, creating **Global Exhibitions** and **Knowledge & Networking**.

This split also allows the Division to increase the focus on its conference and learning activities by breaking out their financials. It brings the various individually run businesses together to be run as a cohesive unit, further improving focus and enabling it to leverage its scale and knowhow more effectively.

In 2014, revenue in **Knowledge & Networking** was £246.2m, slightly down on the previous year. This partly reflects the challenging conditions in markets such as Europe and Australia, but the historical lack of focus and reluctance to invest and innovate are also factors.

The Division's businesses operate across a wide range of industries. It has set about focusing its efforts into the three verticals where it has a particularly strong presence and well-established Brands. These are Finance, Life Sciences, and TMT.

In 2014, Life Sciences performed well, with strong growth across the EBD Group series of events, as did large-scale Finance events such as *SuperReturn*.

It is also concentrating its geographic footprint in strategic regions. It operates in around 80 countries but the reality is that it does not need presence on the ground in order to exploit the market opportunity. The majority of its profitability is derived from content that is generated in the US, the UK and the Middle East. This led to the expansion of its US presence recently, with the opening of a West Coast TMT operation. By contrast, the Division believes that it can become even more effective at exporting ideas and Brands into smaller markets and this led to the closure of its Johannesburg office in 2014.

Knowledge & Networking is putting greater emphasis on larger events, where the rewards are higher and there is the potential to develop strong Brands that are recognised meeting points for a community. Examples include *Bio-Science* within Life Sciences and the *Broadband World Forum* within TMT. The top 25% of events account for around 70% of the Division's revenue. Nonetheless, the thousands of smaller conferences and learning events it runs still have a place as these are where most of the large events begin. But it can be more targeted and efficient in its approach to these events, focusing on profitability and verticals that offer the most potential for growth. This is illustrated by the ambitious launch of a major *Internet of Things* event by its new US TMT operation in 2015.

In 2014, the Division appointed Andrew Mullins as Chief Executive of this newly established Division. Andrew's background is in Brands and content, having previously been Chief Executive of the Independent and Evening Standard Newspaper Group.

Following the formation of a senior management team, which includes a blend of internal transfers and external hires, a plan has been developed to simplify the structure of the business and further increase its focus. This includes a programme of investment in a range of organic initiatives as part of the *Growth Acceleration Plan*.

MARKET TRENDS SHAPING GROWTH

The global events market is very large, estimated at over $200bn annually including all formats and varieties.

Market participants vary widely. There are a number of professional event producers similar to Informa, although none with its depth and global reach. Some specialise in particular geographies or sectors while others are generalists, opportunistically targeting areas of current interest. This includes some of the Exhibition groups, who produce ad hoc conferences to run in tandem with trade shows.

Increasingly, other corporates are also organising conferences and events. Often these are non-core initiatives, designed to leverage a Brand or support the main focus of the business. This means profitability is sometimes not the main objective, with companies using conferences as a loss leader to generate content and fuel other areas of the business.

This trend is increasing the level of competition in the event market. Historically, it was more difficult for these new entrants to launch events but the internet and the rise of social media have made it easier, providing readily identifiable communities and networks to target.

The conference and learning market tends to be cyclical, reflecting the wider macro economy. The majority of income is generated through corporate budgets, which mirror the cycle. Hence, in tough times expenditure on conferences comes under pressure with less flexibility for spend on delegate fees and sponsorship. The more established an event and the more it is viewed as a critical congregation point for a community, the more resilient it is likely to be.

This cyclical bias is reflected in the recent regional trading backdrop, with Continental Europe proving particularly tough and regions such as the US and the Middle East more buoyant.

FUTURE POTENTIAL – CONTINUOUS COMMUNITY ENGAGEMENT

The conference and training market is dynamic and fast moving. While it is sensitive to economic conditions, innovative and cutting-edge events can still perform well throughout the cycle. If an event is viewed as a "must attend" for a community, it will always attract an audience.

However, competition is fiercer than ever and relevant content is increasingly available for free online. This puts the emphasis on being flexible and innovative, developing alternative income streams and offering attendees added value through new initiatives.

In order to achieve this, the **Knowledge & Networking** Division needs to evolve its approach to markets and customers and focus its efforts on attracting them. It needs a fresh approach, to break free from the mould of the traditional conference and innovate, harnessing the power of digital technology.

Led by the new management team, this transformation is already under way. The vision is to become an invaluable, continuous and timely originator and facilitator of knowledge exchange. This will be enabled via the creation of year-round, sector-leading interactive communities, generating insight, engagement and opportunities. This shifts the relationship with customers from one of a "point transaction" to one of continuous engagement and partnership.

In the year ahead, the Division will be investing to turn this vision into reality, improving its digital capabilities and leveraging its expertise in innovative areas such as Partnering. It will also continue to increase its focus on priority verticals and geographies where the potential returns are more attractive. It comes into the year with positive momentum, giving it confidence it can meet its target to return to a positive organic growth run rate by the end of 2015.

STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS

TALENT

ANNA CHRISMAN
MANAGING DIRECTOR, EBD GROUP

// Probably the best aspect of my job is leading the EBD team, a group of people with unmatched attention to detail and dedication to the company. //

I am the Managing Director of the EBD Group, and we are the leading partnering group for the Life Sciences industry. When friends and family ask what we do, the shortest answer is that we provide professional speed dating for the biotech industry. The slightly longer answer is that the most innovative biotech companies and large pharma companies rely on our tools and events to start partnerships that will bring new medicines to patients.

My job is rewarding on many different levels: providing value to the Life Sciences industry and working closely with these incredibly smart executives and scientists is quite humbling. There is no better reward than when a company reports important milestones on a promising drug, and I know that the partnership was initiated at one of our events.

Also, working in such an international company and in an industry that doesn't have borders is fascinating. I am a German living in California, and on any given day I will interact with colleagues, partners and clients from China, Ecuador, Turkey, France, Israel etc.

But probably the best aspect of my job is leading the EBD team, a group of people with unmatched attention to detail and dedication to the company. We have a very dynamic team of strong individuals who are never shy to speak their mind and get engaged to improve processes and thus our products.

THE TEAM BEHIND THE TEAMS

Following the change in operating structure in 2014, Informa has moved to four Operating Divisions. Their objective is to deliver the best results in their chosen markets. Our fifth Division – **Global Support** – delivers the support services to make that possible.

Global Support provides functional services, acting as a facilitator for the Operating Divisions: supplying capital, improving efficiency, providing strategic advice, ensuring compliance with regulations etc. As the Group grows in scale and complexity, **Global Support** will become more important in connecting different parts of the Group and ensuring we run our businesses as efficiently as possible.

Global Support comprises a number of separate functions: Strategy & Planning, Talent & Transformation, Finance, Tax & Treasury, Technology, Capital Allocation, Communications, Legal and Intellectual Property.

STRATEGIC PRIORITIES

- Identifying, investing and nurturing internal and external talent
- Developing, implementing and supporting Group strategic direction
- Ensuring Informa meets its obligations operationally and legally
- Providing capital for investment in projects and acquisitions
- Implementing and supporting best practice in areas such as compliance, communication, finance and Branding
- Co-ordinating business planning and performance management across the Group
- Building trust in the Informa Brand

PERFORMANCE HIGHLIGHTS IN 2014

- Re-domicile of head office from Switzerland back to London
- Co-ordination of strategic review of Group operations and markets
- Creation of the Executive Management Team
- Development of new operating model, providing clear lines of authority between Group and Operating Divisions
- Development of the *Growth Acceleration Plan* in partnership with operating Divisions
- Successful launch of an employee share matching scheme, *ShareMatch*

SIMPLIFIED STRUCTURE, FOCUS AND EFFICIENCY

One of the early tasks for Global Support in 2014 was to complete the re-domicile of the Group to the UK after four years in Switzerland. This was a complicated process, pulling on resources across the Legal, Tax, Finance and Communications teams. This was part of the strategy to simplify the executive management structure and business operations of the Group.

To coincide with the return, Informa launched a new Group-wide employee share scheme. This encourages employees to invest in the Group, with every two shares bought by an employee matched by a free one from Group. Prior to the launch of *ShareMatch*, share ownership across the Group was very low, at around 3% of employees. *ShareMatch* has proved popular though, with more than 10% of employees now having signed up in regions where it is currently available.

Early in 2014, Informa launched a Group-wide strategic review, assessing the attractions and opportunities of the markets where we operate, and the structure and capabilities across the Group to exploit them. This was the first time such an in-depth study had been carried out and it involved detailed data collection and analysis from all the Operating Divisions. This process was co-ordinated by a small, central team within the Strategy function, who worked closely with teams from each of the Divisions.

The findings from the review provided the basis for the development of the 2014–2017 *Growth Acceleration Plan*, the Group's new all-encompassing strategy. This was announced in July and was fully effective from January 2015. The development of the *Growth Acceleration Plan* was again led by the Strategy function, in close collaboration with members of the Executive Management Team, functional experts and other divisional representatives. A small project management team has since been assembled to manage the implementation and support for the *Growth Acceleration Plan* from 2015, with particular focus on the £70m–£90m investment programme, which is an important component of it.

We worked hard in 2014 to improve the efficiency of our Shared Service Centre ("SSC") activities. We consolidated the number of geographic locations we now operate three hubs, in the UK, the US and Singapore. This has enabled us to service the various offices more effectively and improve our cost-efficiency.

STRATEGY, BUSINESS PLANNING AND CORPORATE FINANCE

This department is responsible for mapping out business goals and developing Group-wide strategy. This involves detailed planning and analysis of market and business trends. It also includes the identification and pursuit of business development opportunities and potential acquisitions, all in close partnership with the Operating Divisions.

CORPORATE COMMUNICATIONS

The Corporate Communications team incorporates the internal and external communications, investor relations, Brand and corporate responsibility functions. The team helps manage internal and external perception of the Group with all our stakeholders, by defining standards and values, creating assets and delivering targeted messaging.

On the investor relations side, the team is responsible for communicating with financial markets, managing shareholder relationships and attracting new investors to the Group.

GROUP FINANCE, TAX AND TREASURY

The Group Finance function co-ordinates and consolidates financial and non-financial information from across the Group. This is used internally by the Operating Divisions, management and the Board to assess performance, and identify risks and opportunities.

Group Finance co-ordinates the annual budgeting process, setting targets for the year ahead and tracking performance against them. It also acts as the steward of the Group's capital, assessing potential investment projects.

Working alongside Group Finance, the Group Tax function ensures that tax affairs are managed effectively and efficiently, ensuring compliance with relevant legislation and payment of tax liabilities. The Group Tax function also ensures we are not involved in, or party to, any tax practices that could harm the reputation and trust Informa has gained over many years.

This team also includes the Treasury function which manages the Group's debt finances, ensuring we have an attractive cost of capital and adequate liquidity to satisfy working capital and other investment requirements.

SHARED SERVICE CENTRES

The three SSCs in the UK, the US and Singapore provide the powerful back-office support that allows our Divisions the freedom to focus on their operational roles. By centralising certain tasks, they can leverage scale to drive efficiency in cost and process.

Activities include standard financial support such as general ledger, accounts payable, accounts receivable, payroll, budgeting, taxation, compliance and forecasting, all of which feed directly into Group Finance. It is also responsible for customer operations support ranging from purchase through to product delivery.

INTELLECTUAL PROPERTY

Informa IP GmbH owns, manages and protects a central portfolio of intellectual property assets for the collective benefit of the Group. Creative ideas – whether new products, technology or Brands – are legally protected to ensure they have the opportunity to reap their full potential value. The team has expertise in finance, law, Brand management and protection.

LEGAL

The central Legal team provides expert advice on issues such as commercial contracts, compliance and corporate transactions. At both Group and Divisional levels, the Legal team negotiates, advises and offers general legal support as required. The Compliance function ensures we meet our legal and regulatory obligations and act ethically to accepted best practices.

The Company Secretary also sits within this team, ensuring the maintenance of corporate governance standards.

TALENT, TRANSFORMATION AND TECHNOLOGY

People are at the heart of everything we do at Informa. Finding and retaining the right calibre of people who share our values, spirit and ambition is a vital component of the Group's future success.

Our Human Resource teams manage this process effectively, working closely with management to build the most effective teams across the Group, adding new skills and expertise where required, while nurturing and developing existing talent.

When we acquire companies, we take great care to ensure a smooth integration so that the transition for new colleagues is a positive one. We assign an Integration Officer to each transaction for this purpose, who acts as an interface for communication and process management.

Technology is another core element of our strategy, both at Group and Divisional level. From a product standpoint, we are essentially a digital company, with technology woven into the fabric of most of the products and services we offer. We also employ cutting-edge technologies such as powerful customer relationship management platforms, finance systems and marketing tools to maximise efficiency.

TALENT

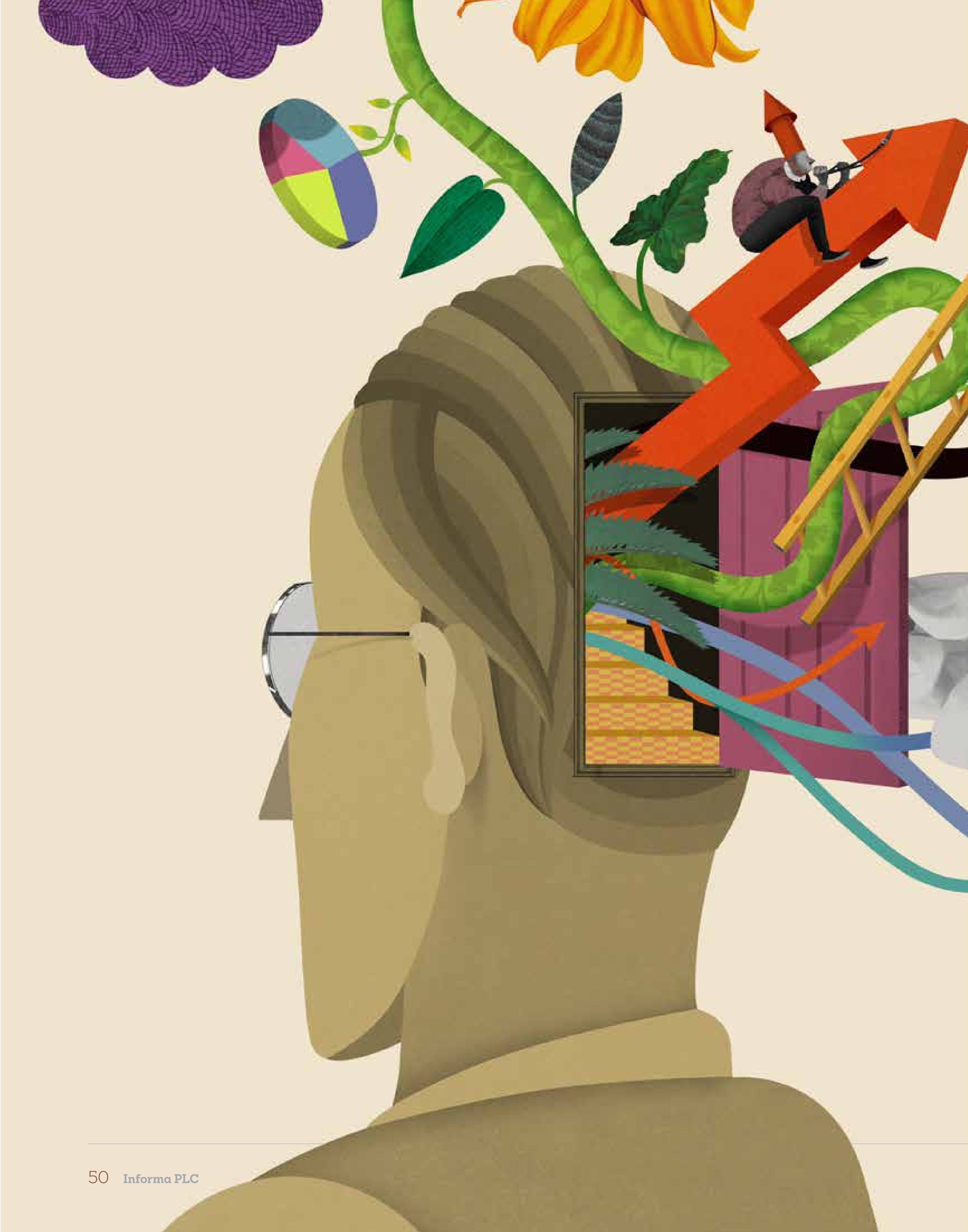
LINDA CLARK
REPORTING ACCOUNTANT, UK SSC

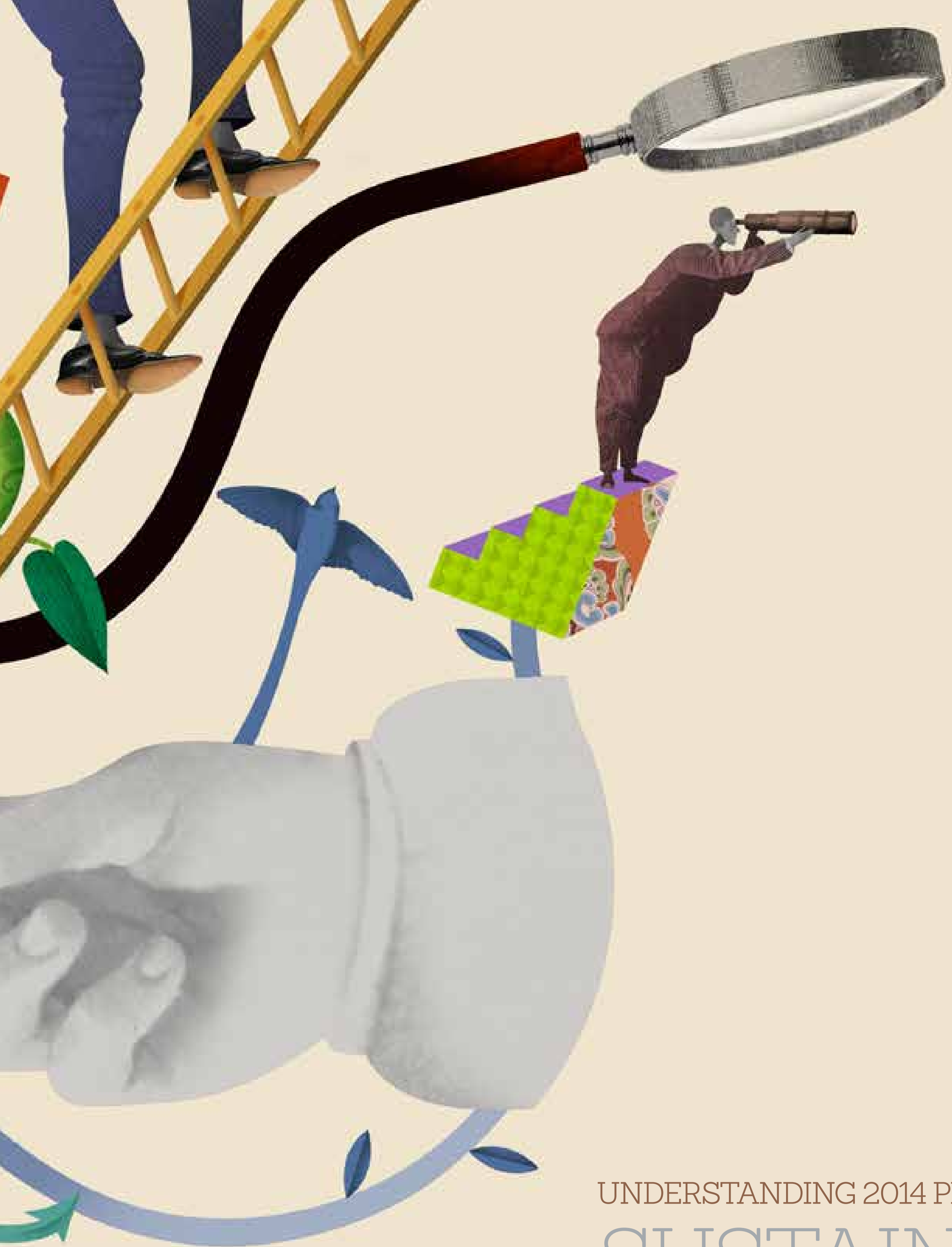
// Informa has been supportive and allowed me to progress my career by providing experience and knowledge. //

I started working at Informa's UK Shared Service Centre in April 2007 as a Finance Administrator working on the publishing royalties for Taylor & Francis. Informa supported me through my AAT qualification by giving me the opportunity to take on additional tasks to develop my accounting skills. I continued my studies after AAT by pursuing my ACCA qualification, again supported by Informa.

I then moved into an accounting role where I prepared the balance sheet reconciliations and the management accounts for the UK SSC and Technology departments, which progressed into the role of Assistant Business Analyst. This gave me exposure to rolling forecasts and budgeting. In 2014 I became ACCA qualified and stepped into a Senior Accountant role supporting **Knowledge & Networking**'s Technology, Media and Telecoms business, where I developed my role further and gained understanding of another Informa business.

My most recent promotion to Reporting Accountant continues to provide new challenges and further career development such as the responsibility for managing staff. Informa has been supportive and allowed me to progress my career by providing experience and knowledge. The Company is exciting and varied, which can only continue to provide opportunities in the future.





UNDERSTANDING 2014 PERFORMANCE

SUSTAINED VALUE DURING MEASURED CHANGE...

- These results, achieved against significant currency headwinds, deliver on our promise of improved earnings, increased dividends and stronger cash flow in 2014.

- To have achieved this outcome whilst implementing the first phase of our *Growth Acceleration Plan* – which included a new operating structure, balance sheet refinancing and several targeted acquisitions - is a testament to the quality of our people, improved operating discipline and a growing international presence. The underlying business performance, combined with initial momentum from our growth strategy, underpins the proposed increase to the final dividend.

- In 2014, we conducted a detailed portfolio review, leading to increased focus and simplification of our business operations. A review of our balance sheet has also led to the write down of certain underperforming Datamonitor assets. Following a year of Measured Change, we are now focused on accelerating growth in all four Operating Divisions. Assuming current exchange rates persist, in 2015 we intend to deliver another year of adjusted EPS growth alongside our commitment to further dividend growth and over £30m of investment into the *Growth Acceleration Plan*.

The Group reported a robust operating performance in 2014, successfully delivering growth in earnings and cash flow whilst implementing the first phase of the *Growth Acceleration Plan*. Strict operating discipline, combined with a balanced, international portfolio, were key to this result, with organic growth within the **Global Exhibitions** and **Academic Publishing** Divisions more than offsetting some weakness within **Knowledge & Networking** and **Business Intelligence** Divisions.

The fluctuation in exchange rates had a marked impact on reported financials, mainly due to the strength of sterling ("GBP") versus the US dollar ("USD") during most of the year. If exchange rates had remained constant at 2013 average rates, Group revenue in 2014 would have been £39.6m higher, adjusted operating profit £12.7m higher and adjusted diluted earnings per share ("EPS") 1.8p higher.

This implies constant currency adjusting EPS of 42.1p in 2014, equating to earnings growth of 4.5%.

The commentary below includes statutory and adjusted measures. We believe adjusted operating profit is a useful additional measure in monitoring divisional trading performance.

The reconciliation from statutory to adjusted operating profit for each Division can be found on page 56.

ACADEMIC PUBLISHING

	2014 £m	2013 £m	Actual %	Organic %
Revenue	**408.9**	407.8	0.3	3.0
Statutory operating profit	**106.3**	101.9	4.3	
Adjusted operating profit	**150.0**	150.9	(0.6)	3.3
Adjusted operating margin (%)	**36.7**	37.0		

The **Academic Publishing** Division publishes specialist books and journals. Operating as the Taylor & Francis Group, it is recognised internationally as one of the world's leading education publishers through its five leading imprints: Taylor & Francis, Routledge, CRC Press, Garland Science and Cogent OA. It has a portfolio of more than 100,000 book titles and 2,100 journals available in both print and digital formats, across subject areas within Humanities and Social Sciences, and Science, Technology and Medicine.

In 2014, **Academic Publishing** represented 36% of Group revenue and 45% of adjusted operating profit.

It was another consistent performance by the **Academic Publishing** Division in 2014, recording organic revenue growth of 3.0% against what was a challenging comparable in 2013.

In addition, we continued with our bolt-on acquisition strategy, completing a number of small deals during the year, including Sharpe and Landes BioScience. However, overall reported revenue was flat, reflecting the US bias of the business and, hence, the negative impact of sterling's strength against the US dollar ("USD").

Journal subscriptions remained robust with high renewal rates and continued strong growth in both article submissions and content usage. Cogent OA, our open access imprint, continues to track ahead of its initial plan. Fifteen journal titles are now accepting articles and submission rates have remained consistently ahead of schedule.

Our Books business had another good year, particularly in Humanities and Social Science, which performed strongly in the US. In November, we published the 6th Edition of *The Molecular Biology of the Cell*, one of our most popular and well-known textbooks, selling nearly 25,000 copies by year end.

Ebook sales varied month-to-month through 2014 and while overall growth remained strong, the trend suggests print will remain important for some time. We continue to take a neutral approach to product format. All our production and design processes are digital but we have the flexibility to supply customers in the format they want with relatively low differences in marginal cost.

We continue to target customers who previously submitted orders through Swets, the now bankrupt subscription agent. We estimate cash receipts were adversely impacted by about £15m in 2014 due to the delay in re-routing customers. We expect this cash shortfall largely to be recouped during the first half of 2015.

BUSINESS INTELLIGENCE

	2014 £m	2013 £m	Actual %	Organic %
Revenue	**281.7**	305.9	(7.9)	(8.5)
Statutory operating (loss)/profit	**(155.2)**	49.9	(411.0)	
Adjusted operating profit	**75.2**	86.8	(13.4)	(16.8)
Adjusted operating margin (%)	**26.7**	28.4		

The **Business Intelligence** Division provides specialist data, intelligence and insight to businesses, helping them make better decisions, gain competitive advantage and enhance return on investment. It has a portfolio of more than 400 digital subscription products, providing critical intelligence to niche communities within five core industry verticals: Pharma & Healthcare, Finance, Maritime & Law, Technology/Media/Telecoms and Agriculture/Food.

In 2014, **Business Intelligence** represented 25% of Group revenue and 23% of adjusted operating profit.

The Division reported an organic revenue decline of 8.5%, reflecting challenging trading conditions, which resulted in lower one-off product sales and a decline in advertising revenue. Subscription trends continue to vary by vertical and product but average renewal rates remain low by historical levels. Addressing this is a priority for the new management team, which brings with it substantial experience in the areas of sales, subscription management and content delivery.

The year saw a significant amount of change within the Division, in terms of both structure and management and, inevitably, this created some uncertainty and disruption. This contributed to the weak performance in 2014 but it leaves the business better resourced and with a structure more aligned to customers in its core markets, providing a solid framework through which to implement the *Growth Acceleration Plan*.

Following the portfolio review we undertook in 2014, we announced in November that we were considering alternatives for the Consumer information and forecasting businesses within **Business Intelligence**. This process is ongoing. These include some strong Brands, such as *Verdict*, which are relatively small players in a broad, competitive market.

In addition, after careful consideration we have decided to fully provide for the loans to the Chinese Pharmaceutical data business. Similarly, after reviewing the balance sheet carrying value of all our assets, we have taken an impairment against certain information assets, including the Consumer assets and some pharmaceutical products, which were acquired as part of the Datamonitor acquisition in 2007.

GLOBAL EXHIBITIONS

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	**200.2**	160.2	25.0	18.9
Statutory operating profit	**24.5**	23.6	3.8	
Adjusted operating profit	**67.4**	50.0	34.8	18.2
Adjusted operating margin (%)	**33.7**	31.2		

[1] Restated for the change in accounting for joint ventures.

The **Global Exhibitions** Division organises transaction-oriented Exhibitions and trade shows, which provide buyers and sellers across different industries and communities with a powerful platform to meet face to face, build relationships and conduct business. Informa has a portfolio of over 150 Exhibitions, serving a number of core verticals, including Health & Nutrition, Beauty, Property & Construction and Pop Culture.

In 2014, **Global Exhibitions** represented 17% of Group revenues and 20% of adjusted operating profit.

It was a strong year for the **Global Exhibitions** Division, recording organic revenue growth of 18.9%. This included the benefit of both the Brazilian biennial, *Formobile*, and the quadrennial Exhibition, *IPEX*, but even excluding these events, the Division delivered good double-digit growth. The strong revenue performance translated into a higher operating margin, at 33.7%, a level which reflects the underlying quality of our portfolio of Exhibitions and trade shows.

The Middle East region was particularly strong, led by the large Exhibitions that take place early in the year, such as *Arab Health* and *Middle East Electricity*. But there were also strong performances by European Exhibitions such as *Vitafoods*, and in Asia, events such as *China Beauty Expo*, which was acquired in 2013.

Our strategy in **Global Exhibitions** is to blend ongoing organic expansion – through a combination of higher space sales, optimising yield and geo-cloning – with targeted acquisitions in priority verticals and geographies.

In 2014, a key objective was to establish a presence in the important US market and we achieved this through the acquisitions of Virgo Group in August and Hanley Wood Exhibitions in December. Both are highly complementary to our existing vertical mix and provide good potential for revenue synergies over time through cross-marketing, transfer of best practice and geo-cloning. Further details on these acquisitions is provided in Note 19.

In 2015, we expect North America to represent more than 35% of divisional revenue.

KNOWLEDGE & NETWORKING

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	**246.2**	256.1	(3.9)	(3.2)
Statutory operating profit/(loss)	**22.0**	(29.4)	174.8	
Adjusted operating profit	**41.5**	47.0	(11.7)	(17.2)
Adjusted operating margin (%)	**16.9**	18.4		

[1] Restated for the change in accounting for joint ventures.

The **Knowledge & Networking** Division incorporates all the Group's training, learning, conference, advisory and congress businesses. It organises content-driven events and programmes that provide a platform for communities to meet, network and share knowledge. It runs around 3,000 conferences and training events across the globe each year, covering a range of subject areas, but with a particular focus on Life Sciences, Technology/Media/Telecoms and Finance.

In 2014, **Knowledge & Networking** represented 22% of Group revenues and 12% of adjusted operating profit.

The performance across the **Knowledge & Networking** Division was mixed. Our major regional hubs in the UK, the Middle East and North America all reported year-on-year growth but this was offset by weakness elsewhere, notably in Australia and Continental Europe. In addition, the geo-political backdrop in Eastern Europe had a marked impact on activity levels in this region. Overall the Division reported an organic revenue decline of 3.2%, which translated into a lower operating margin, at 16.9%.

As part of our drive to improve efficiency and focus the business in areas where we have well-established Brands and strong expertise, we took the decision to close our conference and training businesses in Johannesburg. We continue to run some selective events in Africa by exporting from our major hubs, but without the fixed cost of local infrastructure.

There were some strong individual performances through the year, notably from the EBD Group's portfolio of Partnering events for the Life Sciences industry. Its innovative model, which uses technology to enhance the networking potential of its conferences, continues to gain strong traction in the market. Delegate numbers are growing healthily and re-sign rates are far higher than for more traditional conferences.

This is a consistent theme across the Division, with those events where there is investment in the delegate experience, deep community engagement and a focus on building long-term Brand equity generally performing better. This is something the new management team will look to build on as it implements its new strategy through the *Growth Acceleration Plan*.

TRADING OUTLOOK

We have not assumed any marked improvement in recent macro trends within our budgets for 2015. Regional variances are set to continue, with a relatively robust outlook in North America, the Middle East, Africa and Asia, whilst Continental Europe and Latin America remain more challenging.

Internally, much focus will be on the *Growth Acceleration Plan* as we start to invest in a variety of growth initiatives across the Group. We anticipate investing £30m–£40m in 2015. This will impact earnings, through increased operating expenditure and the depreciation from higher capital spending. We expect operational benefits quickly but the full financial return will take time to materialise. Our goal remains to have all four Divisions delivering a positive run rate in organic growth by end 2016.

Our strong operating and financial discipline, combined with good early momentum in key markets, gives us confidence that, at current exchange rates, Informa should be able to deliver further growth in adjusted earnings per share in 2015, even allowing for the impact of the investment in the *Growth Acceleration Plan*.

This outlook also enables us to commit to increase the annual dividend per share by a minimum of 2% per annum through the period of the 2014–2017 *Growth Acceleration Plan*.

ACADEMIC PUBLISHING

The **Academic Publishing** market remains stable, although budget trends vary by geography and sector. We anticipate another solid year for journal subscriptions in 2015 alongside further progress in the roll-out of our open access offering at Cogent OA. Additionally, the merger of our Medical Journals business into the Division will generate cost savings in 2015 and growth beyond. In Books, we will continue to expand the front list in niche subject areas, which should support further revenue growth, and the business will remain flexible in its approach to ebooks, reflecting customer demand.

The outlook points to another consistent performance. Our differentiated operating model and long-term approach to industry relationships position us well to deliver growth at, or ahead of, the market.

BUSINESS INTELLIGENCE

We are not assuming any significant change in the market backdrop through 2015. While there have been signs of stabilisation in parts of the Finance market sector, the Pharmaceutical sector remains challenging, with tight controls on procurement amongst many customers.

The new Divisional Management Team is moving quickly to focus on customer relationships and subscription management, ahead of investing more broadly in product innovation via the *Growth Acceleration Plan*. We are anticipating steady operational progress in 2015. The subscription nature of the business means this will take time to translate into revenue growth but we take some encouragement from recent trends in deferred income. The business is now organised around five priority verticals and 40 major Brands, closely tracked by a detailed matrix of operating metrics. We remain confident that with focused management we can return **Business Intelligence** to a positive run rate of organic growth by the end of 2016.

GLOBAL EXHIBITIONS

The global market for Exhibitions remains structurally and cyclically robust. Informa is now an established international player, with strong positions in North America, the Middle East, Brazil, China and France, with particular strengths in Construction & Real Estate, Health & Nutrition, Beauty and Pop Culture. The breadth and quality of this portfolio give us confidence that we can deliver further strong organic growth in 2015, albeit year-on-year comparisons will be impacted by the absence of biennial and quadrennial events. Our large Exhibitions in the first quarter, including *Arab Health* in Dubai and *World of Concrete* in the US, have performed strongly.

The pipeline for potential acquisitions remains healthy. We will remain proactive and disciplined in those assets we add to our portfolio and those that do not meet our strategic and financial criteria.

KNOWLEDGE & NETWORKING

The outlook for our conference and learning businesses continues to vary by region. Prospects in the UK, North America and the Middle East are good, particularly for our larger, Branded events and those with value added services such as Partnering.

The strengthened Divisional Management Team is pursuing a new strategy based on deeper community engagement across core verticals where we have established Brands and strong relationships. It is targeting a positive organic growth run rate by the end of 2015.

OVERVIEW

The Group reported a robust operating performance in 2014, delivering growth in earnings and cash flow. This leaves the Group in a strong financial position, with the ratio of net debt to EBITDA at 2.2 times.

GROUP

	2014 £m	2013[1] £m	Actual %	Organic %
Revenue	**1,137.0**	1,130.0	0.6	0.7
Statutory operating (loss)/profit	**(2.4)**	146.0	(101.6)	
Adjusted operating profit	**334.1**	334.7	(0.2)	(2.6)
Adjusted operating margin (%)	**29.4**	29.6		

[1] Restated for the change in accounting for joint ventures.

The Group's revenue has stayed broadly constant at £1,137.0m (2013: £1,130.0m). The statutory result decreased to a loss of £2.4m (2013: profit of £146.0m). This is primarily due to the increase in impairment charges during the year.

The Group's free cash flow strengthened to £232.5m (2013: £207.8m). This is a strong result especially with the deferral of Swets subscription agent receipts of about £15m from 2014 to 2015 in the **Academic Publishing** Division.

ADJUSTED AND STATUTORY RESULTS

In these full year results we refer to adjusted and statutory results and unless otherwise indicated the information reported is on a continuing basis.

Adjusted results are prepared to provide a more comparable indication of the Group's underlying business performance. This is in line with similar adjusted measures used by our peer companies. Adjusted results exclude adjusting items such as intangible asset amortisation and impairment charges. This adjusted measure is a sector-specific treatment and is not comparable with other sectors. A full list of adjusting items is provided in Note 2.

In order to help understand the underlying performance of the Group, we consider adjusted operating profit to be a useful additional measure. Therefore to arrive at the adjusted operating profit of £334.1m (2013: £334.7m) the following adjusting items have been recognised:

SEGMENT REVENUE AND RESULTS

31 December 2014	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total £m
Revenue	408.9	281.7	200.2	246.2	1,137.0
Statutory operating profit/(loss)	106.3	(155.2)	24.5	22.0	(2.4)
Restucturing and reorganisation costs	2.5	10.5	3.0	4.7	20.7
Acquisition and integration costs	1.0	–	3.7	–	4.7
Subsequent re-measurement of contingent consideration	–	(1.6)	1.6	(1.8)	(1.8)
Intangible asset amortisation[1]	40.2	16.2	20.9	16.6	93.9
Impairment	–	205.3	13.7	–	219.0
Adjusted operating profit	150.0	75.2	67.4	41.5	334.1

[1] Excludes software and product development amortisation.

IMPAIRMENT

The Group conducted its annual review of potential future returns from its portfolio of businesses and investments, including balance sheet carrying values.

In the **Business Intelligence** Division the carrying value of goodwill and intangible assets across the Consumer and Pharma & Healthcare businesses was impaired by £190.0m. The Group has also recognised an impairment charge of £13.5m relating to the loan receivable with China Medical Data Services, and an impairment charge of £1.8m for other intangible assets.

In the **Global Exhibitions** Division the goodwill and intangible assets of the events business in Melbourne were impaired by £12.5m. The Group has also recognised an impairment charge of £1.0m relating to the loan receivable with Expo Vinis, and an impairment charge of £0.2m for other intangible assets.

RESTRUCTURING AND REORGANISATION COSTS

Restructuring and reorganisation costs for the year of £20.7m (2013: £14.2m) principally relate to the strategic reorganisation undertaken within **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**, and the re-domicile of the Group from Switzerland back to the UK. The total costs comprise redundancy costs of £14.2m (2013: £10.7m), reorganisation costs of £2.1m (2013: £2.4m), re-domicile costs of £2.9m (2013: £0.6m) and vacant property provisions of £1.5m (2013: £0.5m).

OTHER ADJUSTING ITEMS

A number of acquisitions were made during the year, and associated acquisition and integration costs of £4.7m have been recognised in the Consolidated Income Statement.

During the year contingent consideration was re-measured by £1.8m, which is offset by related impairments to other intangible assets of £2.0m.

TRANSLATION IMPACT

The Group is particularly sensitive to movements in the USD and the Euro against the GBP.

The Group receives approximately 48% of its revenues and incurs approximately 39% of its costs in USD or currencies pegged to USD. Each 1 cent movement in the USD to GBP exchange rate has a circa £3.4m impact on revenue, a circa £1.5m impact on adjusted operating profits and a circa 0.16p impact on adjusted diluted EPS.

The Group receives approximately 8% of its revenues and incurs approximately 7% of its costs in Euros. Each 1 cent movement in the Euro to GBP exchange rate has a circa £0.7m impact on revenue, a circa £0.2m impact on adjusted operating profits and a circa 0.03p impact on adjusted diluted EPS.

With both currencies, offsetting the movements in adjusted operating profit will be movements in interest and tax liabilities. This analysis assumes all other variables, including interest rates, remain constant.

For debt covenant testing purposes, both profit and debt translation are calculated at the average rate of exchange during the relevant period.

LOSS ON DISPOSAL OF BUSINESSES

The loss on disposal of £2.8m relates to the loss on disposal of *Fashion Exposed* events in Australia of £1.3m; and the final adjustments of £1.5m arising from the Corporate Training disposal that was completed on 30 September 2013. For the sale of the *Fashion Exposed* events, the consideration received was £0.4m and the carrying value of intangible assets was £1.7m, which resulted in a loss on disposal of £1.3m. This has been recognised as an adjusting item in the Consolidated Income Statement.

NET FINANCE COSTS

Net finance costs, which consist principally of interest costs net of interest receivable, decreased by £2.0m from £27.6m to £25.6m. The Group maintains a balance of fixed and floating rate debt partly through utilising derivative financial instruments.

In addition, there is an exceptional finance cost of £1.2m relating to the excess interest charge on early repayment of the revolving credit facility in the year. This has been recognised as an adjusting item in the Consolidated Income Statement.

TAXATION

The Group tax credit on statutory profit before tax ("PBT") was 63.5% (2013: 10.7% charge). The statutory tax rate reported for both 2014 and 2013 was affected by impairment charges which were not deductible for tax purposes.

Across the Group, tax has been provided on adjusted profits at an adjusted tax rate of 20.3% (2013: 21.4% restated for joint ventures). This adjusted tax rate benefits from profits generated in low tax jurisdictions, and is lower than for the previous year due to lower tax rates in certain countries including the UK, and the impact of our US businesses qualifying for certain tax incentives related to their exports.

During 2014, the Group paid £44.3m (2013: £71.4m restated) of corporation and similar taxes on profits, including approximately £25.0m (2013: £44.0m) of UK corporation tax. Payments in 2013 included £15.0m in regard to matters agreed with HM Revenue & Customs in 2012.

For 2014, tax credits arising in respect of prior year matters, including adjustments to the tax impact of disposals and obtaining certain US tax incentives for 2013, have been presented as adjusting items in the accounts. The impact of the closure of UK and overseas tax issues resulted in a £13.7m release of tax provisions in 2013 which was reflected as an adjusting item in the accounts.

Our effective tax charge reconciles to cash taxes paid as follows:

	2014 £m	2013 £m
Tax charge on adjusted PBT per Consolidated Income Statement	**62.8**	65.9
Deferred taxes	**(7.3)**	2.0
Current tax on adjusting items	**(22.1)**	(17.1)
Taxes paid in relation to earlier years less 2014 taxes payable in later periods	**9.1**	16.6
Withholding and other tax payments	**2.2**	1.5
Total corporate taxes paid	**44.7**	68.9
Taxes refunded from German authorities	**(0.4)**	(0.2)
Taxes paid in relation to discontinued operations	**–**	2.7
Net income taxes paid per Consolidated Cash Flow Statement	**44.3**	71.4

The current tax on adjusting items figure of £22.1m (2013: £17.1m) includes £16.0m (2013: £13.4m) of current tax deductions for amortisation of intangibles. This is a recurring item which results in cash taxes paid each year being lower than the effective tax charge.

The Group's Total Tax Contribution ("TTC"), which is made up of all material taxes paid out of profits and other material taxes generated by our businesses, was £168.1m in 2014. The UK element of our TTC was £81.6m. This is the first year for which we have reported TTC. Further details of our TTC will be provided in the Group's Sustainability Report.

EARNINGS AND DIVIDEND

Adjusted diluted EPS from continuing operations of 40.3p (2013: 40.1p) is ahead of 2013, while statutory diluted EPS is negative 8.6p (2013: positive 17.1p).

The Board has proposed a final dividend of 12.9p per share (2013: 12.5p per share). This dividend will be paid on 28 May 2015 to ordinary shareholders registered as of the close of business on 1 May 2015. This will result in a total dividend for the year of 19.3p per share (2013: 18.5p per share). Dividend cover has remained broadly consistent at 2.1 times total earnings (2013: 2.2 times) on an adjusted earnings basis.

CASH FLOW

The Group continues to generate cash flows with operating cash flow of £323.8m in 2014. This strength is reflected in a cash conversion rate, expressed as a ratio of operating cash flow (as calculated below) to adjusted operating profit, of 97% (2013: 98%). Operating cash flow is tracked to measure the conversion of operating profit into cash and therefore is used to provide a good indication of whether the required returns have been made by the divisional operations.

	2014 £m	2013[1] £m
Adjusted operating profit from continuing operations	**334.1**	**334.7**
Depreciation of property, plant and equipment	6.1	6.4
Software and product development amortisation	12.1	15.7
Share-based payments	1.7	2.2
Adjusted EBITDA from continuing operations	**354.0**	**359.0**
Net capital expenditure	(14.7)	(14.4)
Working capital movement (net of restructuring and reorganisation accruals)	(15.5)	(15.4)
Operating cash flow from continuing operations	**323.8**	**329.2**
Restructuring and reorganisation	(21.0)	(20.1)
Net interest	(26.0)	(30.1)
Dividends received from joint ventures	–	0.2
Taxation	(44.3)	(71.4)
Free cash flow	**232.5**	**207.8**
Operating cash flow of discontinued operations	(3.8)	4.5
Acquisitions less disposals	(369.0)	(88.8)
Dividends paid to shareholders	(114.0)	(114.0)
Dividends paid to non-controlling interest	(0.9)	–
Net shares issued/(acquired)	204.1	(0.4)
Net funds flow	**(51.1)**	**9.1**
Opening net debt	**(782.6)**	**(802.4)**
Non-cash items	(2.4)	(1.1)
Foreign exchange	(40.1)	11.8
Closing net debt	**(876.2)**	**(782.6)**

1 Restated for the change in accounting for joint ventures.

In the year ended 31 December 2014, before taking into account dividends, spend on acquisitions or proceeds from the sale of assets, the Group generated free cash flow of £232.5m (2013: £207.8m). The increase year-on-year is principally caused by a decrease in taxation paid compared with 2013. In 2013 certain historical tax liabilities were settled with local tax authorities.

The increase in net debt arising from acquisitions was £371.5m (2013: £136.3m) which comprises current year acquisitions of £363.3m (2013: £132.0m) and consideration in respect of acquisitions completed in prior years of £8.2m (2013: £4.3m). This was offset by a decrease in net debt arising from disposals of £2.5m inflow (2013: £47.5m inflow).

Net debt increased by £93.6m from £782.6m to £876.2m, driven primarily by a cash outflow of £51.1m and exchange rate movements of £40.1m. During the year the Group paid dividends of £114.9m.

FINANCING AND BANK COVENANTS

In October 2014, the Group entered into a new five year revolving credit facility of £900.0m, of which £455.2m was drawn down at 31 December 2014. The facility matures in October 2019.

The principal financial covenant ratios under the private placement and revolving credit facilities are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. At 31 December 2014 both financial covenants were comfortably achieved. The ratio of net debt to EBITDA was 2.2 times (2013: 2.2 times) calculated as per our bank agreement (using average exchange rate and adjusted for a full year's trading from 2014 acquisitions). The ratio of EBITDA to net interest payable was 14.4 times (2013: 13.0 times).

RETURN ON CAPITAL EMPLOYED

During 2014 we have completed a number of bolt-on acquisitions and we strengthened our **Global Exhibitions** Division with the acquisitions of Virgo Group and Hanley Wood Exhibitions.

Acquisitions are assessed on case-by-case basis against a broad set of financial and strategic criteria. For bolt-on acquisitions, these have to meet strict acquisition criteria which include delivering returns in excess of the Group's weighted average cost of capital in the first full year, being earnings enhancing in the first full year of ownership, and achieving a cash payback within seven years. However, for selective acquisitions, the Group will take a longer-term view to allow time for full integration of the acquired business, coupled with additional investment to maximise the long-term returns it generates.

DEFERRED INCOME

Deferred income is £342.9m (2013: £315.9m) at 31 December 2014, a 5% increase on a constant currency basis compared with the same date in 2013. Deferred income arises primarily from advance subscriptions and forward bookings for trade shows, Exhibitions or conferences. Subscriptions generated by our **Academic Publishing** and **Business Intelligence** businesses predominantly renew annually in advance and many trade shows and Exhibitions, because of their market leading status, receive commitments up to a year in advance.

PENSIONS

The Group's financial obligations to its pension schemes remain relatively small compared with the size of the Group, with net pension liabilities at 31 December 2014 of £10.1m (2013: £5.4m).

Following the completion of the triennial valuations of the defined benefit schemes in 2011, a revised deficit funding plan was agreed with the Trustees to eliminate the deficits in both schemes. The contributions paid towards reducing the scheme deficits will decrease from £3.5m in 2014 to £0.5m in 2015. The contributions for the ongoing service will be £nil in 2015 as both schemes are closed to future accrual of benefits.

POST BALANCE SHEET EVENTS

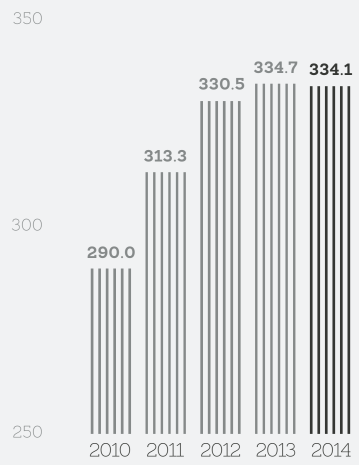
On 15 January 2015, the Group completed the acquisition of 100% of the shares of Megaconvention, Inc., for initial consideration of £4.9m and further performance-related consideration estimated at £3.4m payable over two years. The sole event of the Company is *Orlando MegaCon*, an enthusiast Consumer show featuring exhibits and content from the sci-fi, horror, anime, gaming and TV genres, including merchandise, memorabilia and art.

GARETH WRIGHT
GROUP FINANCE DIRECTOR

The financial key performance indicators ("KPIs") selected are used by management to monitor the Group's progress in delivering its strategy of creating shareholder value by growing and managing our **Academic Publishing**, **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking** Divisions. Unless otherwise indicated the information reported is on a continuing basis.

ADJUSTED OPERATING PROFIT (£m)

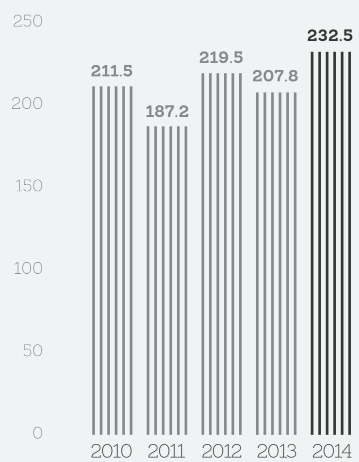
Aim: To deliver a robust underlying profit performance
In 2014, adjusted profit was broadly flat despite the negative impact of currency movement.



A reconciliation of statutory operating profit/(loss) to adjusted operating profit per Division can be found on page 56.

FREE CASH FLOW (£m)

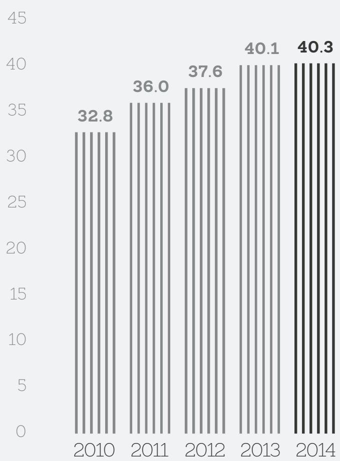
Aim: Healthy conversion of profit into cash
In 2014, the Group continued to convert profits into cash at an attractive rate, growing its free cash flow by more than 10%.



More information on the free cash flow calculation can be found on page 58.

ADJUSTED DILUTED EPS (pence)

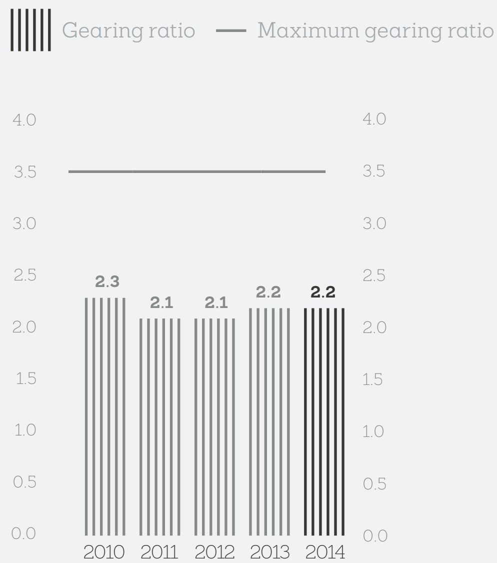
Aim: Deliver consistent year-on-year adjusted EPS growth
In 2014, the Group delivered 0.5% growth in adjusted EPS.



For more information on the EPS calculation, please refer to Note 16.

GEARING RATIO

Aim: To maintain balance sheet strength and flexibility
In 2014, the Group maintained significant debt covenant headroom.



For more information on the gearing ratio, please refer to page 59.

ORGANIC REVENUE GROWTH

Aim: To deliver continued organic revenue growth
In 2014, the Group delivered 0.7% organic revenue growth.

The organic revenue growth per Division can be found on pages 52 to 54.
The Group's organic revenue growth is on page 56.

DIVIDEND PER SHARE (pence)

Aim: To deliver consistent dividend growth
In 2014, the Group proposed a 2.1% increase in dividend per share and committed to minimum growth of 2% throughout the period of the 2014–2017 *Growth Acceleration Plan.*

More information on the dividend per share can be found in Note 15.

It is important to ensure we have effective and proportionate processes in place to control and manage risks faced by the Group as a whole. This is recognised in everything we do, and is fundamental to the performance of each of the business divisions.

A number of factors could potentially affect the Group's operating results and financial position ("principal risk factors"). The Group adopts a risk management process which is intended to ensure a consistent and coherent approach to managing the principal risk factors that are described in this section. These principal risk factors have been identified by an assessment of their material impact and relative likelihood of occurrence to all or parts of the Group, and can be categorised as being either financial, commercial, reputational, ethical or regulatory risks.

The Risk Committee is a sub-committee of, and is accountable to, the Audit Committee which, along with Internal Audit, provides oversight to help ensure that there is a system of suitable internal controls in place to mitigate the impact and likelihood of each principal risk factor.

Policies and procedures have been implemented to assist with risk management. These are designed to help ensure a level of compliance across the Group, to support the identification of any new risks, and to enhance the Group's ability to respond effectively to risks, if they crystallise.

Each principal risk factor is assigned to an appropriate member of the Risk Committee, who is accountable to the Risk Committee for that risk. The principal risk factors are managed either at an operational level, Group level, or a combination of both.

This section describes the principal risk factors that the Directors believe could materially affect the Group, but this is not an exhaustive list as other risks may arise or existing risks may materially increase in the future. These are listed in no order of priority, and beneath the description of each risk is a note of the main mitigating factors and actions the Group is taking to address that particular risk.

1. The Group's businesses are affected by the economic conditions of the sectors and regions in which they and their customers operate and the markets in which the Group operates are highly competitive and subject to rapid change

The performance of the Group depends on the financial health and strength of its customers, which in turn is dependent on the economic conditions of the industries and geographic regions in which they operate. Traditionally, spending on parts of the Group's products has been cyclical due to companies spending significantly less in times of economic uncertainty.

The markets for the Group's products are highly competitive and in a state of ongoing and uncertain change. If the Group is unable to successfully enhance and/or develop its products in a timely fashion, the Group's revenue could be affected. There are also low barriers to entry in relation to certain parts of the Group's businesses.

Mitigation is achieved, where possible, through the Group's diversification of its operations across vertical markets and geographies, which provides a broad customer base. The Group maintains a competitive advantage through ongoing investment in its products, reinforcing its market leading position in many markets.

2. The Group's continued growth depends, in part, on its ability to identify and complete acquisitions and its ability to expand the business into new geographic regions

With new acquisitions there can be no assurances that the Group will achieve the expected return on its investment, particularly as the success of any acquisition also depends in part on the Group's ability to integrate the acquired business or assets. Attractive acquisitions may be difficult to identify and conclude for a number of reasons, including competition among prospective buyers and economic uncertainty.

The Group has formal investment criteria to identify suitable, earnings-enhancing, acquisition targets and employs experienced professionals to drive the acquisition process. Post-acquisition integration plans are prepared to ensure businesses are effectively integrated into the Group and that planned synergies are realised.

In expanding its business geographically, both organically and by acquisition, the Group reviews risks relevant to particular geographies and formulates appropriate mitigation strategies on a case-by-case basis.

3. Reliance on or loss of key customers may reduce demand for the Group's products

In recent years, more public sources of free or relatively inexpensive information have become available, particularly through the internet, and this trend is expected to continue. For example, some governmental and regulatory agencies have increased the amount of information they make publicly available at no cost. Such sources may reduce demand for the Group's publishing products.

In the **Global Exhibitions** Division there are a number of Exhibitions that, individually, contribute significantly to profitability because of the size of the events and the relatively high gross profit margins earned by them.

To mitigate this risk, the Group continuously monitors changes in the marketplace and regularly seeks feedback from customers, adjusting its product offering in response where appropriate. The Group also invests in its products and delivery platforms.

4. A major accident at an Exhibition or event

The **Global Exhibitions** and **Knowledge & Networking** Divisions organise events that can be attended by large numbers of visitors on any given day, which results in operational health and safety risks, including fire safety, structural collapse of a stand, food hygiene, crowd control, security, and access and egress in an emergency. Additionally, both Divisions do not normally own the venues they operate from, instead hiring floor space on a tenancy basis which relies on the owners of the venues maintaining adequate safety policies, which comply with all regulations in the local jurisdiction. At its most severe, a major incident could result in major injuries or loss of life. Due to the geographic reach of both Divisions, the Group is exposed to various jurisdictions with the applicable compliance requirements.

The risks are mitigated by the Group's Health and Safety policy, which is considered and approved by the Board. The divisional CEOs have the responsibility for ensuring the operational safety and compliance of their respective businesses. The implementation of the policies is the responsibility of local management teams, with the Group Health and Safety Managers available to assist with the implementation. The venues used for our events are risk assessed against minimum company criteria.

A programme of annual internal audits and governance reviews is carried out by our Internal Audit department; in 2014 these included visits to various events in different geographic regions and focused on the health and safety management of high risk events. The Event Operations Managers meet as a group to discuss the health and safety issues and share best practice on an annual basis. The Health and Safety Managers report on Health and Safety issues to the Risk Committee.

5. Significant operational disruption caused by a major disaster

Major disasters, either arising from natural causes or man-made, have the potential to significantly disrupt the operation of the business. In particular, the success of the **Global Exhibitions** and **Knowledge & Networking** Divisions is dependent on bringing potentially large numbers of individuals to events, either as paying delegates or non-paying visitors to Exhibitions. Incidents that have the capacity to result in significant operational disruption to global travel include natural disasters, military conflict, political unrest, terrorist activity and industrial action. Additionally, disasters can disrupt the Group's electronic platforms and distribution systems as outlined in point 8.

Business continuity plans have been implemented across the Group, including disaster recovery programmes, and plans to minimise business disruption. The Group also has relevant insurance cover for certain occurrences.

6. Inadequate crisis management

The impact of any given event on the Group can potentially increase if the emerging situation is not managed appropriately or effectively. In addition to the principal risk factors documented in this section, other risk factors have the ability to cause significant damage to the Group's Brand and reputation if effective management is not implemented to mitigate their impact. Additionally, the speed and global coverage of media can result in a perceived crisis being communicated rapidly, thus further damaging the Group's Brand and reputation.

To mitigate this risk, senior management communicate effectively within the organisation, constantly reviewing the Group's responses to emerging issues. However, by their nature, it is impossible to have a detailed crisis management plan in place for all potential situations that could arise, and therefore the ultimate mitigation is dependent on management's judgement, speed of reaction and quality of communication in a crisis situation.

7. The Group is dependent on the internet and its digital delivery platforms, networks and distribution systems

The Group's businesses are increasingly dependent on digital platforms and distribution systems, which primarily deliver the Group's products through the internet. Any significant failure or interruption in availability of key systems or the Group's critical IT infrastructure could thereby restrict the Group's ability to provide services to customers and colleagues.

The Group regularly invests in its IT capabilities, including technical controls, robust backups of IT systems, and development and testing of Disaster Recovery Plans to limit the impact to business operations as a result of dependency on IT systems.

8. Breaches of the Group's information security systems or other unauthorised access to its sensitive information could adversely affect the Group's businesses and operations

The Group has valuable information databases and as part of its business provides its customers and colleagues with access to these. There are persons who may try to breach the Group's information security controls to compromise or gain unauthorised access to its databases in order to misappropriate such information for potentially fraudulent purposes or obtain competitive advantage. This could damage the Group's reputation and expose it to risks of loss, litigation and/or regulatory action, as well as increase the likelihood of more extensive governmental and/or regulatory supervision of these activities in a way that could adversely affect this aspect of the Group's business.

The Group regularly invests in improving information security to protect the confidentiality, integrity and availability of its information assets against cyberattacks or misuse. These efforts are led by a designated information security officer. In the event of unauthorised access, the Group would protect its intellectual property ("IP") as outlined in point 11.

9. The Group relies on the experience and talent of its senior management and on its ability to recruit and retain key employees for the success of its business

The successful management and operations of the Group are reliant upon the contributions of its senior management and other key personnel. In addition, the Group's future success depends in part on its ability to continue to recruit, motivate and retain highly experienced and qualified employees in the face of often intense competition from other companies.

The Group offers compensation packages which are competitive based on current market information and thereby give it the best opportunity to recruit and retain people of sufficient calibre. The Group believes that its people are challenged in their day-to-day work and obtain appropriate and relevant experience to develop further and prepare for progression within the organisation.

10. Changes in tax laws or their application or interpretation may adversely impact the Group

The Group operates in a large number of countries. Accordingly, its earnings are subject to tax in many jurisdictions. Relevant authorities may amend the substance or interpretation of tax laws that apply to the Group's businesses in a manner that is adverse to the Group. The Group is growing its business in emerging markets where tax frameworks are not as well developed, which increases this risk. There can therefore be no assurance that the various levels of taxation to which the Group is subject will not be increased or changed. In addition, if any Group company is found to be, or to have been, tax resident in any jurisdiction other than those in which the Group is currently deemed to be tax resident or to have a permanent establishment in any such jurisdiction, then that may have a material adverse effect on the amount of tax payable by the Group. Finally, regardless of whether the Group has paid the correct amount of tax, there may be a public perception that the Group has not paid sufficient tax and that may have a reputational impact on the Group.

The Group employs an experienced Head of Group Tax who keeps abreast of potential changes in tax legislation across a range of jurisdictions, enabling the Group to react quickly to changes in the tax position of any of its companies or businesses. In emerging markets, the Group works with established and reputable tax advisers in order to ensure it pays the correct amount of tax. The Group is also careful to ensure that profits arising in low tax jurisdictions are no more than commensurate with the substance of the operation in those territories.

11. The Group's IP rights may not be adequately protected and may be challenged by third parties

The Group relies on agreements with its customers as well as trademark, copyright and other IP laws to establish and protect the IP rights subsisting in its journals, books and training materials. However, these rights may be challenged, limited, invalidated or circumvented by third parties seeking to infringe or otherwise profit from the Group's proprietary rights without its authorisation. In addition, there is now a growing amount of copyright legislation relating to digital content. These laws remain under legislative review and there remains significant uncertainty as to the form copyright law may ultimately take. Additionally, enforcement of IP rights is restricted in certain jurisdictions, and the global nature of the internet makes it impossible to control the ultimate destination of content produced by the Group. The Group may also be the subject of claims for infringement of third party rights or party to claims to determine the scope and validity of the IP rights of others. Litigation based on these claims is common amongst companies that utilise digital IP.

The Group protects its rights by consolidating and regularly monitoring its portfolio of trademark registrations, implementing its Brand protection strategy and increasing its digital rights protection. The Group supports these activities through membership of organisations that defend IP rights globally.

12. The Group is subject to regulation regarding the use of personal data

The Group is required to comply with strict data protection and privacy legislation, which restricts the Group's ability to collect and use personal information. The Group is exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, or processed in breach of data protection regulation, by or on behalf of the Group, in which case the Group could face liability under data protection laws and/or suffer reputational damage from the resulting lost goodwill of individuals such as customers or employees.

The Group seeks to monitor ongoing changes to data protection laws and best practices across its main trading areas in order to ensure that appropriate protections and procedures are in place in relation to the data held by or on behalf of the Group. This work is overseen by the Group General Counsel and an Information Protection Steering Committee, a sub-committee of the Risk Committee.

13. The Group may be adversely affected by enforcement of and changes in legislation and regulation affecting its businesses and those of its customers

Compliance with various laws and regulations does impose significant compliance costs and restrictions on the Group, with the risk of fines and/or other sanctions for non-compliance. In addition, such regulations often provide broad discretion to the administering authorities and changes in existing laws or regulations, or in their interpretation or enforcement, could require the Group to incur additional costs in complying with those laws, or require changes to its strategy, operations or accounting and reporting systems. In particular, laws and regulations relating to communications, data protection, e-commerce, direct marketing and digital advertising have become more prevalent and complex in recent years.

The Group monitors legislative and regulatory changes and alters its business practices where appropriate.

14. The Group's credit risk in respect of long-term receivables

The Group has a small number of external loans which are repayable over the next one to ten years. The recoverability of the capital and interest payments is dependent on the financial success of those external parties over the coming years. Since the majority of the repayment terms are over a long period of time, the risk of unforeseen issues that could impact future repayments may increase.

Mitigation is achieved through structured communication with the external parties, close monitoring of financial and budgetary performance, and delivery against project milestones. In some instances capital and interest payments occur during the loan term and so any failure to pay can be addressed at the time and remedial actions can be taken. The Risk Committee conducts credit risk assessments on a half-yearly basis to ensure the external receivables are correctly recorded in the Group's Consolidated Statement of Financial Position.

15. The *Growth Acceleration Plan* may not achieve the intended level of return or anticipated growth in business activities

While the deployment of capital to fund *Growth Acceleration Plan*-related initiatives is subject to strict investment criteria, there can be no guarantee that all the investment projects will achieve the intended level of return or the desired level of growth. The Group is not immune to, among other things, the effects of a potential material downgrade in the prevailing business environment which could lead to one, or more, of the *Growth Acceleration Plan*-related initiatives not meeting their investment return and/or growth projections.

Implementation and restructuring activities resulting from the *Growth Acceleration Plan* could lead to a disruption in current business activities and trading, including, where relevant, potential loss of knowledge, at a level higher than originally anticipated. This could lead to a revision of planned implementation activities and timescales within the *Growth Acceleration Plan* programme, and other actions being adopted to mitigate the impact of the disruption outside of the *Growth Acceleration Plan*.

The Group has established a *Growth Acceleration Plan* Governance Framework that operates a "stage-gate" approach to the design and ultimate implementation of *Growth Acceleration Plan* initiatives. Each stage includes a fundamental review of the business case for each initiative and a formal process to assess whether a given initiative can be approved, or is declined. Factors that are considered in the review process include a review of the investment business case (overseen by the Group Finance Director), executive sponsorship (overseen by the Executive Management Team), technical review (conducted by subject-matter specialists) and project management activities (at both Group and Division levels).

Growth Acceleration Plan investment activity has been added to the Group Risk Register and will be actively monitored during 2015 and beyond by the Risk Committee, the Audit Committee and the Group Board, to ensure that material threats to the success of the *Growth Acceleration Plan* are identified and addressed.

// All Informa businesses have one thing in common: they deliver specialist knowledge and intelligence. While the delivery channels and types of content vary across our product portfolio, the one thing we cannot compromise on is integrity. //

* ENSURING THE HIGHEST QUALITY CONTENT
MAPPING THE IMPACT OF OUR CONTENT ON SOCIETY
PROVIDING THE MOST ACCESSIBLE AND INNOVATIVE DELIVERY PLATFORMS

Perhaps more than any other industry, the social and environmental impacts of media are unique. At Informa, we are fully aware of this. We are focused on delivering a few key priorities well, rather than trying to manage every impact that affects us and our stakeholders. This necessitates a dynamic, careful consideration of what our key impacts are and how we prioritise. We liaise closely with our Informa colleagues, sector peers and communities to do just that. Ultimately, we get measured by what we do, not what we say, hence the name of our sustainability programme, “Louder than Words”.

We have a framework in place to guide our sustainability management and performance reporting. Our biggest impacts relate to the content we provide: our ability to deliver knowledge that is professionally produced, rigorously researched and properly disseminated. Our broader sustainability programme is then about supporting the delivery of that content, by recruiting and developing our people, managing resources efficiently and supporting the wider community in which we operate. This broader programme covers the issues we have in common with other sectors.

In 2014, the business as a whole, and the Sustainability function in particular, underwent some important changes. “Louder than Words”, previously managed within Human Resources, now sits with the Director of Investor Relations, Corporate Communications and Brand, reporting into the Group Chief Executive. This gives us further reach into the business and brings us right into the core decision-making process. We now have a secure platform from which we can scale our sustainability activities, which we will continue to build on in 2015.

BUILDING TRUST IN OUR PRODUCTS

All Informa businesses have one thing in common: they deliver specialist knowledge and intelligence. While the delivery channels and types of content vary across our product portfolio, the one thing we cannot compromise on is integrity. We invest significant resources in maintaining trust in a digital age, working with partners such as the Committee on Publication Ethics (“COPE”) and Sense About Science.

Academic Publishing continues to run rigorous peer review and screening processes while using the latest technology to detect and act on plagiarism. Our **Business Intelligence** Division operates an editorial and content code, to which all editorial staff must adhere. Our event production process is strongly research-driven and some of our major events employ independent advisory boards to champion original content. The most recent assessment for the Dow Jones Sustainability Indices (“DJSI”) gave us the maximum score of 100 for our approach to ensuring “independence of content”.

PICTURE COURTESY OF NEIL R. COULTER

INNOVATING OUR FORMATS

Informa continues to develop our open access ("OA") publishing capabilities, with 2014 marking a step-change in the right direction. Virtually all of our journals offer an OA option and we more than doubled the number of paid articles we publish under OA schemes, up from 693 to 1,418 compared with 2013. Cogent OA was created in 2013, a dedicated OA publisher benefiting from the resources and experiences of Taylor & Francis but otherwise operating autonomously. During the year, Cogent OA launched 14 new OA journals, covering every major academic research area, while also spearheading other innovations in scholarly communications. We embrace OA as a strategic opportunity and have dedicated considerable resources to understanding our stakeholders in this area. Almost 8,000 researchers from around the world responded to the 2014 Taylor & Francis Open Access Survey, giving their views on everything from the benefits of OA to licence preferences.

We have continued our migration towards digital formats. Our **Business Intelligence** Division has continued to work closely with customers to determine the optimal formats for delivery on a product-by-product basis and consequently ceased print delivery for the *Health Insurance* magazine, a number of Agriculture/Food titles and Lloyd's List in 2014. In January 2014 **Business Intelligence** organised the Digital Transformation conference, an internal conference to drive this and to help employees think as digitally and creatively as possible.

Some 60% of our book titles are now available as ebooks, up from 55% in 2013. The unifying aim for 2015 and beyond is to continue to create relevant and highly valued customer experiences with our products.

EXPANDING OUR REACH

Academic Publishing is the lifeblood of the research ecosystem, creating social and economic progress for society and individuals. We are not ashamed to say that it is within our commercial interest to bring the developing world "on stream" in the global research circuit, even if this means making our content available for free or at reduced rates. To this effect, we are involved in several initiatives, including Research4Life, International Network for the Availability of Scientific Publications ("INASP") and our own STAR programme, with special terms for authors and researchers from developing countries. Our aim is two-fold: to increase the number of article submissions from developing countries and improve the acceptance rates. Of the 74,864 articles we accepted in 2014, 20% came from developing countries.

However, we are not just focusing our efforts in the developing world. In 2014, we piloted Access to Research, an initiative to give free access to a wide range of academic articles in public libraries across the UK. We did this because we wanted to provide small businesses, independent researchers and interested members of the public access to our research.

GREENHOUSE GAS (GHG) EMISSIONS

	2014 tonnes CO_2e	2013 tonnes CO_2e[1]	Absolute achievement to date (2014 vs 2013)	2014 intensity figure (tonnes CO_2e/employee)	Intensity achievement to date (2014 vs 2013)
Scope 1 (Gas, fuel and car mileage)	**1,190.37**	1,285.21	(94.84)		
Scope 2 (Electricity and steam)	**7,670.44**	8,466.66	(796.22)		
Total Scope 1 and 2	**8,860.81**	9,751.87	(891.06)	1.34	(0.16)

[1] 2013 data restated due to receipt of more accurate site energy data.

MAKING THE MOST OF OUR PEOPLE

The nature of our content is as dynamic as the communities we serve. The insight, intelligence and innovation that go into our market leading products require us to recruit, retain and develop the best employees.

"Freedom to succeed" remains a defining principle of our workplace. We pride ourselves in maintaining an entrepreneurial mind-set and minimising bureaucracy. In 2014 we launched Invent, an event bringing together 50 of Informa's leaders and future leaders from **Global Exhibitions** and **Knowledge & Networking** to generate innovative new business ideas. We aim to develop Invent into an annual event, involving leaders from all of our Divisions.

2014 saw the wider implementation of **Academic Publishing**'s Global Development Programme, a leadership programme for managers based on individual capability assessments. The model has been very successful and leadership development will be a Group focus area for 2015. We will also launch a graduate programme, the Informa Fellowship Scheme, to find and recruit leaders of tomorrow. Those on the scheme will gain exposure across the Group, including an international assignment.

We measure our employees on outcomes rather than input. Most of our businesses offer flexible working arrangements and a significant business within our **Business Intelligence** Division received a commendation at the 2014 Top Employers for Working Families Awards.

Informa Academy, our in-house learning source, launched bite-sized online digital and social tutorials to enable staff globally to enhance their digital skills at any time. Expert trainers supported colleagues to decode how new concepts and methods could be applied to enhance performance and working patterns.

Workplace wellness is fundamental to allowing employees to contribute their best. In 2014, all of our UK-based HR managers received training on how to manage mental health issues at work. We also ran a "Mental Health at Work" awareness day within our **Business Intelligence** Division. For the second year running, 100 teams from across the world swam, cycled, ran and took part in numerous other sports during our February Fitness Challenge. Lastly, 2014 saw the second instalment of "21 Days of Nutrition", helping our employees make the best dietary choices.

As a business, we consider diversity a commercial imperative. In 2015, HR managers in **Academic Publishing** will be given unconscious bias training to develop an inclusive workplace and to ensure we recruit from the widest talent pool available.

OUR OPERATIONAL IMPACTS

Our main environmental impact relates to the greenhouse gas (GHG) emissions we cause. GHG emissions contribute to climate change. In response, we seek to monitor and minimise our energy usage. With over 120 offices in 25 countries, this remains a challenge. Our focus is on reducing emissions from the bigger offices where we control the energy bill. Specifically, our target is to decrease the emissions from 10 of our biggest offices by 10% by the end of 2015.

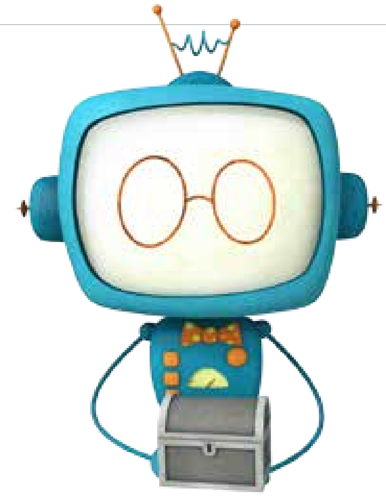
PROTECTING HUMAN RIGHTS

We support the principles laid out in the Universal Declaration of Human Rights and continue to assess the impacts we have on communities and individuals both through our direct operations and indirectly.

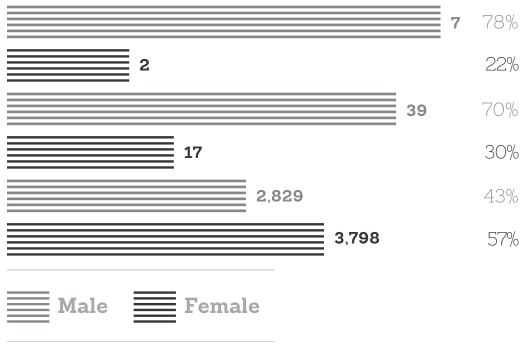
Our human rights impacts within our supply chain are managed through the publishing industry initiative PRELIMS (Publishers Resolution for Ethical International Manufacturing Standards), a collaboration between 12 major publishers. In 2014, the members of PRELIMS further strengthened the

GROUP-WIDE INFOBOT CAMPAIGN:

In 2014, the Group launched a Group-wide, multi-language initiative to raise awareness of the risks and importance of information security.



GENDER RATIOS



As at 31 December 2014.

INVESTING IN OPEN ACCESS:

In 2014, Cogent OA continued to expand its open access journal offering with 18 journals now accepting submissions.

INFORMA SUSTAINABILITY:

As a media company, our biggest impacts relate to the content we provide: our ability to deliver knowledge that is professionally produced, rigorously researched and properly disseminated.

supplier code of conduct to include the broader environmental impact of the print supply chain. The code now covers the potential impacts on workers and the communities surrounding print production facilities. The plan for 2015 is to launch an environmental assessment process to monitor performance against the new code.

The right to privacy is business critical to us. Our databases store around 30 million customer and prospect records, not to mention employee, supplier and business partner information.

During 2014, Informa welcomed its new information protection ambassador, Infobot. Infobot is the “face” of our programme to keep information safe and respect the privacy of our employees, customers and business partners.

We are committed to handling personal information responsibly and in compliance with all relevant privacy and data protection laws. Infobot marks the second phase of the roll-out of the Global Information Protection Governance and Compliance Framework, and is rapidly becoming a known character to all Informa employees. Our view is that privacy is as much a social as a legal challenge.

Informa has many different businesses and we recognise that each of these has their own specific human rights impacts. In 2015, we will undertake a detailed human rights impact assessment by Division to better understand those potential impacts.

FIND OUT MORE

For more details on how we have progressed against our strategy and our plans for the future, please have a look at: www.informa.com/sustainability

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE

[1] AUDIT COMMITTEE
[2] NOMINATION COMMITTEE
[3] REMUNERATION COMMITTEE

DEREK MAPP
NON-EXECUTIVE CHAIRMAN[2] (64)

Derek Mapp joined the board of Taylor & Francis Group plc as a Non-Executive Director in 1998. He is currently a Non-Executive Director and Chairman of Huntsworth plc, Non-Executive Chairman of Salmon Developments Limited, 3aaa Limited (Aspire Achieve Advance), Embrace Limited and Executive Chairman of Imagesound Limited. Following the merger of Informa and Taylor & Francis in May 2004, he was appointed as Non-Executive Director and was designated the Senior Independent Director on 10 March 2005. On 17 March 2008 he was appointed as Non-Executive Chairman. He is also Chairman of the Nomination Committee.

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE (51)

Stephen A. Carter CBE was appointed Group Chief Executive on 1 January 2014, having previously been CEO-Designate from September 2013. Prior to this he served on the Board as a Non-Executive Director and was a member of the Audit Committee. Stephen is also a Non-Executive Director of United Utilities Group PLC and a Governor of the Royal Shakespeare Company. He was previously Chairman of the Board at the Ashridge Business School, the President/Managing Director, Europe, Middle East & Africa for Alcatel Lucent, and was a member of the Executive Management Board. He is a Life Peer.

DR BRENDAN O'NEILL
NON-EXECUTIVE DIRECTOR[1,2,3] (66)

Dr Brendan O'Neill is currently a Non-Executive Director of Tyco International plc and Towers Watson Inc. From 1999 to 2003 he was Chief Executive of ICI plc. Prior to joining ICI in 1998 he was an Executive Director of Guinness plc with responsibility for the Guinness Group's worldwide brewing interests. He was also a Non-Executive Director of Endurance Speciality Holdings Limited from 2005 to 2014 and Emap plc from 1995 to 2002. Dr O'Neill was appointed as a Non-Executive Director with effect from 1 January 2008. He chairs the Audit Committee and is a member of the Remuneration and Nomination Committees.

GARETH WRIGHT
GROUP FINANCE DIRECTOR (42)

Gareth Wright was appointed Group Finance Director and joined the Board of Informa PLC with effect from 9 July 2014. Gareth joined Informa in 2009 as Deputy Finance Director and had been working in the role of Acting Group Finance Director since 1 January 2014. Previously, Gareth worked for National Express in a number of Head Office Finance roles, including a period as Head of Group Finance and Acting Group Finance Director. He trained with Coopers & Lybrand, now part of PwC.

PAST DIRECTORS

Dr Pamela Kirby stood down from the Board and as Senior Independent Non-Executive Director on 23 May 2014. For her biography, please refer to page 35 of the 2013 Annual Report, which is available online.

†Geoffrey Cooper stepped down from the Board on 30 March 2015.

GARETH BULLOCK
SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR[1,2] (61)

Gareth Bullock joined the Board as a Non-Executive Director on 1 January 2014 and was appointed Senior Independent Non-Executive Director on 23 May 2014. He is also a Non-Executive Director of Tesco plc, Tesco Personal Finance Group Limited and Global Market Group Ltd. He is senior adviser to Good Governance Group (G3) and a Trustee of the British Council. Gareth was Group Executive Director of Standard Chartered plc until his retirement in April 2010 and was also responsible for Standard Chartered plc's risk function. He was a Non-Executive Director of Spirax-Sarco Engineering plc from 2005 to 2014. He is a member of the Audit and Nomination Committees.

GEOFFREY COOPER†
NON-EXECUTIVE DIRECTOR[3] (60)

Geoffrey Cooper joined the Board as a Non-Executive Director on 1 January 2014. He is Non-Executive Chairman of Dunelm plc, Non-Executive Chairman of Card Factory plc and Chairman of Bourne Leisure Holdings Ltd and Truth Corps Ltd. He is a Chartered Management Accountant and had a career in management consultancy before joining Somerfield as Finance Director in 1990. In 1994, he became Finance Director of UniChem plc, subsequently Alliance UniChem plc (which later became part of Alliance Boots plc), where he was appointed Deputy Chief Executive in 2001. He was Chief Executive of Travis Perkins plc from 2004 to 2013 and retired from the Travis Perkins Board in 2014.

JOHN DAVIS
NON-EXECUTIVE DIRECTOR[1,3] (52)

Having qualified as a Chartered Accountant with PwC, John has worked extensively within the media sector. Currently he is a Non-Executive Director and investor in Made TV and Design My Night. He is also an active angel investor in a number of other companies and a consultant to Salmon Developments plc. Previously he was the Chief Financial Officer of Yell Group plc, Group Finance Director of the FT Group, Chief Financial Officer of Pearson Inc and Director of Corporate Finance and Treasury at EMAP plc. John has a Masters in Management from The Stanford Graduate School of Business. He was appointed as a Non-Executive Director with effect from 1 October 2005 and is a member of the Audit and Remuneration Committees.

CINDY ROSE
NON-EXECUTIVE DIRECTOR[1,2] (49)

Cindy Rose joined the Board of Informa as an independent Non-Executive Director on 1 March 2013. She is Managing Director of Vodafone UK's Consumer division. She was formerly Executive Director of Digital Entertainment at Virgin Media, and has held a variety of Senior Executive roles with The Walt Disney Company. Cindy is a member of the Audit and Nomination Committees.

HELEN OWERS
NON-EXECUTIVE DIRECTOR[3] (51)

Helen Owers joined the Board as a Non-Executive Director on 1 January 2014. She is a Non-Executive Director at PZ Cussons, Wragge & Co LLP and The Eden Project. She was previously President, Global Businesses at Thomson Reuters and, more recently, Chief Development Officer, with a remit to expand the Thomson Reuters' emerging markets presence. Before joining Thomson Reuters, Helen worked as a media and telecoms strategy consultant with Gemini Consulting and in academic and professional publishing with Prentice Hall. She is a member of the Remuneration Committee.

RUPERT HOPLEY
COMPANY SECRETARY (45)

Rupert Hopley is the Company Secretary and Group General Counsel. He joined Informa on 1 November 2011. He trained as a solicitor at Allen & Overy and worked in their corporate finance department before joining Cable & Wireless plc in 2004. He held various roles at Cable & Wireless, including Head of M&A and Deputy General Counsel, before joining Expedia Inc. in 2008 as their General Counsel (EMEA).

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London EC1A 1HQ
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5 North Colonnade
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www.ashurst.com

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Bristol BS99 6ZZ
www.computershare.com

The Directors present their Annual Report and Accounts on the affairs of Informa PLC and its subsidiaries (together, the "Group"), together with the Consolidated Financial Statements and Auditor's Report, for the year ended 31 December 2014. This Directors' Report forms part of the Strategic Report of the Company as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, which can be found on pages 4 to 69.

CORPORATE STRUCTURE

Informa PLC is a public company limited by shares, incorporated in England and Wales. It has a premium listing on the London Stock Exchange.

On 30 May 2014, pursuant to a scheme of arrangement (the "Scheme") under Article 125 of the Companies (Jersey) Law 1991, Informa PLC became the new parent holding company of the Informa Group of companies. The Scheme was approved by the Royal Court of Jersey on 29 May 2014 and by shareholders at a general meeting of Jersey registered Informa plc ("Old Informa") held on 23 May 2014.

Informa PLC was incorporated as Informa Limited under the Companies Act 2006 on 24 January 2014 and changed its name to Informa PLC on 14 May 2014. Pursuant to the Scheme, ordinary shares in Informa PLC were admitted to the UK Listing Authority's Official List on 30 May 2014. Trading on the London Stock Exchange's market for listed securities commenced, and the listing of Old Informa's ordinary shares on the UK Listing Authority's Official List was cancelled, on the same date. Under the terms of the Scheme, shareholders in Old Informa received one share in Informa PLC for every share held in Old Informa. Upon the Scheme becoming effective, Old Informa changed its name to Informa Switzerland Limited and became a wholly owned subsidiary of Informa PLC. Further information on the terms of the Scheme is set out in the scheme circular relating to the Scheme published by Old Informa on 15 April 2014 (the "Scheme Circular"), which can be viewed on the Company's website at www.informa.com. The Scheme Circular also contains a summary of the Company's Articles of Association (the "Articles").

In order to give a view across the full financial year, references in this section and in the Corporate Governance Statement, the Audit Committee Report, the Nomination Committee Report, the Strategic Report and the Directors' Remuneration Report, to "Informa", "Company", "Group", "Directors" and the "Board" refer to Old Informa up to 29 May 2014 and to Informa PLC from 30 May 2014.

STRATEGIC REPORT

The Strategic Report describes the strategy, business model, the Company's performance during the year, principal risk factors and corporate responsibility activities. As a whole the Annual Report and Accounts provides information about the Group's businesses, its financial performance during the year and likely future developments.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance, and the ways in which the Company complies with the provisions of the UK Corporate Governance Code (the "Code") as published on September 2012, is set out on pages 78 to 83, and forms part of this report by reference.

The Strategic Report, as set out on pages 4 to 69 of this document, forms the management report for the purposes of the UK Financial Conduct Authority's Disclosure and Transparency Rule ("DTR") 4.1.8R.

The notice concerning forward-looking statements is set out on page 194. References to the Company may also include references to the Group.

ANNUAL GENERAL MEETING

The Annual General Meeting ("AGM") will be held on 22 May 2015, at The Mondrian London, 20 Upper Ground, London SE1 9PD, at 9.00 am. The notice is being dispatched as a separate document to all shareholders and is also available at www.informa.com. The notice sets out the resolutions to be proposed at the AGM and an explanation on each resolution.

DIVIDENDS

The Directors recommend the payment of a final dividend of 12.9p per ordinary share. Subject to shareholders' approval at the 2015 AGM, the final dividend is expected to be paid on 28 May 2015 to ordinary shareholders registered as at the close of business on 1 May 2015. Together with the interim dividend of 6.4p per ordinary share paid on 11 September 2014, this makes a total for the year of 19.3p per ordinary share (2013: 18.9p).

Shareholders may elect to receive shares instead of cash from their dividend allocation through the Dividend Reinvestment Plan ("DRIP").

DIRECTORS AND DIRECTORS' INTERESTS

The names of Directors of the Company as at the date of this Report are set out on pages 70 and 71, which include brief biographical details.

Dr Pamela Kirby served as the Senior Independent Non-Executive Director until she stepped down from the Board on 23 May 2014. Gareth Wright was appointed as Group Finance Director with effect from 9 July 2014 and will seek election at the AGM on 22 May 2015. All other Directors served on the Board throughout the financial year and will seek re-election at the AGM on 22 May 2015.

The remuneration and interests of the Directors who held office as at 31 December 2014 in the share capital of the Company are set out in the Remuneration Report on pages 90 to 107. Details of the contracts of the Executive and Non-Executive Directors with the Company can be found on page 106. There are no agreements in place between the Company and its Directors and employees providing for compensation for loss of office of employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid. Further information on payments to Directors can be found in the Remuneration Report on pages 90 to 107. No Director was materially interested in any contract of significance.

DIRECTORS' INDEMNITIES

Indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by English law and the Articles, in respect of any liability arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company, any of its subsidiaries or as a Trustee of an occupational pension scheme for employees of the Company. The indemnity would not provide coverage where the Director is proved to have acted fraudulently or dishonestly. Information on appointments to the Board in 2014 can be found in the Nomination Committee Report on pages 84 and 85. The Company has purchased and maintains Directors' and Officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by its Directors and officers in the execution of their duties.

APPOINTMENT AND REPLACEMENT OF DIRECTORS

The rules for appointment and replacement of the Directors are set out in the Articles. Directors can be appointed by the Company by ordinary resolution or by the Board. The Company can remove a Director from office, including by passing an ordinary resolution or by notice being given by all the other Directors.

POWERS OF THE DIRECTORS

The powers of the Directors are set out in the Articles and provide that the Board may exercise all the powers of the Company, including to borrow money up to an aggregate of three times the adjusted capital and reserves. The Company may by ordinary resolution authorise the Board to issue shares, and increase, consolidate, sub-divide and cancel shares in accordance with its Articles and English law.

CHANGES TO THE COMPANY'S ARTICLES

The Company may only amend its Articles by special resolution passed at a General Meeting ("GM").

GREENHOUSE GAS EMISSIONS

The Company is required to disclose the Group's GHG emissions as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Details of the Group's emissions are contained in the Corporate Responsibility section of the Strategic Report which can be found on pages 66 to 69 and form part of the Directors' Report disclosures.

POLITICAL DONATIONS

The Group made no political donations during the year.

FINANCIAL INSTRUMENTS

In relation to the use of financial instruments by the Group, a review is included within Note 33 to the Consolidated Financial Statements. Financial risk management objectives and policies (including a description of when hedge accounting has been applied) and the Group's exposure to capital risk management, market risk, credit risk and liquidity risk are explained in Note 33 to the Consolidated Financial Statements.

SHARE INFORMATION

SUBSTANTIAL SHAREHOLDINGS

As at 31 December 2014, the Company had been notified, in accordance with the Financial Conduct Authority's ("FCA") Disclosure and Transparency Rules, of the following substantial interests (over 3%) in the issued ordinary share capital of the Company.

	As at 31 December 2014		As at 28 February 2015	
	Number of shares	% held	Number of shares	% held
Lazard Asset Management	**50,180,488**	**7.73**	44,881,484	6.92
Bestinver Asset Management	**36,723,975**	**5.66**	36,898,656	5.69
Artemis Investment Management	**35,218,039**	**5.43**	36,602,291	5.64
NBIM	**31,188,145**	**4.81**	31,188,145	4.81
Fidelity Management & Research	**26,970,331**	**4.16**	27,120,907	4.18
M&G Investment Management	**24,789,689**	**3.82**	24,775,590	3.82
BlackRock	**22,092,590**	**3.40**	25,514,522	3.93
Legal & General Investment Management	**21,718,719**	**3.35**	22,090,139	3.40

SHARE CAPITAL

As at 31 December 2014, the Company's issued share capital comprised 648,941,249 ordinary shares with a nominal value of 0.1p each. The Company's share capital was restructured in 2014 as detailed in Note 34 to the Consolidated Financial Statements.

RIGHTS AND OBLIGATIONS ATTACHING TO SHARES

The rights attaching to the Company's ordinary shares, being the only share class of the Company, are set out in the Articles, which can be found at www.informa.com. Subject to relevant legislation, any share may be issued with or have attached to it such preferred, deferred or other special rights and restrictions as the Company may by special resolution decide or, if no such resolution is in effect, or so far as the resolution does not make specific provision, as the Board may decide. No such resolution is currently in effect. Subject to the recommendation of the Board, holders of ordinary shares may receive a dividend. On liquidation, holders of ordinary shares may share in the assets of the Company. Holders of ordinary shares are also entitled to receive the Company's Annual Report and Accounts and, subject to certain thresholds being met, may requisition the Board to convene a GM or the proposal of resolutions at AGMs. None of the ordinary shares carry any special rights with regard to control of the Company.

VOTING RIGHTS

Holders of ordinary shares are entitled to attend and speak at GMs of the Company and to appoint one or more proxies or, if the holder of shares is a corporation, a corporate representative. On a show of hands, each holder of ordinary shares who (being an individual) is present in person or (being a corporation) is present by a duly appointed corporate representative, not being himself/herself a member, shall have one vote and on a poll, every holder of ordinary shares present in person or by proxy shall have one vote for every share of which he/she is the holder. Electronic and paper proxy appointments and voting instructions must be received not later than 48 hours before a GM. A holder of ordinary shares can lose the entitlement to vote at GMs where that holder has been served with a disclosure notice and has failed to provide the Company with information concerning interests held in those shares. Except as set out above and as permitted under applicable statutes, there are no limitations on voting rights of holders of a given percentage, number of votes or deadlines for exercising voting rights.

RESTRICTIONS ON TRANSFER OF SECURITIES IN THE COMPANY

There are no restrictions on the transfer of securities in the Company except that:

- the Directors may from time to time refuse to register a transfer of a certificated share which is not fully paid, provided it meets the requirements given under the Articles;
- transfers of uncertificated shares must be carried out using CREST and the Directors can refuse to register a transfer of an uncertificated share in accordance with the regulations governing the operation of CREST;
- legal and regulatory restrictions may be put in place from time to time, for example insider trading laws;
- in accordance with the Listing Rules of the FCA the Directors and certain employees of the Company require approval to deal in the Company's shares;
- where a shareholder with at least a 0.25% interest in the Company's certificated shares has been served with a disclosure notice and has failed to provide the Company with information concerning interests in those shares; or
- the Directors may decide to suspend the registration of transfers, for up to 30 days a year, by closing the register of shareholders. The Directors cannot suspend the registration of transfers of any uncertificated shares without obtaining consent from CREST.

There are no agreements between holders of ordinary shares that are known to the Company which may result in restrictions on the transfer of securities or on voting rights.

SHARES HELD ON TRUST

Shares are from time to time held by a Trustee in order to satisfy entitlements of employees to shares under the Group's share schemes. Usually the shares held on trust are no more than sufficient to satisfy the requirements of the Group's share schemes for one year. The shares held by these trusts do not have any special rights with regard to control of the Company. While these shares are held on trust their rights are not exercisable directly by the relevant employees. The current arrangements concerning these trusts and their shareholdings are set out on page 105.

PURCHASE OF OWN SHARES

At the end of the year, the Directors had authority, under a shareholders' resolution passed on 23 May 2014, to purchase through the market up to 10% of the Company's issued ordinary shares. This authority expires at the conclusion of the AGM of the Company to be held on 22 May 2015.

CHANGE OF CONTROL

There are no significant agreements to which the Company is a party that take effect, alter or terminate upon a change of control following a takeover bid (nor any agreements between the Company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid) except for the Group's private placement loan notes and facilities described in Note 32 to the Consolidated Financial Statements.

EMPLOYEE ENGAGEMENT

The Group manages an ongoing programme to ensure staff are informed on matters affecting them and are provided with regular updates on the performance of the Group. This is achieved by inviting staff to view the half and full year results presentations, delivering half and full year results presentations adapted for staff by webinar, and providing a Q&A facility, email updates, and informal and formal meetings. All material is recorded and available on the Intranet for staff unable to join at the prescribed times.

The Group actively seeks regular feedback from staff and continues to participate in the UK Top Employers ranking. The ranking involves questioning on many factors, including links to employee consultation and engagement.

In 2014, the Group launched *ShareMatch*, a global share incentive plan offered to the majority of staff. Eligible employees in the UK, US, UAE, Australia, Germany, the Netherlands, Singapore and Sweden are invited to purchase shares in the Company up to an annual maximum value of £1,800. Further information on *ShareMatch* can be found in the Remuneration Report on page 101. The intention of this scheme is to increase employee engagement and align employees' interests with those of the Company and shareholders by increasing employee ownership of the Company's shares.

EQUAL OPPORTUNITIES

Informa believes in equality of opportunity and all recruitment and promotion opportunities are based solely on merit. No individual employee or potential employee will receive less favourable treatment on the grounds of age, gender, sexual orientation, disability, colour, race, religion, nationality or ethnicity.

The Company's equal opportunity policy not only covers recruitment and promotion but also training and development opportunities. The policy also acts as a guide to all staff and management on acceptable behaviour at work standards.

In situations where an individual employee's circumstances change, it is the Company's policy to do everything reasonably possible to ensure a successful return to work is facilitated, be it in the same job or a different role.

AUDITOR

Each person who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Deloitte LLP has expressed willingness to continue in office as auditor and a resolution to reappoint Deloitte will be proposed at the forthcoming AGM.

GOING CONCERN BASIS

Each of the persons who is a Director (noted on pages 70 and 71) at the date of approval of this Annual Report and Accounts confirms that:

- The Group's business activities, together with the principal risk factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Strategic Report on pages 4 to 65.

As set out on pages 62 to 65 a number of principal risk factors could potentially affect the Group's results and financial position. In particular the current economic climate creates uncertainties over the level of demand for the Group's products and services. The Group adopts extensive budgeting and forecasting processes for its trading results and cash flows and updates these forecasts to reflect current trading on a regular basis.

The Group's net debt and banking covenants are discussed in the Financial Review on pages 56 to 59 and the exposure to liquidity risk is discussed in Note 33 to the Consolidated Financial Statements.

The Group sensitises its projections to reflect possible changes in trading performance and cash conversions, taking into account its substantial deferred revenues (£342.9m at 31 December 2014). These forecasts and projections for the period up to 30 June 2016 show that the Group is expected to be able to operate within the level of its current financing and meet its covenant requirements for a period of one year from the date of the signing of the Group's financial statements for the year ended 31 December 2014.

After making enquiries, the Directors have a reasonable expectation that there are no material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

DIRECTORS' RESPONSIBILITIES

The Directors, whose names are set out on pages 70 and 71, are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and issued by the International Accounting Standards Board.

International Accounting Standard ("IAS") 1 requires that financial statements present fairly the Company's financial position, financial performance and cash flows for each financial year. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the preparation and presentation of financial statements".

In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, the Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

- keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Consolidated Financial Statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation;
- safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- the maintenance and integrity of the corporate and financial information included on the Company's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with DTR 4.1.12R, the Directors confirm that, to the best of their knowledge:

- the Consolidated Financial Statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the management report, which is incorporated into the Directors' Report, includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risk factors.

In addition, each of the Directors as at the date of this report considers the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information for shareholders to assess the Company's performance, business model and strategy.

Approved by the Board and signed on its behalf by

RUPERT HOPLEY
COMPANY SECRETARY
12 February 2015

DEAR SHAREHOLDER

The Board recognises that it is accountable to shareholders for its standards of governance and is therefore committed to the principles of corporate governance contained in the UK Corporate Governance Code (the "Code") published in September 2012. An amended version of the Code was issued in September 2014 which is applicable to accounting periods beginning on or after 1 October 2014; the Company will report on its compliance with the 2014 version of the Code in its 2015 Annual Report and Financial Statements. As a company listed on the London Stock Exchange, Informa is subject to the Listing Rules of the FCA and seeks to comply with the provisions of the Code and relevant institutional shareholder guidelines.

The Board is pleased to report that Informa has complied with all of the provisions of the Code during 2014 and up to the date of this document. This report describes how Informa has applied the main provisions of the Code. Together, this report, the Audit Committee Report, the Nomination Committee Report and the Remuneration Report on pages 90 to 107 explain how Informa has applied the principles and supporting principles of good governance set out in the Code. In accordance with the Code, the Audit Committee has provided assurance to the Board that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and all the matters that have been brought to the attention of the Board during the year have been reflected in the Annual Report and Financial Statements.

DEREK MAPP
CHAIRMAN

THE BOARD

Informa PLC is the ultimate holding company of the Group and is controlled by its Board of Directors.

On 30 May 2014, pursuant to a scheme of arrangement (the "Scheme") under Article 125 of the Companies (Jersey) Law 1991, Informa PLC became the new parent holding company of the Informa Group of companies. Prior to that date, the Company was not subject to the UK Companies Act 2006; however, the Board considered it appropriate to provide shareholder safeguards which were similar to those that apply to a UK registered company and those in place prior to the effectiveness of the Scheme were consistent with the relevant provisions of the UK Companies Act 2006.

With the exception of Gareth Wright, the Directors were elected or re-elected on 23 May 2014. On the effective date of the Scheme, the Company continued to have the same Board and management team as Old Informa had immediately prior to the effectiveness of the Scheme.

The Board, chaired by Derek Mapp, is currently made up of two Executive Directors and seven Non-Executive Directors. Their biographies are set out on pages 70 and 71. The Board was delighted to appoint Gareth Wright as Group Finance Director on 9 July 2014. Currently, two out of the nine Board members (22%) are female.

The Board's main roles are to create value for shareholders, to provide entrepreneurial leadership for the Group, to approve the Group's strategic objectives and to ensure that the necessary financial and human resources are made available to enable those objectives to be met. The Board also reviews the risk management and internal control systems on an ongoing basis.

The Company Secretary is responsible for advising the Board, through the Chairman, on all governance matters and all Directors have access to his advice and services.

MATTERS RESERVED FOR THE BOARD

A schedule which sets out the matters reserved for the Board's approval is reviewed annually with the last review conducted in February 2015. The specific responsibilities reserved for the Board include, but are not limited to:

- responsibility for the overall management of the Group;
- approving the Group's long-term objectives and commercial strategy;
- approving the Group's annual operating and capital expenditure budgets;
- reviewing operational and financial performance;
- approving major acquisitions, disposals and capital projects;
- reviewing the Group's systems of internal control and risk management;
- reviewing the environmental, health and safety policies of the Group;
- approving appointments to, and removals from, the Board and of the Company Secretary;
- approving policies relating to Directors' remuneration; and
- reviewing the dividend policy and determining the amounts of dividends.

The Board has delegated the following activities to the Executive Directors:

- the development and recommendation of strategic plans for consideration by the Board that reflect the longer-term objectives and priorities established by the Board;
- implementation of the strategies and policies of the Group as determined by the Board;
- monitoring the operating and financial results against plans and budgets;
- monitoring the performance of acquisitions and investments against plans and objectives;
- prioritising the allocation of capital, technical and human resources; and
- developing and implementing risk management systems.

The Schedule of Matters Reserved for the Board is available at www.informa.com.

THE ROLES OF THE CHAIRMAN, GROUP CHIEF EXECUTIVE AND SENIOR INDEPENDENT DIRECTOR

The division of responsibilities between the Chairman of the Board, the Group Chief Executive and the Senior Independent Director comply with the guidance from the UK Institute of Chartered Secretaries and Administrators ("ICSA") and as such are clearly defined. These are set out in writing, have been approved by the Board and are available on the Company's website.

As Chairman, Derek Mapp leads the Board and is responsible for setting its tone and agenda and ensuring its effectiveness. He is also responsible for ensuring that Directors receive accurate, timely and clear information and for effective communication with shareholders. He promotes a culture of openness and debate to facilitate the effective contribution of Non-Executive Directors and constructive relations between the Executive and Non-Executive Directors. He also acts on the results of the Board performance evaluation by leading on the implementation of any required changes to the Board and its Committees, including the recognition of the strengths and any perceived weaknesses of the Board, and, where appropriate, proposes new members be appointed to the Board or proposes the resignation of Directors. The Chairman holds periodic meetings with Non-Executive Directors without the Executives present.

Stephen A. Carter was appointed Group Chief Executive on 1 January 2014, having previously been CEO-Designate from 1 September 2013, and he has the responsibility of running the Company. As Group Chief Executive, Stephen has direct charge of the Group on a day-to-day basis and is accountable to the Board for its operational and financial performance. He is primarily responsible for implementation of the Company's strategy, including ensuring the achievement of the Group's budgets and optimising the Group's resources, and he also has primary responsibility for managing the Group's risk profile, identifying and executing new business opportunities, and for management development and remuneration.

Dr Pamela Kirby stood down as Senior Independent Director on 23 May 2014 and she was replaced in this role by Gareth Bullock. Gareth is available to meet shareholders on request and to ensure that the Board is aware of any shareholder concerns not resolved through existing mechanisms for investor communication. He acts as a sounding board for the Chairman and, if and when appropriate, serves as an intermediary for the other Directors.

DIRECTORS AND DIRECTORS' INDEPENDENCE

The Board includes independent Non-Executive Directors who constructively challenge and help develop proposals on strategy and bring strong, independent judgement, knowledge and experience to the Board's deliberations. The independent Directors are of sufficient calibre and number that their views carry significant weight in the Board's decision-making process. The Board considers all of its Non-Executive Directors to be independent in character and judgement. There is an agreed procedure in place for the Directors to obtain independent professional advice, at the Group's expense, should they consider it necessary to do so in order to carry out their responsibilities. The Directors' contracts are available for inspection at the registered office during normal business hours and will be available for inspection at the AGM.

INFORMATION AND PROFESSIONAL DEVELOPMENT

On appointment, the Directors receive relevant information about the Group, the role of the Board and the matters reserved for its decision, the terms of reference and membership of the principal Board Committees, the Group's corporate governance policies and procedures and the latest financial information about the Group. This is supplemented by introductory meetings with key divisional and Group function senior executives who provide detailed information about the Company, the relevant markets, the business units and their trading. Finally, on appointment and from time to time, the Directors are reminded of their legal and other duties and obligations as a Director of a listed company.

Throughout their period in office, the Directors are regularly updated on the Group's business and the environment in which it operates, by written briefings and by meetings with senior executives, who are invited to attend and present at Board meetings from time to time. They are also updated on any changes to the legal and governance requirements of the Group and those which affect themselves as Directors and are able to obtain training, at the Group's expense, to ensure they are kept up to date on relevant new legislation and changing commercial risks.

Regular reports and papers are circulated to the Directors in a timely manner in preparation for Board and Committee meetings. These papers are supplemented by any information specifically requested by the Directors from time to time. The Non-Executive Directors receive monthly management reports from the Group Chief Executive and the Group Finance Director which enable them to scrutinise the Group's and management's performance against agreed objectives.

PERFORMANCE EVALUATION OF THE BOARD AND ITS COMMITTEES

The Board utilises a formal and rigorous process, led by the Chairman, for the annual evaluation of the performance of the Board, its principal Committees and individual Directors.

On appointment, the Directors are made aware that their performance will be subject to evaluation. The Non-Executive Directors, led by the Senior Independent Director, meet at least annually to appraise the Chairman's performance.

Following significant changes to the Board composition at the beginning of 2014, an external Board evaluation was conducted towards the end of the year facilitated by Independent Board Review, a division of Independent Audit Limited. Independent Audit Limited has no other connection with the Company. The evaluation, which was fully independent, was undertaken by means of:

- observation of a Board meeting;
- a review of Board and Committee papers for the 12 month period up to September 2014; and
- individual interviews with each Director, the Company Secretary and several senior executives along with the external audit partner.

The results of the evaluation were presented in a report, which was discussed with the Chairman and then presented to the Board. The report covered the topics of:

- Board composition and dynamics, both as a whole and on an individual basis;
- the purpose of the Board's role in relation to strategy, risk, financial and operational performance, resourcing and stakeholder focus;
- succession planning; and
- the mechanics and quality of Board meetings.

The effectiveness of each principal Board Committee was also assessed separately.

The evaluation report concluded that overall, following the Board restructure, the Board was making clear progress and becoming increasingly effective. Certain key areas were identified as having scope for further development, although it was acknowledged that most of these areas had already been identified by Informa for further consideration in the near future. The Board will monitor progress throughout 2015.

RE-ELECTION

The Articles provide for all Directors to be subject to annual re-election at the AGM. The performance evaluation of the Board concluded that each Director remains effective and committed to their role. In addition, as a result of the evaluation, the Board is satisfied that each Non-Executive Director remains independent, including John Davis who has served more than nine years on the Board. With the exception of Gareth Wright, who will stand for election, all Directors will stand for re-election at the 2015 AGM.

RELATIONS WITH SHAREHOLDERS

The Company is committed to maintaining good communications with investors and has a full-time Director of Investor Relations, Corporate Communications and Brand. Derek Mapp as Chairman, Gareth Bullock as Senior Independent Director and Chairman of the Remuneration Committee provide the Board with feedback on any issues raised with them by shareholders.

Financial information is reported externally on a quarterly basis. The Group Chief Executive and Group Finance Director give presentations on the half-yearly and full year results in face-to-face meetings with institutional investors, analysts and the media, which are also accessible via webcast on www.informa.com. In 2014, presentations were held in London, Edinburgh, New York and Boston. After the release of the Interim Management Statements in respect of the first and third quarters, the Company holds conference calls with institutional investors, analysts and the media.

Whilst it is no longer a requirement under the Listing Rules to issue Interim Management Statements, it is the intention of the Board to issue trading updates in 2015 in order to keep investors fully appraised of the trading performance of the Company.

In addition to these presentations, the Executive Directors have frequent discussions with institutional shareholders on a range of issues, including governance and strategy, affecting the Group's performance. In November 2014, an investor presentation was held to update investors and analysts on the implementation and progress of the Company's *Growth Acceleration Plan*. Meetings are also held with the Group's largest institutional shareholders on an individual basis following the announcement of the Group's half-yearly and full year results and on other occasions. In addition, the Group responds to individual ad hoc requests for discussions from institutional shareholders. Following meetings held with shareholders after the half-yearly and full year results announcements, the Board is provided with feedback from the Executive Directors, the Director of Investor Relations, Corporate Communications and Brand, the Group's stockbrokers and its public relations advisers on investor perceptions. The Company's stockbrokers' reports on the Group are also circulated to all Directors, as are monthly reports of significant changes in the holdings of larger investors.

The AGM is an opportunity for shareholders to ask questions and to meet with the Directors. The number of proxy votes for, against or withheld in respect of each resolution is disclosed at the AGM and a separate resolution is proposed for each item. The Company aims to give as much notice of the AGM as possible and at least 21 clear days' notice, as required by the Articles. In practice the documents are sent to shareholders no less than 20 working days before the AGM.

The Group's corporate website at www.informa.com provides a wide range of information about the Group which is of interest to both institutional and private investors. This includes all announcements made by the Company to the FCA, as well as video recordings of the interim and annual presentations made to analysts, and details of the Group's businesses and sectors in which it operates.

DIRECTORS' CONFLICTS OF INTEREST

The Articles include provisions covering Directors' conflicts of interest and allow the Board to authorise any matter that would otherwise involve a Director breaching his duty to avoid conflicts of interest. The Company has procedures in place to deal with a situation where a Director has a conflict of interest. As part of this process, the Board will endeavour to:

- consider each conflict situation separately on its particular facts;
- consider the conflict situation in conjunction with the Articles;
- keep records and Board minutes as to authorisations granted by Directors and the scope of any approvals given; and
- regularly review conflict authorisations.

In 2014, none of the Directors had any unauthorised conflicts of interests. The Board acknowledges that Dr Brendan O'Neill is a Non-Executive Director of Towers Watson Inc. and Towers Watson are advisers to the Remuneration Committee.

INTERNAL CONTROL AND RISK MANAGEMENT

Following a comprehensive strategic review, a new operating model was implemented during the financial year. As detailed in the Strategic Report, the Group is now structured as four Divisions: **Academic Publishing**, **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**. Each Division is given operational autonomy, as far as possible, within an internal control framework.

The responsibility for the day-to-day management of these Divisions rests with the Group Chief Executive, supported by the Executive Management Team ("EMT"). During 2014, the EMT, which includes the CEO of each of the four Divisions, met weekly (by call) and monthly (physically) to consider the implementation of Group strategies, plans and policies, monitor operational and financial performance, and manage risks.

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss. The concept of reasonable assurance recognises that the cost of control procedures should not exceed the expected benefits.

The Board has an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This process was in place throughout 2014 and up to the date of approval of the Annual Report and Financial Statements, and is in accordance with the Turnbull Guidance "Internal Control: Guidance for Directors on the Combined Code (October 2005)".

The key features of Informa's internal control and risk management systems in relation to the financial reporting process include:

- **Business planning** – all business units produce and agree an annual business plan against which the performance of the business is regularly monitored.
- **Financial analysis** – each business unit's operating profitability and capital expenditure are closely monitored. Management incentives are tied to financial results. These results include explanations of variances between forecast and budgeted performance, and are reviewed in detail by executive management on a monthly basis. Key financial information is reported to the Board on a monthly basis.
- **Group Authority Framework** – the framework provides clear guidelines for all business units of the approval limits for capital and operating expenditure, and other key business decisions.
- **Risk assessment** – a risk assessment is embedded into the operations of the Group and a risk register is submitted to the EMT and the Board for approval. Each business unit considers the significant risks to its business and to the achievement of the proposed plan. In doing so, each unit considers risk in terms of probability of occurrence and potential impact on performance, and mitigating actions, control effectiveness and management responsibility are identified to address these risks.

The Board regularly reviews the effectiveness of the Group's system of internal controls, including financial, operational and compliance controls, risk management and the Group's high level internal control arrangements. The Audit Committee has been charged by the Board with oversight of the above mentioned controls for the period and they have considered the following in determining the overall effectiveness of the Group's risks and associated control environment:

- The Risk Committee, a sub-committee of the Audit Committee, reports on the effectiveness of risk management, governance and compliance activity within the Group. This Committee comprises the Group Chief Executive and a cross-section of senior officers and managers of the Group, and is chaired by the Group Finance Director. The Risk Committee supports the Board in its consideration of current and forward-looking material business risk exposures. A programme of deep dive reviews of each of the principal risk factors of the Group is in place, with each principal risk factor discussed and evaluated in detail at least once a year by the Risk Committee. These principal risk factors are discussed in more detail on pages 62 to 65.
- The Audit Committee has approved a schedule of work to be undertaken by the Group's nominated external auditor during the period and receives reports on any issues identified in the course of their work, including internal control reports on control weaknesses. Any identified issues are reported to the Audit Committee and are tracked until conclusion.
- The Audit Committee has approved a schedule of work to be undertaken by the Group's Internal Audit team during the period and receives reports on any issues identified in respect of the Group's business processes and control activities over the Group's key risk areas, including following up on the implementation of management action plans to address any identified control weaknesses and reporting any overdue actions to the Audit Committee.

KPMG LLP is engaged to provide the Group with Internal Audit services and act as Head of Internal Audit. The Board confirms that no significant failings or weaknesses have been identified from the reviews performed by Internal Audit.

BOARD MEETINGS AND COMMITTEES

At each meeting the Board receives information regarding current trading, business unit performance, financing, potential acquisitions and investor relations analysis. At certain times of the year the Board reviews and discusses budgets, capital expenditure, risks, financial statements and strategy. The Board is also provided with updates, when appropriate, on aspects such as changes in legislation and the business environment, in addition to regular investor feedback.

Each Committee reports to, and has its terms of reference approved by, the Board, and all Board and Committee minutes are circulated as soon as possible after each meeting. The number of scheduled Board meetings and Committee meetings attended as a member by each Director during the year are set out below:

	Scheduled Board meetings (of 8)	Audit Committee meetings (of 3)	Remuneration Committee meetings (of 5)	Nomination Committee meetings (of 2)
Derek Mapp	8	–	–	2
Stephen A. Carter	8	–	–	–
Gareth Wright[1]	5	–	–	–
Gareth Bullock	7	3	–	2
Geoffrey Cooper	7	–	5	–
Pamela Kirby[2]	2	–	2	–
John Davis	8	3	5	2
Dr Brendan O'Neill	8	3	5	–
Cindy Rose	7	2	–	2
Helen Owers	8	–	5	–

[1] Gareth Wright was appointed to the Board on 9 July 2014.
[2] Pamela Kirby stepped down from the Board and Remuneration Committee with effect from 23 May 2014.

Separate reports from the Nomination, Audit and Remuneration Committees can be found on pages 84 to 107.

Approved by the Board and signed on its behalf by

RUPERT HOPLEY
COMPANY SECRETARY
12 February 2015

CHAIRMAN
Derek Mapp

OTHER MEMBERS
Dr Brendan O'Neill (from 1 January 2015)
Gareth Bullock (from 23 May 2014)
Cindy Rose (from 23 May 2014)
John Davis (until 31 December 2014)
Dr Pamela Kirby (until 23 May 2014)

SECRETARY
Rupert Hopley

OBJECTIVE

To ensure that there is a formal, rigorous and transparent procedure for the appointment of new Directors to the Board and its Committees.

GOVERNANCE

All the members of the Nomination Committee (the "Committee") are independent Non-Executive Directors.

DUTIES

The Committee's terms of reference are available on the Company's website. The Committee's principal responsibilities include:

- reviewing the structure, size and composition of the Board;
- giving full consideration to succession planning for Directors and senior executives, taking into account the skills and experience needed on the Board in the future;
- identifying, and nominating for approval by the Board, candidates to fill Board vacancies as and when they arise;
- evaluating the balance of skills, knowledge, independence, experience and diversity of the Board prior to any appointment to the Board;
- keeping under review the leadership needs of the organisation, both Executive and Non-Executive;
- reviewing the results of the Board performance evaluation process that relate to the composition of the Board; and
- annually reviewing the time required from Non-Executive Directors.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

During the year the Committee met twice to address changes to Board and Committee composition. The resignation of Adam Walker as Group Finance Director at the end of 2013 resulted in a search for a successor which was conducted by JCA, an independent search consultancy. Following a review of a number of candidates this Committee recommended to the Board that Gareth Wright was the most suitable candidate. His appointment on 9 July 2014 brought about a smooth transition given his prior knowledge and experience within the Group.

Dr Pamela Kirby stepped down from the Board and this Committee after nine years' service on 23 May 2014 and her role as Senior Independent Director was filled by Gareth Bullock. Both Gareth Bullock and Cindy Rose joined the Committee in May.

At the 2015 AGM, John Davis will have served more than nine years on the Board, having been elected at the 2006 AGM. As part of the annual review of the Board members and the independence of the Non-Executive Directors, the other members of the Committee particularly reviewed his engagement and participation at the Board and Committee meetings, and his relationship with the Executive Directors. In the light of his constructive but challenging engagement in those meetings, and taking into account the changes in the Executive Directors in 2014, the Committee determined that he is still independent, notwithstanding the length of his tenure.

So as the Company and the Board can continue to benefit from his skills, experience, independence and knowledge, John Davis will seek re-election as a Director at the 2015 AGM. If re-elected, he will stand down from the Board at the 2016 AGM. It has also been agreed that he stand down from the Nomination Committee with effect from 31 December 2014 and that Dr Brendan O'Neill join the Committee with effect from 1 January 2015.

The Committee also reviewed its terms of reference and discussed the composition and the mix of skills, knowledge, experience and diversity of the Board.

EXECUTIVE AND NON-EXECUTIVE DIRECTOR SEARCHES

The Committee uses the services of specialist search consultants to seek suitable external candidates for appointment to the Board and its Committees. The Committee identifies the specific experience and skills that the Company is looking for and then works with the search consultants to identify suitable candidates who match those criteria. External candidates, together with any internal candidates, are then interviewed by the Committee and the successful candidate is proposed by the Committee to the Board for approval. During the year the Committee was supported by JCA in the Group Finance Director search and JCA is entirely independent of the Company.

BOARD AND EMPLOYEE DIVERSITY

The Company operates a successful business based on a proven track record of equal opportunity and reward for performance. Around 57% of our employees are women (3,798 out of a total of 6,627) and they account for around 30% of the senior managers (17 out of a total of 56) within the Group at 31 December 2014. Further information on diversity within the Group can be found in the Corporate Responsibility Report on page 69.

At Board level, we believe that the current representation, as at the date of this report, of two female Non-Executive Directors (22%) is acceptable given the current size of the Board. However, we remain committed to our targets around the representation of women on the Board. Our Board composition and size are kept under constant review, so as to ensure we have the appropriate balance of skills, experience, diversity and knowledge of the Group within our independent Non-Executive Directors.

ACTION PLAN FOR 2015

- Continue to review succession planning for the Board and for key roles Group-wide
- Identify future talent pipeline
- Develop initiatives for Directors
- Provide Group-wide exposure for Non-Executive Directors

Approved by the Board and signed on its behalf by

DEREK MAPP
CHAIRMAN OF THE NOMINATION COMMITTEE
12 February 2015

CHAIRMAN
Dr Brendan O'Neill

OTHER MEMBERS
John Davis, Cindy Rose, Gareth Bullock

SECRETARY
Rupert Hopley

DEAR SHAREHOLDER
I am pleased to present the report of the Audit Committee (the "Committee") for the financial year ended 31 December 2014. One of the core requirements of the UK Corporate Governance Code (the "Code") is for the Annual Report and Accounts to provide a fair, balanced and understandable assessment of the Group's financial reporting, internal control policies, and procedures for the identification, assessment and reporting of risk and that these remain effective. The Committee devotes significant time to each of these matters.

The Committee acknowledges that the Code was revised in September 2014 and is applicable to accounting periods beginning on or after 1 October 2014. The Committee's terms of reference were revised in February 2015 to take account of the changes. We will set out our compliance with the revised Code in next year's report.

The Committee's agenda for 2014 has included the usual review of our financial results and controls, our business operations and their management of risk. Further details are included in this report. The Board considers that the Committee's members have broad commercial knowledge and a suitable mix of business and financial experience. The existing experience of John Davis, Cindy Rose and myself was supplemented in 2014 by the addition of Gareth Bullock to the Committee. He has broad experience, as detailed on page 71.

DR BRENDAN O'NEILL
CHAIRMAN OF THE AUDIT COMMITTEE

OBJECTIVE
To be responsible for corporate reporting, risk management and internal control procedures, and for maintaining the relationship with the Company's external auditor.

COMMITTEE COMPOSITION
The membership of the Committee is set out on pages 70 and 71. The Committee met three times during the year to 31 December 2014 and all meetings were fully attended by the members apart from one meeting missed by Cindy Rose due to a long-standing business commitment. It meets as appropriate with the Executive Directors and management, as well as privately with both the external and internal auditors. During the year the Committee received sufficient, reliable and timely information from the senior managers to enable it to fulfil its duties.

GOVERNANCE
The Committee's Chairman, Dr Brendan O'Neill, is a qualified Management Accountant and has extensive experience of Audit Committee procedures. John Davis is a qualified Chartered Accountant and until November 2010 was the Chief Financial Officer of Yell Group plc (renamed Hibu plc in July 2012).

The meetings of the Committee are structured to investigate the key accounting, audit and risk issues that are relevant to the Group. The varied experiences of its members assist in providing a challenging environment in which these issues are discussed. The Group Finance Director, Head of Internal Audit and Head of Group Tax attend all or part of its proceedings in order to provide information to, and be questioned by, the Committee. The composition of the Committee was reviewed during the year and the Board and Committee are satisfied that it has the expertise and resource to fulfil its responsibilities effectively, including those relating to risk and control.

DUTIES
The Committee's terms of reference are available on the Company's website. The Committee's terms of reference allow it to obtain independent external advice at the Company's expense. No such advice was obtained during 2014.

The Committee is responsible for:

- reviewing the content of the Annual Report and Financial Statements and advising the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy;
- monitoring the integrity of the Group's financial statements and any formal announcements relating to the Group's performance;

- monitoring the effectiveness of the external audit process and evaluating the external auditor;
- making recommendations to the Board in relation to the appointment, reappointment and remuneration of the external auditor;
- ensuring that an appropriate relationship between the Group and the external auditor is maintained, including setting policy for and reviewing non-audit related services and fees;
- annually reviewing the Group's system of internal controls and the process for identifying, evaluating and managing the significant risks faced by the Group. These responsibilities are principally carried out through the Risk Committee whose activities are overseen by the Chairman of the Audit Committee on behalf of the Board;
- reviewing the effectiveness of the Group Internal Audit function and for approving, upon the recommendation of the Group Chief Executive, the appointment and termination of the head of that function; and
- monitoring the Group's whistleblowing procedures to ensure that appropriate arrangements are in place for employees to be able to raise in confidence matters of possible impropriety, with suitable subsequent follow-up action.

ACTIVITIES OF THE COMMITTEE DURING THE YEAR

During 2014, the Committee fulfilled its duties under its terms of reference and discharged its responsibilities primarily by:

- reviewing the Group's draft full year and half-yearly results statements prior to Board approval and reviewing the external auditor's detailed reports thereon, in particular reviewing the opinions of management and the auditor in relation to the carrying values of the Group's assets;
- reviewing the appropriateness of the Group's accounting policies;
- reviewing the impact on the Group's financial statements of matters such as the adoption of new or amended IFRSs;
- recommending to the full Board, which adopted the recommendation, the reappointment of Deloitte LLP as the Group's external auditor;
- reviewing and recommending to the Board the audit fee and reviewing non-audit fees payable to the Group's external auditor;
- reviewing the external auditor's plan for the audit of the Group's financial statements, which included key areas of scope of work, key risks on the financial statements, confirmation of auditor independence and the proposed audit fee, and approving the terms of engagement for the audit;
- reviewing the Group's system of controls and its effectiveness. In particular, it approves the annual Internal Audit plan and reviews the work done by Internal Audit and actions which are agreed following the work;
- approving the decision to continue with an outsourced Internal Audit function, and overseeing the reappointment of KPMG LLP in this role;
- reviewing the Group's systems to identify and manage risks (including regular consultation with the Head of Internal Audit and in particular the operation of the Group's Risk Committee);
- reviewing the appropriateness of the Group's tax policies and tax risks; and
- reviewing post-acquisition reports on integration and performance of significant recent acquisitions compared to plans.

FINANCIAL REPORTING AND SIGNIFICANT JUDGEMENT AREAS

In assessing the appropriateness of the financial statements, the Committee assesses whether suitable accounting policies have been adopted and whether management have made appropriate estimates and judgements. The Committee reviews accounting papers prepared by management which provide details on the main financial reporting judgements. The Committee also reviews reports by the external auditor on the full year and half-yearly results which highlight any issues with respect to the work undertaken on the audit. During the year end process, the Committee concentrated on the following significant judgement areas:

- Carrying value of goodwill and intangible assets:

  The Committee considered whether the carrying value of goodwill and intangible assets held by the Group should be impaired. The judgement in relation to impairment largely relates to the assumptions underlying the calculation of the value in use of the cash-generating units being tested for impairment. This involves considering whether the five year operating profit forecasts produced by management are achievable, the overall macro-economic assumptions which underlie the valuation process and the discount rates used. The Committee principally addressed this matter using reports received from management outlining the headroom on the impairment testing.

- Recoverability of long-term receivables:

  The Committee considered whether the long-term receivables held by the Group were recoverable. As described in "Principal Risk Factors" on pages 62 to 65, the Group has a small number of long-term external loans where the recoverability of the capital and interest payments is dependent on the financial success of those external parties over the coming years. Since the majority of the repayment terms are over a long period of time, assessing the future recoverability of the long-term receivables involves judgement. The Committee addressed this matter by challenging management on their assumptions and then requesting reports on the receivables where they felt further explanation was required.

- Accounting for acquisitions:

  The Committee notes that there is judgement involved in identifying and valuing the consideration and the assets acquired in a business combination or in the acquisition of businesses' trade and assets. The Committee addressed this matter by challenging management on their assumptions and methodology supporting the fair value of intangible and net assets acquired for each significant acquisition in the year.

EXTERNAL AUDITOR

The Committee is also responsible for the development, implementation and monitoring of the Group's policy on external audit. The policy assigns oversight responsibility for monitoring the independence, objectivity and compliance with ethical and regulatory requirements to the Committee, and day-to-day responsibility to the Group Finance Director. It states that the external auditor is jointly responsible to the Board and the Committee and that the Committee is the primary contact. The policy also sets out the categories of non-audit services which the external auditor will and will not be allowed to provide to the Group, subject to de minimis levels.

To fulfil its responsibility regarding the independence of the external auditor, the Committee reviewed:

- the external auditor's plan for the current year, noting the role of the senior statutory audit partner, who signs the audit report and who, in accordance with professional rules, has not held office for more than five years, and any changes in the key audit staff;
- the arrangements for day-to-day management of the audit relationship;
- a report from the external auditor describing their arrangements to identify, report and manage any conflicts of interest; and
- the overall extent of non-audit services provided by the external auditor, in addition to its approval of the provision of non-audit services by the external auditor that exceed the pre-approval threshold.

To assess the effectiveness of the external auditor, the Committee reviewed:

- the arrangements for ensuring the external auditor's independence and objectivity;
- the external auditor's fulfilment of the agreed audit plan and any variations from the plan;
- the robustness and perceptiveness of the auditor in their handling of the key accounting and audit judgements; and
- the content of the external auditor's reporting on internal control.

Following the above, the Committee has recommended to the Board that Deloitte LLP is reappointed as the Group's external auditor at the 2015 AGM. Deloitte LLP has been the Group's external auditor since 2004 when the last external audit tender was carried out. The Committee considers that the relationship with the external auditor is working well and remains satisfied with its effectiveness. The external auditor is required to rotate the senior statutory audit partner responsible for the Group and Parent Company audits every five years. The current senior statutory audit partner is Anthony Morris. There are no contractual obligations restricting the Group's choice of external auditor. The Committee has reviewed the requirements of the Code and the non-binding suggested transitional arrangements in the Financial Reporting Council guidance relating to the new provision for FTSE 350 companies to put the external audit contract out to tender at least every 10 years. The Committee has concluded that its current intention is to conduct a re-tender process in 2016, but will review whether to initiate a re-tender process in 2015 if it feels it is necessary.

The Group has in place a policy for the provision of non-audit services by the external auditor. This policy provides that the firm's services may only be provided where auditor objectivity and independence may be securely safeguarded and where the fees payable either in respect of the assigned work or overall in any year do not exceed the amount of fees payable in respect of its audit work. The Committee considers that certain non-audit services should be provided by the external auditor given its existing knowledge of the business and is therefore the most efficient and effective way for non-audit services to be carried out. The fees paid to the external auditor for both audit and non-audit services can be found in Note 8 to the Consolidated Financial Statements.

Non-audit services, other than audit-related services, provided by the external auditor during 2014 related to Corporate Finance services with respect to the listing of the new UK-domiciled ultimate Parent Company. All of these services were below the Group's pre-approval threshold.

POLICY ON NON-AUDIT SERVICES PROVIDED BY THE EXTERNAL AUDITOR

PERMITTED NON-AUDIT SERVICES, SUBJECT TO APPROVAL UNDER THE POLICY

- Acquisition or disposal advice and support
- Financial information systems design and implementation
- Appraisal or valuation services
- Actuarial services
- Internal Audit outsourcing services which are restricted to the provision of specialist resources where the external audit team will not place reliance on their own work
- Tax compliance, tax planning and tax advisory work, following an appropriate tender process; subject to Committee Chairman pre-approval for significant contracts and annual review of overall amounts
- Expatriate tax work, subject to Group HR approval and Committee Chairman pre-approval for significant contracts and annual review of overall amounts
- Other assurance services – no pre-approval is required where it is in the normal course of the auditor's work to perform such activities

PROHIBITED NON-AUDIT SERVICES

- Bookkeeping or other services related to accounting records or financial statements
- Consultancy services related to the implementation of management information systems
- Appraisal or valuation services are prohibited where significant subjectivity is involved as the auditor may have to audit their own work
- Legal services if these are related to significant Group matters
- Tax services on a contingent fee basis

Approved by the Board and signed on its behalf by

DR BRENDAN O'NEILL
CHAIRMAN OF THE AUDIT COMMITTEE
12 February 2015

CHAIRMAN
Gareth Bullock (effective from 30 March 2015)

OTHER MEMBERS
Dr Brendan O'Neill
John Davis
Helen Owers
Dr Pamela Kirby (until 23 May 2014)
Geoffrey Cooper (until 30 March 2015)

SECRETARY
Rupert Hopley

OBJECTIVE
To set and review the remuneration policy and strategy, and individual remuneration packages of the Executive Directors and to recommend for approval the introduction and rules of all Group share-based incentive schemes.

DEAR SHAREHOLDER

I am presenting this report following my appointment as Chairman of the Remuneration Committee, effective from 30 March 2015. I would like to thank my predecessors, Geoffrey Cooper, for his contribution during 2014, and Dr Pamela Kirby, who stepped down from the Board at last year's AGM, for her service and dedication over the previous nine years.

As disclosed on page 71, I was Group Executive Director of Standard Chartered plc up until 2010 and since then I have been a member of a number of Plc Boards, including Tesco plc and Spirax-Sarco Engineering plc where I was, among other things, the Chair of the Remuneration Committee. I am currently the Senior Independent Director at Informa and Non-executive Director of Tesco Personal Finance Group Limited, as well as being a Trustee of the British Council so I have extensive experience of setting the policy and remuneration packages for senior management. This year we also gained the benefit of Helen Owers joining the Committee. Helen has extensive experience leading and incentivising her teams when she was previously President, Global Businesses at Thomson Reuters and their Chief Development Officer.

The following Report is split into two sections:

- Informa's Directors' Remuneration Policy (pages 92 to 98); and
- the Annual Report on Remuneration for 2014 (pages 98 to 107).

The Directors' Remuneration Policy (the "Policy") is, with minor changes outlined below, the same as the policy that was approved at the 2014 AGM with over 93% of the votes cast supporting the policy. The Policy is being presented to shareholders for approval at the 2015 AGM due to Informa's re-domiciliation from Switzerland to the UK. Informa PLC (the new parent holding company of the Informa Group of companies) is subject to the UK legal requirements which govern directors' remuneration and is required to have the Policy approved by shareholders as a result.

The Annual Report on Remuneration (the "Report") will also be put to shareholders for an advisory vote at the 2015 AGM.

As well as undertaking a number of activities that form part of the annual cycle, in 2014 the Committee also:

- approved the launch of a new global, all-employee share incentive scheme called *ShareMatch*;
- designed the remuneration package of the new Group Finance Director; and
- consulted with major shareholders on the existing Executive Directors' remuneration structure.

In June 2014, the Committee approved the launch of *ShareMatch*, a new global share incentive scheme available to the majority of employees. *ShareMatch* offers employees the opportunity to directly share in the Company's future success through the ownership of Informa shares. We believe that increasing the level of employee equity ownership will help align the employees' interests with those of the Company and shareholders. The Company encourages participation by matching an employee's investment on a one for two basis, up to £1,800 per annum, with the matching shares vesting after a three year holding period. *ShareMatch* was shortlisted for an award at the Institute of Financial Services ProShare Awards in 2014 and 13% of the eligible employees currently participate.

The Committee considered and approved the remuneration package for Gareth Wright, in relation to his appointment as Group Finance Director effective from 9 July 2014. Further details regarding his package are provided later in the Report.

In early 2014 the Committee considered changes to the existing remuneration structure and in particular to the existing equity-based Long-Term Incentive Plan ("LTIP"). We engaged with key institutional investors and following the consultation, in response to feedback received, the Committee decided not to pursue the proposed changes.

The Committee subsequently agreed that whilst the LTIP structure would remain unchanged in relation to awards to be granted in 2014, different metrics would be applied to the performance conditions as detailed later on in this Report.

During 2014, the results of an in-depth review of Group strategy were announced in the form of the *Growth Acceleration Plan* (see pages 15 to 17 for further details). In support of the *Growth Acceleration Plan*, the Committee again reviewed the Executive Directors' remuneration arrangements, taking into consideration shareholder feedback, guidance and expectations. The Committee recognised that the present approach to Executive Directors' remuneration possesses great strengths, not least its simplicity and high degree of focus. We undertook further consultation with key institutional investors and, following the positive feedback, the Committee will adopt an evolutionary approach to remuneration and changes consistent with the aims of the *Growth Acceleration Plan* that are proposed to take effect in 2015. The proposed change will amend the performance metrics relating to the LTIP by updating the TSR comparator group and introducing EPS CAGR as well as adding malus and clawback provisions to the policy. At a high level, the changes to performance metrics are as follows:

	2014		2015	
Annual Bonus Plan	100%	EPS	100%	EPS
Long-Term Incentive Plan	33%[1]–37.5%[2]	TSR vs. FTSE All Share Media	50%	TSR vs. select FTSE 51–150 companies
	33%[1]–37.5%[2]	TSR vs. FTSE 350 ex. Investment Trusts	50%	EPS CAGR
	25%[2]–33%[1]	Individual strategic objectives		

[1] The percentages detailed above apply to Gareth Wright.

[2] The percentages detailed above apply to Stephen A. Carter.

These changes to the performance metrics support the revised business strategy through the alignment of the performance measures of our incentive plans with the priorities of the *Growth Acceleration Plan* and also strengthen the alignment of our incentive plans with sustained long-term performance. We aim to re-architect some of the remuneration measures down through the Divisions, during 2015. This will reflect the changes to performance metrics proposed in this report, in order to achieve a greater alignment between management incentives across the Group and the priorities set out in the revised strategy and the *Growth Acceleration Plan*. Additional details are summarised on page 92 where we set out how our Remuneration Policy will be implemented in 2015. We will consider adapting performance measures in future remuneration plans as we strive to align performance with the changing shape and focus of the group.

In summary, during 2014 we have proactively engaged with the executives and the institutional investors to ensure there has been an increased dialogue on the matter of executive remuneration. We will continue to monitor and engage, when appropriate, on the topic during 2015.

GARETH BULLOCK
COMMITTEE CHAIRMAN

DIRECTORS' REMUNERATION POLICY

The following section sets out our Directors' Remuneration Policy. This Policy will be put forward for shareholder approval at the 2015 AGM in accordance with section 439A of the Companies Act 2006 and will take effect from the date of approval. The Policy remains the same as that previously approved by shareholders at the AGM held in May 2014 except for certain minor changes described earlier and continues to reflect Informa's long-standing approach to remuneration which has been in effect since 2009.

The remuneration of the Executive Directors is designed to provide for a competitive compensation package which reflects the Group's performance against financial objectives. Incentives reward above-average performance and are designed to attract, motivate and retain high calibre executives.

The table below summarises the six key elements of the remuneration package for Executive Directors and the fees paid to the Chairman and Non-Executive Directors:

Element	Overview and link to strategy	Operation	Performance framework	Maximum
EXECUTIVE DIRECTORS				
Base salary	Executive Directors receive an annual salary which the Committee considers to be market competitive.	Reviewed by the Committee prior to the beginning of each year and upon a change of position or scope of responsibility. In deciding appropriate levels, the Committee considers pay practices in the Group as a whole and makes reference to objective external data which gives current information on remuneration practices in appropriate comparator companies of a similar size to Informa and listed in the UK. If in the Committee's judgement it is appropriate to appoint an individual on a salary below market norms, the Committee may exceed the 'normal' rate of increase set out in the policy table in the following two to three years based on performance in role.	Levels are not subject to the achievement of performance measures. However, an individual's experience, development and performance in the role will be taken into account when setting and reviewing salary levels.	There are no prescribed maximum increases for base salary. In usual circumstances, increases will be limited to those awarded to Group employees taking into account performance and geography. In exceptional circumstances, such as significant increase in the size/ complexity of the Group or an individual's role and scope, the Committee can exceed this 'normal' level of increase.
Benefits	The arrangements offer Executive Directors market competitive benefits to retain and attract high calibre individuals.	Ongoing benefits may include company car, death-in-service, family private health insurance, family dental insurance, accident insurance and permanent health insurance cover. In the event of an international relocation additional benefits may include relocation, housing and schooling costs, financial advice and repatriation. It is the intention that any such arrangements ensure that an individual is not adversely impacted should the Group require them to relocate.	Not subject to performance measurement.	The maximum car allowance is £20,000 per annum. Other benefits are provided through third parties and therefore the cost to the Company and value to the Executive Directors may vary. However, the nature of the provision will remain unchanged. There is no prescribed maximum for benefits related to an international relocation given the nature of the provision and the amounts will vary based on factors such as an individual's circumstances and the countries involved.
Retirement and life assurance benefits	The arrangements offer Executive Directors a retirement plan contribution which is motivating and in line with previous plans at the point of recruitment as well as in line with the market.	Retirement benefits will be paid in part or full into a Group Personal Pension or Personal Pension vehicle. The pension allowance may also be taken in full or part as a gross cash payment. Any cash payment will be paid monthly. Life assurance is payable in a lump sum, in the event of the insured's death-in-service.	Not subject to performance measurement.	Retirement benefits: 25% of base salary Life assurance: Four times base salary.

Element	Overview and link to strategy	Operation	Performance framework	Maximum
EXECUTIVE DIRECTORS				
Annual bonus	The Annual Bonus Plan rewards Executive Directors for delivery of excellent levels of annual performance. Performance metrics are selected to ensure a focus on improvements in short-term performance that will help drive the sustainable long-term success of the Group.	Bonus can be delivered entirely in cash, or in a combination of cash and shares. Any bonus up to 100% of base salary is paid in cash and any above 100% of base salary up to 150% of base salary is deferred under the Deferred Share Bonus Plan. Any bonus that is paid in the form of shares will be deferred for a period of three years and will attract a dividend equivalent payment in the form of cash on vesting. Under the terms of the Deferred Share Bonus Plan, if certain events occur including a restatement (downwards) of the Company's results for any year for which the results formed the basis of the deferred share element relevant to an option, the Directors have the absolute discretion to reduce the number of option shares under/or cancel the relevant option ("malus") or require the repayment of the shares or an equivalent amount ("clawback") once shares have been received by the Executive Director.	The performance measures, weightings and targets are set annually by the Committee. Bonus opportunity will be linked to the achievement of challenging financial and, when appropriate, non-financial performance targets. Details of the measures and their weightings will be disclosed annually in the Annual Report on Remuneration, with the targets disclosed provided they are not deemed to be commercially sensitive. The quantum of bonus is determined on a specified range. Below threshold performance results in a zero bonus. On-target performance results in a cash bonus equal to 100% of base salary. Maximum payout is capped at the equivalent of 150% of base salary. The Committee reserves the right to adjust the targets if events occur (e.g. material acquisition and/or divestment of a Group business) which cause it to determine that they are no longer appropriate.	150% of base salary. Up to 100% of base salary paid in cash and 50% of base salary deferred into equity in the Deferred Share Bonus Plan.
Long-Term Incentive Plan awards	The LTIP rewards Executive Directors for delivery of strong, sustained performance over a period of three years.	Executive Directors can receive an annual award of shares (or share-based equivalent) subject to the achievement of specified standards over a three year performance period. In certain circumstances, the Directors will have the discretion to apply malus or clawback and reduce the size or cancel an unvested award or require the repayment of the shares received or an equivalent cash amount.	The performance measures, weightings and targets are set annually by the Committee. LTIP awards will be linked to the achievement of challenging financial and, when appropriate, non-financial performance targets. Details of the measures and their weightings will be disclosed annually in the Annual Report on Remuneration, with the targets disclosed, at the start or at the end of the performance period, provided they are not deemed to be commercially sensitive. At the end of the performance period, the Committee will assess performance against the targets set and review any other relevant events during the period in reaching a judgement with respect to the overall level of vesting under the award. The following awards are payable as a percentage of maximum in respect of different levels of performance: Threshold: 20% Maximum: 100%	200% of salary.

Element	Overview and link to strategy	Operation	Performance framework	Maximum
EXECUTIVE DIRECTORS (continued)				
Share Incentive Plans ("SIPs")	To encourage share ownership in Informa in those markets where SIPs are operated.	SIPs may be operated in markets that Informa operates in. These SIPs will be informed by relevant tax and share legislation. For example, in the UK, the Company operates a SIP which qualifies for tax benefits. The Committee retains the discretion to allow Executive Directors to participate in SIPs that operate in their home market, where the terms of participation are consistent for all eligible employees. The Board has shareholder authority to match employee subscriptions up to a maximum two for one basis.	Not subject to performance measurement.	Limits vary according to local market practice. In the UK the default limits set out in the UK tax legislation will serve as a maximum, although lower levels may be operated in practice.
CHAIRMAN AND NON-EXECUTIVE DIRECTORS				
Fees	The fees are set in order to attract and retain high calibre individuals by offering market competitive fees, taking into account the time that is required to fulfil the relevant role.	Fees are reviewed annually. The Chairman of the Board is paid a consolidated fee to reflect all the duties associated with the position. The Non-Executive Directors receive a base fee reflecting their duties on the Board and memberships of any Committees. The Senior Independent Director and chairs of Board Committees are eligible for an additional fee, reflecting the additional time and expertise required. The Chairman and Non-Executive Directors are covered under the Group accident and travel policy (as it relates to work on behalf of Informa). Expenses in line with Informa policy will be reimbursed.	Not subject to performance measurement.	There is no prescribed maximum but the levels will reflect the prevailing market practice.

MALUS AND CLAWBACK

The malus and/or clawback provisions may be applied in the following situations:

- material misstatement of the Group's financial results;
- as a result of a regulatory investigation or a breach of any material legislation, rule or code of conduct; and
- if, after the Executive Director has left employment with the Group, facts emerge which, if known at the time, would have resulted in either the share award lapsing or discretion being applied by the Board.

PERFORMANCE MEASURES AND THE TARGET SETTING PROCESS

The performance measures that apply to awards made under the Annual Bonus Plan and LTIPs are selected to ensure that they align with the strategic priorities of the Group. When setting targets, the Committee is mindful of a range of factors including internal budgets, strategic ambitions, analysts' consensus views and investor expectations. Depending on the nature of the measure, some of these factors will play a greater role than others. Targets are set to ensure they are suitably challenging with the goal of contributing to long-term shareholder value creation.

The Committee also considers corporate performance on environmental, social and governance issues when setting the remuneration of the Executive Directors. In its judgement the remuneration policies for both Executive Directors and senior management do not raise environmental, social or governance/operational risks by inadvertently motivating irresponsible behaviours.

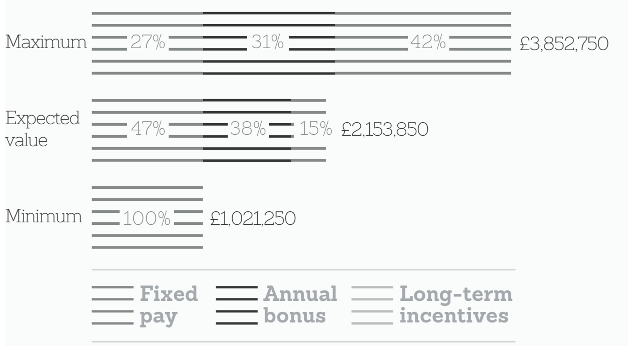
PAY FOR PERFORMANCE SCENARIOS

The Company's policy is that a clear majority of the maximum potential remuneration of the Executive Directors should be performance related. For each of the Executive Directors, the following bar charts and tables illustrate the composition of remuneration for the 2015 financial year under three performance scenarios:

- Minimum, which assumes no variable elements of pay are awarded or vest;
- Expected, which assumes target bonus is paid (linked to delivering budgeted financial performance) and threshold vesting under the LTIP; and
- Maximum, which assumes the variable elements of pay are awarded or vest in full.

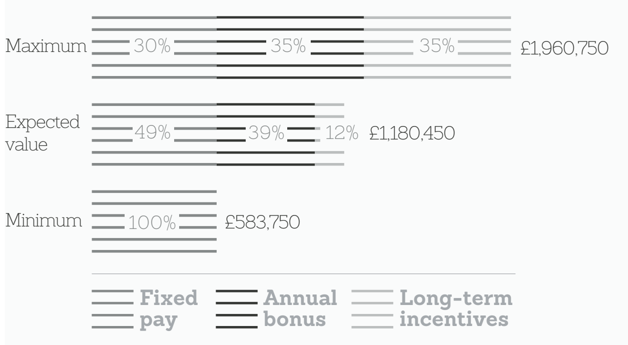
STEPHEN A. CARTER

Level of performance	Minimum	In line with expectations	Maximum
Fixed pay		Salary: £809,000 Pension: 25% of salary Benefits: £10,000	
Annual bonus (% of salary)	0%	100%	150%
Long-term incentives (% of salary)	0%	40%	200%



GARETH WRIGHT

Level of performance	Minimum	In line with expectations	Maximum
Fixed pay		Salary: £459,000 Pension: 25% of salary Benefits: £10,000	
Annual bonus (% of salary)	0%	100%	150%
Long-term incentives (% of salary)	0%	30%	150%



No elements of pay for the Chairman and Non-Executive Directors are subject to performance, as set out in the Policy table.

OTHER REMUNERATION POLICIES

APPOINTMENTS TO THE BOARD

There are a number of factors that the Committee will take into account when making an appointment to the Board, which may vary depending on whether the individual is an external hire or internal promotion. While the intention is that the elements of pay will be consistent with the table set out earlier in this Policy, to allow for the uncertainties associated with making appointments, particularly when recruiting externally, the following guiding principles additionally form part of the appointments policy for Executive Directors:

- Salary levels will be informed by those factors set out in the Policy table, but also by an individual's prior experience. If in the Committee's judgement it is appropriate to appoint an individual on a salary below market norms, the Committee may exceed the 'normal' rate of increase set out in the Policy table in the following two to three years based on performance in role.
- Benefits will be in line with the elements set out in the Policy table but may vary if a non-UK national is appointed or if a role is to be based outside the UK.
- The aggregate incentive awards that can be received in one year will not exceed 350% of salary, in line with the maxima in the Policy table. However, the Committee reserves the right to make aggregate incentive awards of up to 400% in exceptional circumstances. In the year of appointment an off-cycle award under the LTIP may be made by the Committee to ensure an immediate alignment of interests. Performance measures and targets will be reviewed and may be changed to ensure they are appropriate depending on the timing and nature of the appointment.
- In the event of an external appointment, the Committee may buy-out incentive awards (both annual and long term) that the individual has forfeited on departure. In determining the nature of any award, the Committee will be informed by the likelihood of vesting, the applicability of performance requirements, the time horizons, the anticipated value of any awards and the vehicle of the awards. The Committee may rely on the Listing Rules exemption (Rule 9.4.2) to the extent that the existing plan limits do not provide sufficient headroom to enable the award of a share-based buy-out.
- In the event of an internal appointment to the Board, pre-existing obligations can be honoured by the Committee and so payment will be permitted under this Policy.

Fees for any new Non-Executive Director will be set in accordance with the levels prevailing for the other Non-Executives at the time of the appointment. In the event of a new Chairman being appointed, the consolidated fee will be informed by the individual's experience and profile, as well as the anticipated time commitment and market rates. The Company may pay additional benefits related to travel and relocation depending on the nationality and home market of the incumbent.

SERVICE CONTRACTS

The Committee's policy with respect to service contracts is summarised below:

Notice period	Up to 12 months' prior notice by either party
Payment in lieu of notice ("PILON")	Payment on immediate termination by the Company, of salary, benefits allowance and pensions allowance covering the Executive Director's notice period. Such payments are to be made in equal monthly instalments in arrears and the Company is entitled to reduce such payments by the amount of any earnings received or receivable by the Executive Director from any other employment, engagement, office or appointment in respect of the same period.
Change of control provisions	The Executive Director will have no claim against the Company against the undertaking arising out of or connected with a change of control of the Company.
Entitlements on termination	No automatic entitlement to compensation for the loss of any rights or benefits under any share option, bonus, LTIP or other profit sharing or benefit scheme operated by the Company. No payment of salary, benefits allowance, pensions allowance or bonus except for that described above in PILON.

The Chairman and Non-Executive Directors have letters of appointment which are terminable by either party on three months' notice. The service contracts are available for inspection at the registered office and will be available for inspection at the AGM.

LOSS OF OFFICE

The principle that underpins the Committee's loss of office policy is that no payments for failure will be made. Loss of office payments will be made in accordance with the relevant contractual employment or settlement obligations and provisions under the Plan Rules, as illustrated below:

	Gross misconduct	Resignation or dismissal for cause	Retirement, death or negotiated termination not for cause	Committee discretion
Salary	No right to payment past last working day for summary dismissal.	Payable for the period of notice if worked or unworked.	Payable for the period of notice if worked or unworked.	
Retirement benefits	No right to payment past last working day for summary dismissal.	Payable for the period of notice if worked or unworked.	Payable for the period of notice if worked or unworked.	
Other benefits	No right to cover past last working day for summary dismissal.	Payable for the period of notice if worked or unworked.	Payable for the period of notice if worked or unworked.	The Committee reserves the right to make a payment in lieu of benefits provision.
Annual bonus (cash)	No payment for any unpaid cash bonus award.	No right to a bonus or time apportioned bonus if the Executive Director is under notice of termination at or before the date when a bonus relating to the relevant financial year might otherwise have been payable.	No right to a bonus or time apportioned bonus if the Executive Director is under notice of termination at or before the date when a bonus relating to the relevant financial year might otherwise have been payable.	The Committee reserves the right to make a payment but will always be subject to the performance conditions for the relevant performance period.
Annual bonus (deferred shares)	No right to any deferred shares, which are yet to vest.	No right to any shares yet to vest at the end of the notice period.	All deferred shares are awarded at the end of the notice period.	
Long-term incentive awards	No right to any LTIP awards yet to vest.	No right to any LTIP awards yet to vest.	The vesting of all LTIP shares is brought forward to the termination date with performance measured around that time and awards pro-rated to that day.	
Share awards under SIPs	Entitled to employee purchased shares only.	Entitled to employee purchased shares only.	Entitled to employee purchased shares and, in certain circumstances, any matching shares.	

The Company may terminate an Executive Director's service contract with immediate effect by giving written notice of its intention to make a payment in lieu of notice to the Executive Director equal to the salary, benefits allowance and pensions allowance that the Executive Director would be entitled to receive during the unexpired part of the notice period less any required deductions.

Letters of appointment of the Chairman and Non-Executive Directors provide for payment of accrued fees up to the date of termination together with reimbursement of any expenses properly incurred prior to the date of termination. Termination may be for any reason, including resignation, non-re-election by shareholders, gross misconduct or termination for cause.

CONSIDERATIONS TAKEN INTO ACCOUNT WHEN SETTING THE DIRECTORS' REMUNERATION POLICY

In determining remuneration policy, the Committee's primary focus is on the needs of the business, strategic alignment and what is in the best interests of shareholders. Market practice more generally, feedback from shareholders and aspects of practices across the Group are taken into account.

PRACTICES ACROSS THE GROUP

Informa is a diverse company, in terms of geography, business portfolio and remuneration practices (driven by a large number of small acquisitions). While the Committee does take into account some aspects of remuneration across the Group when setting Executive Directors' pay policy (largely base pay increases), other areas are less relevant given the significant differences in operation which are influenced by geography, line of business and, where appropriate, legacy plans that were operated on acquisition. As a result, the levels and structure of remuneration for different groups of employees will differ from the policy for Executive Directors as set out earlier but with the common intention that remuneration agreements have regard to all reasonable factors. In addition, for the reasons mentioned earlier, and also the operational challenges and cost associated with undertaking the exercise, the Committee has not sought employee views on the formulation of the Policy and no comparison metrics are used.

In summary, for the senior management team base salary is reviewed annually taking into account factors consistent with the executive pay review. However, incentive pay varies significantly with far greater focus placed on annual performance in the relevant Division or business unit.

FEEDBACK FROM SHAREHOLDERS

The Committee considers shareholder feedback received at the AGM each year and, more generally, guidance from shareholder representative bodies. It also engages with shareholders as and when appropriate on specific matters or in the event of a significant vote against.

ANNUAL REPORT ON REMUNERATION

The following section sets out details of the Directors' Remuneration in 2014, along with how the policy will be implemented in 2015.

REMUNERATION COMMITTEE

The Committee is responsible to the Board. The principal responsibilities of the Committee are set out on pages 90 and 91 and in the Committee's terms of reference. The terms of reference were reviewed during the year and are available on the Group website.

The membership of the Committee during 2014 was as follows:

Geoffrey Cooper (Chairman of Committee)
Dr Pamela Kirby (member until 23 May 2014)
Dr Brendan O'Neill
John Davis
Helen Owers

The Company Chairman, Derek Mapp, usually attends the meetings by invitation only but is not present when matters relating to his own remuneration are discussed. The Committee met five times during 2014 and there was full attendance at each meeting. Dr Pamela Kirby attended two meetings in 2014 prior to stepping down from the Board at the AGM in May 2014. None of the members who served on the Committee during the year had any personal financial interest (other than as a shareholder of the Company) or conflicts of interests arising from cross-directorships or day-to-day involvement in running the business.

In determining the Executive Directors' remuneration, the Committee consulted the Chairman about its proposals; no Executive Director played a part in any decision about his or her own remuneration. The Company Secretary and the Director of Talent & Transformation also provided assistance to the Committee during the year.

Towers Watson Inc. was appointed by the Committee as its remuneration adviser in 2010 following a formal tender process, and continued to provide advice during the year. The Committee has satisfied itself that Towers Watson's advice is independent and objective, taking into account the fact that Towers Watson is a member of the Remuneration Consultants Group and they follow its voluntary code of conduct. Towers Watson does not provide any other material services to the Group. Dr Brendan O'Neill is a member of the Towers Watson plc board, the holding company of Towers Watson Inc., and is not and has never taken part in any discussions on the selection of advisers or their contract. Fees paid to Towers Watson in respect of services during the financial year ended 31 December 2014 amount to £110,000 and primarily related to attendance at Committee meetings, advice in relation to the Executive Director appointment, incentive plan performance monitoring, shareholder consultation and AGM support, and incentive plan design. The Committee has not requested advice from any other external firms apart from Towers Watson during the year ended 31 December 2014.

The following table summarises the details of votes cast in respect of the resolutions to approve the Directors' Remuneration Report and the Directors' Remuneration Policy at the 2014 AGM:

Of issued share capital	Votes for	Votes against	Total votes cast	Votes withheld (abstentions)
Directors' Remuneration Policy	423,754,235	27,349,956	451,104,191	4,420,190
	93.94%	6.06%	74.69%	–
Annual Remuneration Report	420,924,461	6,146,910	427,071,371	28,453,011
	98.56%	1.44%	70.71%	–

The following information has been subject to audit.

APPOINTMENT OF EXECUTIVE DIRECTOR

In determining Gareth Wright's remuneration, the Committee, in consultation with the Chairman and Group Chief Executive, took into account factors such as prior experience, market data, Informa's remuneration practices and policy, and broader remuneration trends across the Group.

On his appointment as Group Finance Director, it was agreed by the Committee that Gareth Wright would receive:

- a basic salary of £450,000 per annum;
- a Company contribution of 25% of base salary to the Company's Group Personal Pension, his own pension vehicle or in full or part as a gross cash payment;
- an annual bonus opportunity of 150% of base salary which will be subject to the same EPS test as the Group Chief Executive; and
- an award under the LTIP of 150% of base salary.

As Gareth Wright was an existing employee when appointed Group Finance Director, he was already eligible to participate in the Company's benefits scheme which consists of: death-in-service scheme; the SIPs; private health plan; accident and permanent health insurance; and dental and travel insurance for him and his family.

In light of his salary on appointment, the Committee does not envisage exceeding the 'normal' rate of increase as provided for within our Policy.

EXECUTIVE DIRECTOR SINGLE FIGURE TABLE

(£)		Base salary	Taxable benefits[3]	Pension	Total fixed pay	Annual bonus[4]	Long-term incentives[5]	Total variable pay	Other remuneration	Total
Stephen A. Carter[1]	2014	793,100	9,677	198,275	1,001,052	793,100	–	793,100	–	1,794,152
	2013	256,667	711	64,167	321,545	227,200	–	227,200	–	548,745
Gareth Wright[2]	2014	212,903	5,599	52,583	271,085	212,903	–	212,903	–	483,988
	2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1 Stephen A. Carter was appointed CEO-Designate on 1 September 2013. The 2013 figures disclosed represent remuneration for the period 1 September 2013 to 31 December 2013.

2 Gareth Wright was appointed as Group Finance Director with effect from 9 July 2014. The 2014 figures disclosed represent remuneration for the period 9 July 2014 to 31 December 2014.

3 Taxable benefits include company car, family private health insurance, family dental insurance, accident insurance and permanent health insurance cover.

4 All of the annual bonus for 2013 and 2014 was payable in cash.

5 Given their recent appointments, neither Executive Director had long-term incentives due to vest during the period disclosed.

The following subsections set out relevant information on each component of the Executive Directors' remuneration.

BASE SALARY

In line with the Policy, Executive Directors' salaries were reviewed at the end of 2013 and the Committee determined that the basic salary of the Executive Directors would increase by 3%.

	Previous salary	Effective date	2014 salary	Effective date
Stephen A. Carter	£770,000	1 September 2013	£793,100	1 January 2014
Gareth Wright	–	–	£450,000	9 July 2014

PENSION

Neither of the Executive Directors is a member of the defined benefits schemes provided by the Company or any of its subsidiaries and accordingly they have not accrued entitlements under these schemes.

The Company makes a cash payment of 25% of basic salary on behalf of both Stephen A. Carter and Gareth Wright in lieu of pension contributions.

ANNUAL BONUS

At the start of the financial year, targets linked to the achievement of budgeted diluted adjusted EPS were set. The Committee considered a range of budgeted adjusted EPS outcomes, taking the reported adjusted EPS figure, and making further adjustments for changes to the Company's capital relating to the rights issue, and for the impact in 2014 of M&A activity, taking into account the normal levels of such activity. The range of EPS data produced annual incentive payments varying from 95.7% to 104.7%. The Committee exercised its discretion to determine that the award should be 100%.

Threshold EPS	Target EPS	Maximum EPS	Actual EPS
36.92p	41.02p	45.12p	40.67p

	Performance-related bonus	Amount payable in cash	Amount payable in deferred shares
Stephen A. Carter	£793,100	£793,100	0
Gareth Wright	£212,903	£212,903	0

AWARDS GRANTED UNDER THE LONG-TERM INCENTIVE PLAN

The following awards were granted under the LTIP in 2014, in the form of conditional awards:

	Date of award	Number of shares awarded	Price at date of award[1]	Value as a percentage of base salary	Value at date of award (£)
Stephen A. Carter	8 September	306,216	518.00p	200%	1,586,199
Gareth Wright	8 September	130,308	518.00p	150%	674,995

[1] All LTIP awards were granted as free conditional awards. The share price used to calculate the value of each award is the share price on the date immediately prior to the date of grant of the award.

Performance will be measured over three consecutive financial years commencing 1 January 2014 and are subject to the following performance conditions:

	Performance condition and the associated weighting		
	TSR relative to FTSE All-Share Media constituents	TSR relative to the FTSE 350 constituents, excluding Investment Trusts	Key strategic objectives specific to the individual
Stephen A. Carter	37.5%	37.5%	25.0%
Gareth Wright	33.3%	33.3%	33.3%

Total shareholder return ("TSR") will be measured relative to the performance of the constituent companies in each index at the end of the performance period. If Informa ranks at median, 20% of the award will vest. This increases on a straight line basis to full vesting for ranking at or above the 80th percentile.

In addition to the TSR measure, the Committee introduced individual strategic objectives for awards made in 2014. Given the journey that Informa is on and the *Growth Acceleration Plan* mentioned in both the Chairman's Statement and the Report, the Committee felt it important to incentivise and reward Executive Directors for key achievements in areas tied to the long-term success of this plan. The strategic objectives against which performance will be measured relate to: portfolio evaluation and performance in the **Business Intelligence** Division; operational fitness across the Group; strengthening management talent across the Group; and internationalisation and geo-cloning with respect to the **Global Exhibitions** and **Knowledge & Networking** Divisions. The Committee will disclose details of their assessment of performance following the conclusion of the performance period.

SHAREMATCH (SHARE INCENTIVE PLAN)

Prior to June 2014, the Company offered eligible employees, including Executive Directors, the opportunity to participate in a UK tax qualifying SIP, Informa Invest, under which employees could invest up to £125 per month out of gross salary in the Company's shares. This scheme did not include a matching share element.

In June 2014, the Company launched *ShareMatch*, a global SIP (tax qualifying in the UK), under which eligible employees can invest up to the limit of £1,800 per annum out of net salary (gross salary in the UK) in the Company's shares. The scheme includes a matching element, whereby for every two shares purchased, the Company will award the participant one matching share. Matching shares are subject to forfeiture if the purchased shares are withdrawn from the scheme within three years of purchase. In addition, both the purchased and matching shares are eligible to receive any dividends payable by the Company, which are reinvested in more shares.

Following the launch of *ShareMatch*, no further contributions were allowed into the existing Informa Invest and the US Employee Stock Purchase Plan.

Both Stephen A. Carter and Gareth Wright participate in *ShareMatch*.

PAYMENTS FOR LOSS OF OFFICE

No payments for loss of office were made during the year ended 31 December 2014.

PAYMENTS TO PAST DIRECTORS

The only payments made to past Directors during the year ended 31 December 2014 were under the Company's pension schemes.

CHAIRMAN AND NON-EXECUTIVE DIRECTOR SINGLE FIGURE TABLE

	2014			2013		
	Total fees (£)	**Taxable benefits**	**Total (£)**	Total fees (£)	Taxable benefits	Total (£)
Derek Mapp	**257,500**	**–**	**257,500**	250,000	–	250,000
Gareth Bullock[1]	**66,969**	**–**	**66,969**	–	–	–
John Davis	**61,214**	**–**	**61,214**	59,431	–	59,431
Dr Brendan O'Neill	**74,305**	**–**	**74,305**	72,141	–	72,141
Helen Owers	**61,214**	**–**	**61,214**	–	–	–
Geoffrey Cooper	**71,080**	**–**	**71,080**	–	–	–
Cindy Rose	**61,214**	**–**	**61,214**	49,526	–	49,526
Dr Pamela Kirby[2]	**29,617**	**–**	**29,617**	69,010	–	69,010

[1] Gareth Bullock was appointed Senior Independent Non-Executive Director with effect from 23 May 2014.

[2] Pamela Kirby resigned as Senior Independent Non-Executive Director on stepping down from the Board with effect from 23 May 2014.

CHAIRMAN AND NON-EXECUTIVE DIRECTORS' REMUNERATION IN 2014

The remuneration of the Chairman is determined by the Committee in consultation with the Group Chief Executive.

The remuneration of the Non-Executive Directors is determined by the Chairman and the Executive Directors within the limits set by the Articles.

With effect from 1 January 2014 the Chairman's fee and the Non-Executive fees were increased by 3% as shown below:

	Previous fee (£)	Effective date	2014 fee (£)	Effective date
Chairman	250,000	1 January 2013	257,500	1 January 2014
Non-Executive Directors	59,431	1 January 2013	61,214	1 January 2014
Audit Committee Chairman	12,710	1 January 2013	13,091	1 January 2014
Remuneration Committee Chairman	9,579	1 January 2013	9,866	1 January 2014
Senior Independent Directors	9,579	1 January 2013	9,866	1 January 2014

Non-Executive Directors are not eligible to participate in any of the Company's SIPs or join any Company pension scheme.

The following information has not been subject to audit.

IMPLEMENTATION OF THE DIRECTORS' PAY POLICY IN 2015

The Committee can confirm that the fixed pay for the Chairman, Non-Executive Directors and Executive Directors in 2015 has increased by 2% effective 1 January 2015 in line with other Group employees.

The pay policy for 2015 falls within the previously approved Policy but as a direct consequence of the re-domicile in 2014, we are required to seek shareholder approval of the same Policy at the 2015 AGM. However, following the review and shareholder consultation in late 2014, the Committee intends to amend the performance measures used for the LTIP awards in 2015, as follows:

- Compound EPS growth, as a new measure, weighted at 50%, replacing the individual strategic measures applied in 2014. The balance of awards (50%) will continue to be based on relative TSR performance against a refreshed peer group of select companies ranked in the FTSE 51–150.

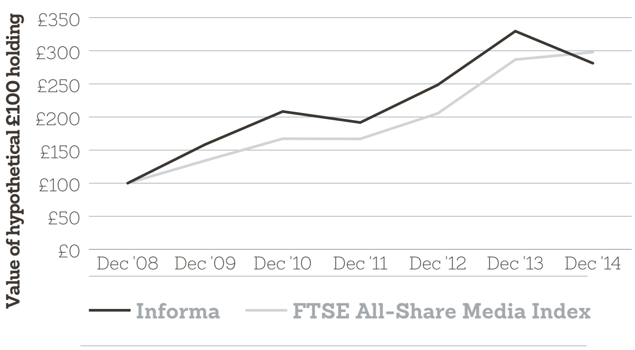
The introduction of these new measures provides a clear line of sight to the priorities set out in the *Growth Acceleration Plan* (see page 15) and aligns incentive awards with success in delivering against the plan. In summary, these measures seek to balance sustainable and efficient growth, while continuing to deliver against EPS expectations and driving long-term shareholder value. The Board is currently developing the 2015 budget and long-term financial plan. Following this process, performance measure targets and ranges will be set and communicated to participants. The Committee will set appropriately stretching targets for each performance cycle, taking into account these internal goals as well as analyst expectations, cost of capital and peer performance.

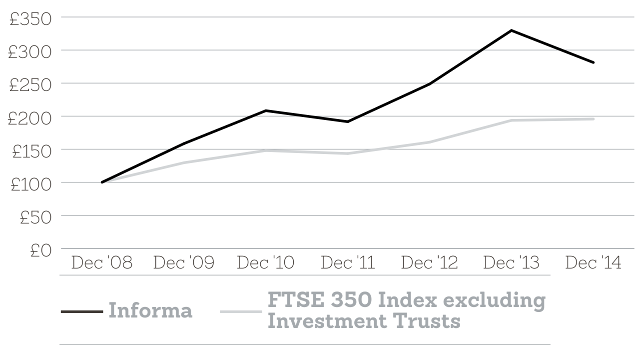
In addition, in accordance with regulatory body recommendations, the Company will introduce malus and clawback provisions from 2015 onwards. The Committee will have the option to exercise the provisions if it sees fit using malus during the vesting period for the deferred element of the annual bonus or in relation to an LTIP award during the performance period and clawback post-vesting.

HISTORICAL TSR AND GROUP CHIEF EXECUTIVE PAY

The graphs below illustrate the TSR performance of Informa compared with the performance of the FTSE All-Share Media Index and the FTSE 350 Index excluding Investment Trusts, in the six year period ended 31 December 2014. These indices have been selected for this comparison because the Company is a constituent company of both and performance relative to these indices informs vesting or partial vesting under the LTIP.

HISTORICAL TSR PERFORMANCE
GROWTH IN THE VALUE OF A HYPOTHETICAL £100 HOLDING INVESTED IN INFORMA OVER SIX YEARS
COMPARISON OF SPOT VALUES





Over the same six year period, total remuneration of the individual holding the role of Group Chief Executive has been as follows:

Year	Group Chief Executive	Currency[2]	Group Chief Executive single figure of total remuneration	Annual bonus payout against maximum opportunity (%)	Long-term incentive vesting rates against maximum opportunity (%)[3]
2014	Stephen A. Carter	GBP	1,754,145	66.7	n/a
2013	Stephen A. Carter[1]	GBP	588,365	59.0	n/a
	Peter Rigby	CHF	3,718,566	n/a	0
2012	Peter Rigby	CHF	3,987,897	65.9	42.5
2011	Peter Rigby	CHF	5,231,269	75.7	74
2010	Peter Rigby	CHF	3,067,504	86.3	0
2009	Peter Rigby	GBP	1,651,200	83.6	40.2

1 Group Chief Executive remuneration for Stephen A. Carter for 2013 covers the period from 1 September 2013 to 31 December 2013.
2 The exchange rate used for 2013 can be found on page 64 of the Annual Report 2013, for 2012 page 59 of the Annual Report 2012, for 2011 page 57 of the Annual Report 2011 and for 2010 page 44 of the Annual Report 2010.
3 In respect of the performance period ending 31 December in the relevant financial year.

CHANGE IN THE REMUNERATION FOR THE GROUP CHIEF EXECUTIVE RELATIVE TO EMPLOYEES

The following table shows the percentage change in salary, benefits and bonus from 2013 to 2014 for the Group Chief Executive and the average percentage change from 2013 to 2014 for an average employee of the Group:

	Salary (%)[1]	Benefits (%)[1]	Bonus (%)[1]
Group Chief Executive	(9.1)	(95.6)	(9.1)
All employees	(1.2)	(10.7)	(2.2)

1 The Group Chief Executive figures reflect the percentage change in salary, benefits and bonus of Peter Rigby in 2013 compared to Stephen Carter in 2014. Peter Rigby's salary, benefits and bonus have been converted from Swiss Francs to Sterling based on the average GBP/CHF exchange rate for 2013 of 1.4464.

RELATIVE IMPORTANCE OF SPEND ON PAY

The table below shows the aggregate employee remuneration, dividends paid in the year, revenue and operating profit as stated in the financial statements, for the years ended 31 December 2014 and 31 December 2013:

	2014	2013	% change
Total number of employees[1]	**6,652**	6,593	0.9
Aggregate employee remuneration[1] (£m)	**282.5**	283.9	(0.5)
Remuneration per employee (£)	**42,468**	43,054	(1.4)
Dividends paid in the year[2] (£m)	**114.0**	114.0	–

1 Figures taken from Note 10 to the Consolidated Financial Statements.
2 Figures taken from Note 15 to the Consolidated Financial Statements.

SHARE OWNERSHIP GUIDELINES

The current share ownership guidelines were approved by the Committee in October 2013. Under these guidelines, Executive Directors are expected to build up, over a five year period from their date of appointment to the Board, a holding in the Company's shares equal to at least one and a half times annual basic salary. The Company Secretary monitors adherence to the guidelines, reports to the Committee and informs the Executive Directors of the extent to which the guidelines have been met.

DIRECTORS' SHARE INTERESTS

As the Executive Directors were recently appointed, the requirement to hold shares in the Company equal to at least one and a half times annual basic salary has not yet been met. The number of shares of the Company in which Executive Directors had a beneficial interest and details of their Share Plan Interests as at 31 December 2014 are set out in the table below:

				Share Plan Interests		
				Long-term Incentive Plan – Conditional awards[3]		*ShareMatch* and Informa Invest (Share Incentive Plans)[4]
Director	Total interests[1]	Beneficial shareholding	Current shareholding (% of salary) as at the end of the financial year[2]	Unvested	Vested but unexercised	
Stephen A. Carter	419,220	36,724	22.14%	381,928	–	568
Gareth Wright	190,856	2,616	4.66%	186,404	–	1,836

1 Total interests are shares held as beneficial, non-beneficial and those held by connected persons, and also shares held in the LTIP, Informa Invest and *ShareMatch*.

2 The share price as at 31 December 2014 has been taken for the purpose of calculating the current shareholding as a percentage of salary.

3 All awards made under the LTIP are subject to performance conditions.

4 Shares held under *ShareMatch* are made up of shares purchased by the Executive Director, shares 'matched' by the Company and dividend shares.

There have been no changes in the Executive Directors' shareholdings between 31 December 2014 and the date of this Report.

Non-Executive Directors are not subject to a shareholding requirement. Details of their interests in shares as at 31 December 2014 are set out below:

Non-Executive Director	Shareholdings as at 31 December 2014
Derek Mapp	100,000
Gareth Bullock	10,000
John Davis	79,000
Dr Brendan O'Neill	8,200
Cindy Rose	–
Geoffrey Cooper	10,252
Helen Owers	–

None of the Directors had any beneficial interests in the shares of other Group companies. In addition to the beneficial interests in the shares of the Company shown above, during 2014 Stephen A. Carter and Gareth Wright were, for the purposes of the UK Companies Act 2006, regarded as interested in the ordinary shares held by Nautilus Trust Company Limited, as trustee of the Informa Group Employee Share Trust. This trust held 737,272 shares at 31 December 2014, of which 737,272 have not been allocated to individuals. Employees of the Group (including Stephen A. Carter and Gareth Wright) are potential beneficiaries under this trust.

OUTSIDE APPOINTMENTS

Executive Directors are entitled to accept appointments outside of the Company provided that the Chairman determines that it is appropriate. Stephen A. Carter was appointed as a Non-Executive Director of United Utilities Group PLC on 1 September 2014 and retained fees of £20,000 with respect to this role in the financial year 2014. Stephen was also Chairman of the Board of the Ashridge Business School up until April 2014, is a Governor of the Royal Shakespeare Company and a member of the House of Lords; however, he does not receive remuneration for any of these roles.

DIRECTORS' CONTRACTS

As a result of the re-domicile to the UK, Stephen A. Carter entered into a new service contract with the Company. That contract was executed under English law but the terms and conditions are essentially the same as those contained in his previous service contract which had been entered into under Swiss law.

Each of the Non-Executive Directors has specific terms of appointment.

The dates of the Directors' original contracts are shown in the table below. The current contracts, which include details of remuneration, are available for inspection at the Company's registered office and will be available for inspection at the AGM. The Executive Directors' contracts have a 12 month notice period by either party and the Non-Executive Directors' letters of appointment are terminable by either party by three months' notice.

	Date of original contract
Executive Directors	
Stephen A. Carter[1]	9 July 2013
Gareth Wright	9 July 2014
Non-Executive Directors	
Derek Mapp	10 May 2004
John Davis	19 September 2005
Dr Brendan O'Neill	26 November 2007
Cindy Rose	1 March 2013
Gareth Bullock	1 January 2014
Geoffrey Cooper	1 January 2014
Helen Owers	1 January 2014

[1] Stephen A. Carter was appointed as CEO-Designate on 1 September 2013 and became Group Chief Executive on 1 January 2014.

The following information has been subject to audit.

DIRECTORS' PARTICIPATION IN THE LONG-TERM INCENTIVE PLAN

The Executive Directors have been granted conditional awards over shares in the Company under the LTIP as detailed in the Remuneration Policy table.

The subsisting LTIP awards for the Executive Directors as at 31 December 2014 are as follows:

	Award date	At 31 December 2013	Vested	Lapsed	Granted	At 31 December 2014	End of performance period
Stephen A. Carter	01.09.2013	75,712	–	–	–	**75,712**	31.12.2015
	08.09.2014	–	–	–	306,216[1]	**306,216**	31.12.2016
		75,712	–	–	306,216	**381,928**	
Gareth Wright	06.03.2012	30,145	–	–	–	**30,145**	31.12.2014
	07.03.2013	25,951	–	–	–	**25,951**	31.12.2015
	08.09.2014	–	–	–	130,308[1]	**130,308**	31.12.2016
		56,096	–	–	130,308	**186,404**	

[1] The market price of the Company's shares on the grant date was 518.00p per share.

Subject to achievement of the relevant performance conditions and continued employment, these awards will vest subject to a three year performance period, commencing on 1 January of the year of grant.

The market price of the Company's ordinary shares at 31 December 2014 was 470.8p and the range during the year was between 445.9p and 569.0p. The daily average market price during the year was 498.7p.

APPROVAL

This Report was approved by the Board of Directors and signed on its behalf by:

GEOFFREY COOPER
CHAIRMAN OF THE REMUNERATION COMMITTEE
12 February 2015

OPINION ON FINANCIAL STATEMENTS OF INFORMA PLC

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2014 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

The financial statements comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes to the Consolidated Financial Statements and the Parent Company Financial Statements. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

GOING CONCERN

As required by the Listing Rules we have reviewed the Directors' statement on page 76 that the Group is a going concern. We confirm that:

- we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

The procedures described in our response to each risk below are not exhaustive and we have focused on those procedures that we consider address areas of judgement or subjectivity. As part of our audit of the Group, in addition to substantive tests, we also test the design and implementation of internal controls over financial reporting in each of the risk areas.

THE ASSESSMENT OF THE CARRYING VALUE OF GOODWILL AND OTHER INTANGIBLE ASSETS

Risk

The Group has £1.7bn of goodwill and a further £0.8bn of other intangible assets on the balance sheet as at 31 December 2014. Management is required to perform an annual impairment test, which is judgmental and based on a number of assumptions including those in respect of future profitability, cash generation and discount rates. These are described in Notes 3, 17 and 18 to the Consolidated Financial Statements.

During the period an impairment of goodwill and intangible assets of £202.5m has been recognised (see Note 2 to the Consolidated Financial Statements).

How the scope of our audit responded to the risk

We audited the assumptions used in management's impairment test for goodwill and other intangible assets. Our audit testing procedures included:

- considering the short and medium-term cash flow projections (2015–2019) against recent performance, historical forecasting accuracy and comparing to relevant external market data;
- comparing the long-term growth rate forecasts (from 2020 onwards) against long-term economic growth rates for relevant territories;
- involving our internal valuation specialists to assess the model used in the impairment test and the appropriateness of the key components of the discount rate calculation;
- recalculating the impairment loss recorded and the sensitivities applied by management and considering their reasonableness; and
- performing further sensitivity analysis on the impairment model.

ACCOUNTING FOR BUSINESS COMBINATIONS

Risk

The Group has completed eight business combinations in the period with a total net cash outflow of £352.5m. The accounting for each of these involves judgement and is based on assumptions about the fair value of assets and liabilities acquired, and the consideration paid. Information in respect of the acquisitions made is in Note 19.

How the scope of our audit responded to the risk

We analysed the sale and purchase agreements for each of the business combinations and challenged the acquisition accounting applied by management for each. This included:

- testing the validity and completeness of consideration to the underlying agreements and consideration paid;
- evaluating management's assumptions and methodology supporting the fair values of intangibles and net assets acquired for each acquisition in the year; and
- assessing the terms of each acquisition to ensure components of compensation and remuneration had been correctly identified and that acquisition costs had been expensed.

In respect of the Virgo Group and Provisuale Participações Ltda acquisitions we involved our internal valuation specialists to assess the appropriateness of the nature and valuation of the intangible assets identified. This assessment included testing the assumptions used including discount rates, useful economic lives, growth rates and the expected rate of return from customer relationships.

THE RECOVERABILITY OF LONG-TERM RECEIVABLES

Risk

The Group holds a number of long-term receivable balances, the most significant being with China Medical Data Services, Robbins Gioia and the acquirers of the Corporate Training business disposed of in 2013. At 31 December 2014 the carrying value of these receivables was £30.1m (see Note 26 to the Consolidated Financial Statements). The recoverability of these balances is identified as a significant risk as it is dependent on the performance of the related businesses.

During the period an impairment charge of £14.5m was recognised in relation to the China Medical Data Services and Expo Vinis receivables (see Note 2 to the Consolidated Financial Statements).

How the scope of our audit responded to the risk

The audit procedures we performed in assessing the carrying value and recoverability of long-term receivables included:

- reviewing the underlying agreements and vouching movements in the receivables to relevant supporting documentation;
- testing management's calculation of the fair value of long-term receivables including assumptions such as discount rates applied; and
- assessing future recoverability through:
  - gaining an understanding of the developments in these businesses during the period;
  - reviewing and assessing current and likely future business performance from financial information submitted from the relevant third parties; and
  - considering payments received in the period.

REVENUE RECOGNITION

Risk

The risk of material misstatement in revenue recognition varies across the different activities and revenue streams of the Group. The Group's revenue recognition accounting policies are disclosed in Note 3 to the Consolidated Financial Statements.

In respect of **Global Exhibitions** and **Knowledge & Networking** we identified the risk of revenue from one or more events being recognised in the wrong period, particularly for events held close to year end.

In respect of both **Academic Publishing** and **Business Intelligence** we identified the risk that the deferral and release of subscription revenues did not appropriately match the underlying terms of the contract.

We also identified the cut-off risk within **Academic Publishing** in relation to the significant volume of transactions leading up to the year end.

How the scope of our audit responded to the risk

Based on the design and implementation of controls work we performed, and the process walkthroughs we completed, we designed substantive procedures to respond to each of the specific risks of material misstatement we identified. We performed operating effectiveness testing of controls and subsequently took controls reliance in respect of auditing the UK component. The substantive audit procedures we performed across the Group included:

- obtaining evidence of invoices, payments, exhibitor contracts and evidence of event occurrence to determine whether deferred revenue was released at the appropriate time;
- performing a trend analysis of revenue over the course of the year, plotting revenue against the calendar of events for the entities tested and verifying that these events had occurred to third party sources;
- for a sample of transactions close to the year end, examining supporting documentation to determine that revenue recognition criteria had been met and the revenue had been appropriately recognised or deferred in the period; and
- for a sample of subscription transactions, obtaining and reviewing the contracts to validate the revenue recognised and to assess that the revenue recognised was properly allocated across the term of the contract.

Our report for the year ended 31 December 2013 included one other risk which is not included in our report this year which related to the adequacy of provisions for uncertain tax matters. In the previous period the Group negotiated and resolved a number of uncertain tax positions with the tax authorities in the territories to which these uncertain positions related. We therefore do not consider this to be a risk of material misstatement that is required to be included in our audit report for the period ended 31 December 2014.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on pages 87 and 88.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

OUR APPLICATION OF MATERIALITY

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group to be £10m (2013: £9.7m), which is not greater than 5% (2013: 5%) of normalised pre-tax profit from continuing operations. Pre-tax profit from continuing operations has been normalised by removing the impact of impairment charges and specific restructuring and reorganisation costs. This is consistent with the methodology used in 2013 with the exception that normalised profit from continuing operations in 2013 was adjusted for all restructuring and reorganisation costs and acquisition related costs.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £200,000 (2013: £190,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level. Based on that assessment, we focused our Group audit scope primarily on the audit work at seven (2013: seven) locations. Six (2013: six) of these were subject to a full audit, whilst the remaining one (2013: one) was subject to specified audit procedures where the extent of our testing was based on our assessment of the risks of material misstatement and of the materiality of the Group's operations at that location. These seven locations represent the principal business units within the Group's four reportable segments and account for 76% (2013: 73%) of the Group's revenue and 77% (2013: 76%) of the Group's adjusted operating profit. They were also selected to provide an appropriate basis for undertaking audit work to address the risks of material misstatement identified above. Our audit work at the seven locations was executed at levels of materiality applicable to each individual entity which were lower than Group materiality and ranged from £4m to £6m.

At the Group level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.

The Group audit team continued to follow a programme of planned visits that has been designed so that the Senior Statutory Auditor or his designate visits each of the locations where the Group audit scope was focused at least once every two years and the most significant of them at least once a year. In the year ended 31 December 2014 the Senior Statutory Auditor or his designate visited five out of the six full scope audit locations. In years when we do not visit a significant component we will include the component audit team in our team briefing, discuss their risk assessment, and review documentation of the findings from their work.

The scope of our work and the locations identified within the Group audit scope are similar to 2013 as these locations continue to represent the principal business units within the Group's four reportable segments.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns. We have nothing to report arising from these matters.

Corporate Governance Statement

Under the Listing Rules we are also required to review the part of the Corporate Governance Statement relating to the Company's compliance with 10 provisions of the UK Corporate Governance Code. We have nothing to report arising from our review.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team and independent partner reviews.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

ANTHONY MORRIS FCA (SENIOR STATUTORY AUDITOR)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

12 February 2015

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Adjusted results 2014 £m	Adjusting items 2014 £m	Statutory results 2014 £m	Adjusted results 2013[1] £m	Adjusting items 2013[1] £m	Statutory results 2013[1] £m
Continuing operations							
Revenue	6	**1,137.0**	**–**	**1,137.0**	1,130.0	–	1,130.0
Net operating expenses	8	**(802.9)**	**(336.5)**	**(1,139.4)**	(795.3)	(188.7)	(984.0)
Operating profit/(loss)		**334.1**	**(336.5)**	**(2.4)**	334.7	(188.7)	146.0
Share of results of joint ventures	20	**(0.1)**	**(0.3)**	**(0.4)**	0.5	(0.1)	0.4
Loss on disposal of businesses	22	**–**	**(2.8)**	**(2.8)**	–	(3.4)	(3.4)
Finance costs	12	**(28.0)**	**(1.2)**	**(29.2)**	(29.8)	0.3	(29.5)
Investment income	13	**3.6**	**–**	**3.6**	1.9	–	1.9
Profit/(loss) before tax		**309.6**	**(340.8)**	**(31.2)**	307.3	(191.9)	115.4
Tax (charge)/credit	14	**(62.8)**	**43.0**	**(19.8)**	(65.9)	53.5	(12.4)
Profit/(loss) for the year from continuing operations		**246.8**	**(297.8)**	**(51.0)**	241.4	(138.4)	103.0
Discontinued operations							
Loss for the year from discontinued operations	21			**–**			(109.5)
Loss for the year				**(51.0)**			(6.5)
Attributable to:							
– Equity holders of the parent				**(52.4)**			(6.5)
– Non-controlling interest	36			**1.4**			–
Earnings per share from continuing operations							
– Basic (p)	16			**(8.6)**			17.1
– Diluted (p)	16			**(8.6)**			17.1
Earnings per share from continuing and discontinued operations							
– Basic (p)	16			**(8.6)**			(1.1)
– Diluted (p)	16			**(8.6)**			(1.1)
Adjusted earnings per share from continuing operations							
– Basic (p)	16	**40.3**			40.1		
– Diluted (p)	16	**40.3**			40.1		
Adjusted earnings per share from continuing and discontinued operations							
– Basic (p)	16	**40.3**			40.5		
– Diluted (p)	16	**40.3**			40.5		

[1] Restated for the change in accounting for joint ventures (see Note 5).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £m	2013 £m
Loss for the year		**(51.0)**	(6.4)
Share of results of joint ventures		–	(0.1)
Restated loss for the year		**(51.0)**	(6.5)
Items that will not be reclassified to profit or loss			
Actuarial (loss)/gain on defined benefit pension schemes	39	**(8.0)**	8.3
Tax relating to items that will not be reclassified to profit or loss	31	**1.7**	(2.2)
Total items that will not be reclassified to profit or loss		**(6.3)**	6.1
Items that may be reclassified subsequently to profit or loss			
Change in fair value of cash flow hedges	33	**(0.2)**	0.5
Termination of interest rate swaps	33	**(0.3)**	–
Exchange differences on translation of foreign operations		**7.9**	(25.0)
Cumulative foreign exchange losses on disposals[1]	22	–	3.6
Tax relating to items that may be reclassified subsequently to profit or loss	31	**0.1**	(0.1)
Total items that may be reclassified subsequently to profit or loss		**7.5**	(21.0)
Other comprehensive income/(expense) for the year		**1.2**	(14.9)
Total comprehensive expense for the year		**(49.8)**	(21.4)
Attributable from continuing operations to:			
– Equity holders of the parent		**(51.2)**	88.1
– Non-controlling interest	36	**1.4**	–
Attributable from discontinued operations to:			
– Equity holders of the parent		–	(109.5)
– Non-controlling interest	36	–	–

1 Cumulative foreign exchange losses on disposals was only previously presented in the Consolidated Statement of Changes in Equity; this has been corrected above.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital £m	Share premium account £m	Translation reserve £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interest £m	Total equity £m
At 1 January 2013	0.6	2.1	(6.1)	(1,216.6)	2,543.6	1,323.6	–	1,323.6
Share of results of joint ventures	–	–	–	–	0.1	0.1	–	0.1
Restated at 1 January 2013	0.6	2.1	(6.1)	(1,216.6)	2,543.7	1,323.7	–	1,323.7
Loss for the year	–	–	–	–	(6.5)	(6.5)	–	(6.5)
Change in fair value of cash flow hedges	–	–	–	0.5	–	0.5	–	0.5
Exchange differences on translation of foreign operations	–	–	(25.0)	–	–	(25.0)	–	(25.0)
Actuarial gain on defined benefit pension schemes (Note 39)	–	–	–	–	8.3	8.3	–	8.3
Cumulative foreign exchange losses on disposals (Note 22)	–	–	3.6	–	–	3.6	–	3.6
Tax relating to components of other comprehensive income (Note 31)	–	–	–	(0.1)	(2.2)	(2.3)	–	(2.3)
Total comprehensive (expense)/ income for the year	–	–	(21.4)	0.4	(0.4)	(21.4)	–	(21.4)
Dividends to shareholders (Note 15)	–	–	–	–	(114.0)	(114.0)	–	(114.0)
Share award expense (Note 11)	–	–	–	2.2	–	2.2	–	2.2
Own shares purchased	–	–	–	(0.4)	–	(0.4)	–	(0.4)
Purchase of non-controlling interest	–	–	–	–	–	–	1.0	1.0
Transfer of vested LTIPs	–	–	–	(4.0)	4.0	–	–	–
Restated at 1 January 2014	**0.6**	**2.1**	**(27.5)**	**(1,218.4)**	**2,433.3**	**1,190.1**	**1.0**	**1,191.1**
Loss for the year	**–**	**–**	**–**	**–**	**(52.4)**	**(52.4)**	**1.4**	**(51.0)**
Change in fair value of cash flow hedges	**–**	**–**	**–**	**(0.2)**	**–**	**(0.2)**	**–**	**(0.2)**
Termination of interest rate swaps	**–**	**–**	**–**	**(0.3)**	**–**	**(0.3)**	**–**	**(0.3)**
Exchange difference on translation of foreign operations	**–**	**–**	**7.9**	**–**	**–**	**7.9**	**–**	**7.9**
Actuarial loss on defined benefit pension schemes (Note 39)	**–**	**–**	**–**	**–**	**(8.0)**	**(8.0)**	**–**	**(8.0)**
Tax relating to components of other comprehensive income (Note 31)	**–**	**–**	**–**	**0.1**	**1.7**	**1.8**	**–**	**1.8**
Total comprehensive income/ (expense) for the year	**–**	**–**	**7.9**	**(0.4)**	**(58.7)**	**(51.2)**	**1.4**	**(49.8)**
Dividends to shareholders (Note 15)	**–**	**–**	**–**	**–**	**(114.0)**	**(114.0)**	**(0.9)**	**(114.9)**
Shares issued	**–**	**204.0**	**–**	**–**	**–**	**204.0**	**–**	**204.0**
Inversion accounting	**–**	**–**	**–**	**1,756.0**	**(1,756.0)**	**–**	**–**	**–**
Issue of shares under scheme of arrangement	**2,189.3**	**(2.1)**	**–**	**(2,189.9)**	**2.7**	**–**	**–**	**–**
Capital reduction	**(2,189.3)**	**–**	**–**	**–**	**2,189.3**	**–**	**–**	**–**
Share award expense (Note 11)	**–**	**–**	**–**	**1.7**	**–**	**1.7**	**–**	**1.7**
Own shares purchased	**–**	**–**	**–**	**(0.1)**	**–**	**(0.1)**	**–**	**(0.1)**
Put option on acquisition of non-controlling interest	**–**	**–**	**–**	**(0.3)**	**–**	**(0.3)**	**–**	**(0.3)**
Transfer of vested LTIPs	**–**	**–**	**–**	**(2.1)**	**2.1**	**–**	**–**	**–**
At 31 December 2014	**0.6**	**204.0**	**(19.6)**	**(1,653.5)**	**2,698.7**	**1,230.2**	**1.5**	**1,231.7**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Notes	2014 £m	2013[1] £m	2012[1] £m
ASSETS				
Non-current assets				
Goodwill	17	**1,748.9**	1,597.9	1,726.5
Other intangible assets	18	**780.8**	779.0	874.7
Investments in joint ventures	20	**0.2**	0.6	0.5
Property and equipment	23	**17.5**	16.5	19.3
Other receivables	26	**30.9**	38.1	20.4
Derivative financial instruments	33(b)	**–**	0.5	–
		2,578.3	2,432.6	2,641.4
Current assets				
Inventory	25	**44.5**	42.2	38.2
Trade and other receivables	26	**218.9**	203.0	227.0
Current tax asset		**4.2**	2.4	3.1
Cash at bank and in hand	27	**38.6**	32.0	23.9
		306.2	279.6	292.2
Total assets		**2,884.5**	2,712.2	2,933.6
EQUITY AND LIABILITIES				
Capital and reserves				
Called up share capital	34	**0.6**	0.6	0.6
Share premium account	34	**204.0**	2.1	2.1
Translation reserve		**(19.6)**	(27.5)	(6.1)
Reserve for shares to be issued	35	**3.2**	3.6	5.9
Merger reserve	35	**496.4**	496.4	496.4
Other reserve	35	**(2,152.8)**	(1,718.6)	(1,718.6)
Employee Share Option Plan Trust shares	35	**(0.3)**	(0.2)	(0.3)
Hedging reserve	35	**–**	0.4	–
Retained earnings		**2,698.7**	2,433.3	2,543.7
Equity attributable to equity holders of the parent		**1,230.2**	1,190.1	1,323.7
Non-controlling interest	36	**1.5**	1.0	–
Total equity		**1,231.7**	1,191.1	1,323.7
Non-current liabilities				
Long-term borrowings	32	**841.1**	814.1	825.7
Deferred tax liabilities	31	**125.6**	134.5	160.9
Retirement benefit obligation	39	**10.1**	5.4	17.5
Provisions	30	**11.8**	7.1	8.7
Trade and other payables	28	**5.9**	6.5	3.6
		994.5	967.6	1,016.4
Current liabilities				
Short-term borrowings	32	**73.7**	0.5	0.6
Current tax liabilities		**27.3**	45.0	78.0
Provisions	30	**16.4**	12.7	5.1
Trade and other payables	28	**198.0**	179.4	203.3
Deferred income	29	**342.9**	315.9	306.5
		658.3	553.5	593.5
Total liabilities		**1,652.8**	1,521.1	1,609.9
Total equity and liabilities		**2,884.5**	2,712.2	2,933.6

[1] Restated for the change in accounting for joint ventures (see Note 5).

These financial statements were approved by the Board of Directors on 12 February 2015 and were signed on its behalf by

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE

GARETH WRIGHT
GROUP FINANCE DIRECTOR

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £m	2013[1] £m
Operating activities			
Cash generated by operations	38	**317.5**	330.1
Income taxes paid		**(44.3)**	(71.4)
Interest paid		**(31.4)**	(31.2)
Net cash inflow from operating activities		**241.8**	227.5
Investing activities			
Investment income		**0.4**	1.1
Dividends received from joint ventures		**–**	0.2
Purchases of property and equipment	23	**(4.8)**	(5.9)
Proceeds on disposal of property and equipment		**0.1**	0.4
Purchase of other intangible assets		**(14.0)**	(49.0)
Proceeds on disposal of other intangible assets		**0.5**	–
Purchase of intangible software assets	18	**(8.3)**	(8.3)
Acquisition of subsidiaries	19	**(357.4)**	(87.3)
Product development costs	18	**(1.7)**	(2.7)
Cash (outflow)/inflow on disposal of subsidiaries and businesses	22	**(1.7)**	47.5
Net cash outflow from investing activities		**(386.9)**	(104.0)
Financing activities			
Dividends paid to shareholders	15	**(114.0)**	(114.0)
Dividends paid to non-controlling interest		**(0.9)**	–
Drawdown/(repayments) of borrowings	38	**56.9**	(0.6)
Cash inflow/(outflow) from the issue of share capital		**204.1**	(0.4)
Net cash inflow/(outflow) from financing activities		**146.1**	(115.0)
Net increase in cash and cash equivalents		**1.0**	8.5
Effect of foreign exchange rate changes		**2.8**	(0.3)
Cash and cash equivalents at beginning of the year		**31.5**	23.3
Cash and cash equivalents at end of the year	27	**35.3**	31.5

[1] Restated for the change in accounting for joint ventures (see Note 5).

1. GENERAL INFORMATION

The Consolidated Financial Statements as at 31 December 2014 and for year then ended comprise those of the Company and its subsidiaries and its interests in joint ventures (together referred to as the "Group").

On 30 May 2014 under a Scheme of Arrangement between Informa plc ("Old Informa"), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC (the "Company") in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The Company was incorporated under the Companies Act 2006 on 24 January 2014 and is headquartered in the United Kingdom. The address of the registered office is given on the back cover. The introduction of a new Parent Company constitutes a Group reconstruction and has been accounted for as a reverse acquisition in accordance with IFRS 3 *Business Combinations*. The comparative equity structure has been restated to reflect the new equity structure of the Company. Therefore, although the Group reconstruction did not become effective until 30 May 2014, the Consolidated Financial Statements of the Company are presented as if the Company had always been part of the Group. Accordingly, the results of the Group for the year ended 31 December 2014 are shown in the Consolidated Income Statement and the comparative figures for the year ended 31 December 2013 are also presented on this basis. Earnings per share are unaffected by the reorganisation.

The nature of the Group's operations and its principal activities are set out in the Strategic Report section of the Directors' Report on page 73.

The Directors have, at the time of approving the Consolidated Financial Statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements. Further detail is contained in the Governance section on page 76.

These financial statements are presented in pounds sterling ("GBP"), the functional currency of the Parent Company, Informa PLC. Foreign operations are included in accordance with the policies set out in Note 3.

ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

Standards and interpretations adopted in the current year

The following new standards, amendments and interpretations have been adopted in the current year:

- IFRS 10: *Consolidated Financial Statements*
- IFRS 11: *Joint Arrangements*
- IFRS 12: *Disclosure of Interest in Other Entities*
- Amendments to IFRS 10, IFRS 12 and IAS 27: *Investment Entities*
- Amendment to IAS 27: *Separate Financial Statements*
- Amendment to IAS 28: *Investments in Associates and Joint Ventures*
- Amendment to IAS 32: *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
- Amendment to IAS 36: *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*
- Amendment to IAS 39: *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
- International Financial Reporting Interpretations Committee ("IFRIC") Interpretation 21 *Levies*
- Improvements to IFRSs 2011–2013 cycle (issued December 2013)

The adoption of these standards and interpretations has not led to any changes to the Group's accounting policies, except for IFRS 11 *Joint Arrangements*. IFRS 11 is a new standard which replaces IAS 31 and Standard Interpretations Committee ("SIC") 13. Under IFRS 11 joint control is defined as the contractually agreed sharing of control of an arrangement which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control. IFRS 11 addresses only two forms of joint arrangements (joint operations and joint ventures) and removes the option to account for joint ventures using proportionate consolidation. The Group has changed its accounting for joint ventures from proportionate consolidation to equity accounting. This change in policy has required a restatement of the comparative periods – see Note 5.

1. GENERAL INFORMATION (CONTINUED)

ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (CONTINUED)

Standards and interpretations in issue, not yet adopted

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but have not yet come into effect:

- IFRS 9: *Financial Instruments* – not endorsed by the EU
- IFRS 14: *Regulatory Deferral Accounts* – not endorsed by the EU
- IFRS 15: *Revenue from Contracts with Customers* – not endorsed by the EU
- Amendments to IFRS 10, IFRS 12 and IAS 28: *Applying the Consolidation Exception* – not endorsed by the EU
- Amendments to IFRS 10 and IAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* – not endorsed by the EU
- Amendments to IFRS 11: *Accounting for Acquisitions of Interest in Joint Operations* – not endorsed by the EU
- Amendments to IAS 1: *Disclosure Initiative* – not endorsed by the EU
- Amendments to IAS 16 and IAS 38: *Clarification of Acceptable Methods of Depreciation* – not endorsed by the EU
- Amendments to IAS 19: *Defined Benefit Plans: Employee Contributions* – endorsed by the EU
- Amendments to IAS 27: *Equity Method in Separate Financial Statements* – not endorsed by the EU
- Improvements to IFRSs 2012–2014 cycle (issued September 2014) – not endorsed by the EU
- Improvements to IFRSs 2010–2012 cycle (issued December 2013) – endorsed by the EU

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group, except for the following:

- IFRS 9 is a new standard which enhances the ability of investors and other users of financial information to understand the accounting for financial assets and reduces complexity. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. This standard is effective for accounting periods commencing on or after 1 January 2018. We will evaluate the impact on the Group in 2015.
- IFRS 15 is a new standard, based on a five-step model framework, which replaces all existing revenue recognition standards. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of certain non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). This standard is currently effective for accounting periods commencing on or after 1 January 2017. We will evaluate the impact on the Group in 2015.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with IFRSs adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulations.

ADJUSTED RESULTS

Management believes that adjusted results and adjusted earnings per share (Note 16) provide additional useful information on underlying trends to shareholders. These measures are used for internal performance analysis and incentive compensation arrangements for employees. The term "adjusted" is not a defined term under IFRSs and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

The following charges/(credits) are presented as adjusting items:

Continuing operations	Notes	2014 £m	2013 £m
Restructuring and reorganisation costs	9	**20.7**	14.2
Acquisition and integration costs	8	**4.7**	5.8
Intangible asset amortisation	18	**93.9**	105.0
Impairment – Goodwill and other intangible assets	17/18	**202.5**	40.5
Impairment – Loan receivable	26	**14.5**	8.3
Impairment – Intangible software assets	18	**–**	17.1
Impairment – Other	18	**2.0**	0.3
Subsequent re-measurement of contingent consideration	8	**(1.8)**	(2.5)
Loss on disposal of businesses	22	**2.8**	3.4
Interest on overdue tax	12	**–**	(0.3)
Excess interest on early repayment of revolving credit facility	12	**1.2**	–
Share of results of joint ventures		**0.3**	0.1
		340.8	191.9
Tax related to adjusting items	14	**(31.4)**	(39.8)
Tax credit in respect of prior year items	14	**(11.6)**	(13.7)
		297.8	138.4

2. BASIS OF PREPARATION (CONTINUED)

The principal adjustments made are in respect of:

- restructuring and reorganisation costs – the costs incurred by the Group in non-recurring business restructuring and changing the operating model to align with the Group's revised strategy;
- acquisition and integration costs – the costs incurred by the Group in acquiring and integrating share and asset acquisitions;
- intangible asset amortisation – the Group continues to amortise other intangible assets. The amortisation charge in respect of intangible software assets and product development is included in the adjusted results. The amortisation charge in respect of all remaining other intangible assets is excluded from the adjusted results as management does not see these charges as integral to underlying trading;
- impairment – the Group tests for impairment on an annual basis or more frequently when an indicator exists. The material impairment charges are individually disclosed. The impairment charge for those other separately identified intangible assets has been linked with subsequent re-measurement of contingent consideration of those acquisitions;
- loss on disposal of businesses – the loss on disposal includes the fair value of consideration less the net assets/(liabilities) disposed, non-controlling interest and costs directly attributable with the disposal;
- excess interest on early repayment of revolving credit facility – capitalised facility fees are amortised over the loan periods but where revolving credit facilities have been terminated early, the unamortised fees are immediately expensed. This accelerated expense is not viewed as being part of the underlying results and is thus excluded from the adjusted results; and
- share of results of joint ventures – the share of results includes intangible asset amortisation and impairment charge related to joint ventures, which is excluded from adjusted results in line with the presentation of the Group's intangible asset amortisation and treatment of impairment.

The tax related to adjusting items is the tax effect of the items above and in 2014 it also includes the effect of the reduction in the UK corporation tax rate applicable for the purposes of calculating deferred tax to 20%.

The tax credit in respect of prior year items is mainly attributable to adjustments relating to historic disposals.

SIGNIFICANT EXCHANGE RATES

The following significant exchange rates versus GBP were applied during the year:

	Average rate		Closing rate	
	2014	2013	**2014**	2013
USD	**1.6485**	1.5635	**1.5596**	1.6510
EUR	**1.2422**	1.1776	**1.2833**	1.1997

3. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Consolidated Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain assets and financial instruments. The principal accounting policies adopted, all of which have been consistently applied, are set out below. The Consolidated Financial Statements are prepared on a going concern basis.

Change in accounting policy

IFRS 11 is a new standard which replaces IAS 31 and SIC 13 and is effective for periods starting on or after 1 January 2014. Under IFRS 11 joint control is defined as the contractually agreed sharing of control of an arrangement which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control. IFRS 11 addresses only two forms of joint arrangements (joint operations and joint ventures) and removes the option to account for joint ventures using proportionate consolidation. The Group has changed its accounting for joint ventures from proportionate consolidation to equity accounting. This change in policy has required a restatement of the comparative periods – see Note 5.

BASIS OF CONSOLIDATION

The Consolidated Financial Statements incorporate the accounts of the Company and all of its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity, has the rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The results of subsidiaries acquired or sold are included in the Consolidated Financial Statements from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the results of acquired subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-Group transactions, balances, income and expense are eliminated on consolidation.

Non-controlling interest in the net assets of consolidated subsidiaries are identified separately from the Group's equity and consist of the amount of those interests at the date of the original business combination plus their share of changes in equity since that date.

Joint ventures

Joint ventures are joint arrangements in which the Group has the rights to the net assets through joint control with a third party. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for its interests in joint ventures using the equity method. Under the equity method, the investment in the joint venture is initially measured at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint ventures since the acquisition date. The income statement reflects the Group's share of the results of operations of the entity. The Statement of Comprehensive Income includes the Group's share of any other comprehensive income recognised by the joint venture.

Dividend income is recognised when the right to receive the payment is established.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

3. ACCOUNTING POLICIES (CONTINUED)

REVENUE

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns and cancellations.

Subscription income is deferred and recognised evenly over the term of the subscription.

Attendee, sponsorship and exhibitor income is deferred and recognised when the event is held.

Copy sales revenue is recognised on the sale of the product.

Advertising revenue is recognised on issue of the publication.

INTEREST INCOME

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. The methodology for calculating effective interest rate is disclosed in the effective interest method policy note.

DIVIDEND INCOME

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

BUSINESS COMBINATIONS

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition and integration costs incurred are expensed and included in adjusting items in the Consolidated Income Statement.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be re-measured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

GOODWILL

Goodwill arising on the acquisition of subsidiary companies and businesses is calculated as the excess of purchase consideration over the fair value of net identifiable assets and liabilities at the date of acquisition. It is recognised as an asset at cost, assessed for impairment at least annually and subsequently measured at cost less accumulated impairment losses. Any impairment is recognised immediately in the Consolidated Income Statement and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs"), as defined by the Board for internal management purposes, expected to benefit from the combination. Goodwill is tested for impairment annually or more frequently when there is an indication that it may be impaired. Where an impairment test is performed a discounted cash flow analysis is carried out based on the cash flows of the CGUs compared with the carrying value of that goodwill. Management estimate the discount rates as the risk affected cost of capital for the particular CGUs. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Upon disposal, the attributable carrying value of goodwill is included in the calculation of the profit or loss on disposal.

INTANGIBLE ASSETS

Intangible assets are initially measured at cost. For business combinations, cost is calculated based on the Group's valuation methodologies (Note 18). These assets are amortised over their estimated useful lives on a straight line basis, which are as follows:

Book lists	20 years
Journal titles	20 years
Database content and intellectual property	3–20 years
Exhibitions and conferences	3–20 years

Software which is not integral to a related item of hardware is included in intangible assets. Capitalised internal-use software costs include external direct costs of materials and services consumed in developing or obtaining the software, and payroll and payroll-related costs for employees who are directly associated with, and who devote substantial time to, the project. Capitalisation of these costs ceases no later than the point at which the project is substantially complete and ready for its internal purpose. These costs are amortised on a straight line basis over their expected useful lives which range from 3–10 years.

The expected useful lives of intangible assets are reviewed annually.

The Group does not have any intangible assets with indefinite lives (excluding goodwill).

PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost less accumulated depreciation and provision for impairment. Depreciation is provided to write off the cost less the estimated residual value of property and equipment on a straight line basis over the estimated useful lives of the assets. The rates of depreciation are as follows:

Freehold buildings	50 years
Leasehold land and buildings	Over life of the lease
Equipment, fixtures and fittings	3–15 years
Freehold land is not depreciated	

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net sale proceeds and the carrying amount of the asset and is recognised in the Consolidated Income Statement.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGUs to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying value and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

3. ACCOUNTING POLICIES (CONTINUED)

INVENTORY

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and expenses incurred in bringing the inventory to its present location and condition. Net realisable value represents the estimated selling price less marketing and distribution costs expected to be incurred.

During the year the amount of inventory recognised as an expense, including pre-publication amortisation, was £36.6m (2013: £34.4m).

FOREIGN CURRENCIES

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the rates ruling at that date. These translation differences are disclosed in the Consolidated Income Statement.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the Consolidated Income Statement for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

The statements of financial position of foreign subsidiaries are translated into pounds sterling at the closing rates of exchange. The results are translated at an average rate, recalculated for each month between that month's closing rate and the equivalent for the preceding month.

Foreign exchange differences arising from the translation of opening net investments in foreign subsidiaries at the closing rate are taken directly to the translation reserve. In addition, foreign exchange differences arising from retranslation of the foreign subsidiaries' results from monthly average rate to closing rate are also taken directly to the Group's hedging reserve. Such translation differences are recognised in the Consolidated Income Statement in the financial year in which the operations are disposed of. The translation movement on matched long-term foreign currency borrowings, qualifying as hedging instruments under IAS 39, are also taken directly to the hedging reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and hire purchase contracts are capitalised at their fair value on the inception of the lease and depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets. The corresponding liability to the lessor is included in the Consolidated Statement of Financial Position as a finance lease obligation. Finance charges are allocated over the period of the lease in proportion to the capital amount outstanding and are charged to the Consolidated Income Statement.

Operating lease rentals are charged to the Consolidated Income Statement in equal annual amounts over the lease term.

Rental income from sub-leasing property space is recognised on a straight line basis over the term of the relevant lease and is matched with the corresponding payments made under the head lease.

TAXATION

The tax expense represents the sum of the current tax payable and deferred tax.

Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

A current tax provision is recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax nor accounting profit.

Deferred tax is calculated for all business combinations in respect of intangible assets and properties. A deferred tax liability is recognised to the extent that the fair value of the assets for accounting purposes exceeds the value of those assets for tax purposes and will form part of the associated goodwill on acquisition.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Consolidated Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

PENSION COSTS

Certain Group companies operate defined contribution pension schemes for employees. The assets of the schemes are held separately from the individual companies. The pension cost charge associated with these schemes represents contributions payable and is charged as an expense when they fall due.

The Group also operates funded defined benefit schemes for employees. The cost of providing these benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each reporting date. Past service cost is recognised in the Consolidated Income Statement in the period of a plan amendment. Net interest is calculated by applying a discount rate to the opening net defined benefit liability or asset. Actuarial gains and losses are recognised in full in the period in which they occur, outside of the Consolidated Income Statement and in the Consolidated Statement of Comprehensive Income.

The retirement benefit obligation recognised in the Consolidated Statement of Financial Position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

3. ACCOUNTING POLICIES (CONTINUED)

SHARE-BASED PAYMENTS

The Group issues equity-settled share-based payments to certain employees. A fair value for the equity-settled share awards is measured at the date of grant. The fair value of the Long-Term Incentive Plan is measured using the Binomial or Monte Carlo model of valuation, which are considered to be the most appropriate valuation techniques. The valuation takes into account factors such as non-transferability, exercise restrictions and behavioural considerations. To assign a fair value to share awards granted under the Share Matching Plan where the proportion of the award released is dependent on the level of total shareholder return, the Monte Carlo Simulation methodology is considered the most appropriate.

An expense is recognised to spread the fair value of each award over the vesting period on a straight line basis, after allowing for an estimate of the share awards that will actually vest. The estimate of vesting is reviewed annually, with any impact on the cumulative charge being recognised immediately.

FINANCIAL ASSETS

Financial assets are recognised in the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are classified into the following categories: loans and receivables, cash and cash equivalents, and available-for-sale investments. The classification is determined by management upon initial recognition, and it is based on the purpose for which the financial assets were acquired.

EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset/liability, or, where appropriate, a shorter period.

Income is recognised on an effective interest basis for all debt instruments within the Group.

LOANS AND RECEIVABLES

Trade receivables, loans and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method, less any impairment.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible (with a maturity of three months or less) to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Consolidated Cash Flow Statement.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively impacted.

For unlisted shares classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial reorganisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are≈subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past≈the average credit period of 30 days (2013: 30 days), and observable changes in national or local economic conditions that correlate with increased default risk on receivables. A specific provision will also be raised for trade receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of a provision account. When a trade receivable is considered uncollectable, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision account are recognised in the Consolidated Income Statement.

DERECOGNITION OF FINANCIAL ASSETS

The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS ISSUED BY THE GROUP

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

BANK BORROWINGS

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the Consolidated Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

FINANCE COSTS

Finance costs of debts are capitalised against the debt value on first drawdown of the debt and are recognised in the Consolidated Income Statement using the effective interest rate method.

TRADE PAYABLES

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

OTHER FINANCIAL LIABILITIES

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, as set out above, with interest expense recognised on an effective yield basis.

DERECOGNITION OF FINANCIAL LIABILITIES

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged or cancelled, or they expire.

3. ACCOUNTING POLICIES (CONTINUED)

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The derivative instruments utilised by the Group to hedge these exposures are primarily interest rate swaps and cross-currency swaps. The Group does not use derivative contracts for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of a change of fair value of recognised assets and liabilities or firm commitments (fair value hedges);
- hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Fair value hedge

Changes in the fair value of derivative financial instruments that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the Consolidated Income Statement relating to the hedged item.

Cash flow hedge

The effective portion of changes in the fair value of derivative financial instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement. If the cash flow hedge of a firm commitment or forecast transaction results in the recognition of a financial asset or financial liability, amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss in the same line of the Consolidated Income Statement as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedges of net investment in foreign operations

Hedges of net investment in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument in relation to the effective portion of the hedge is recognised in the other comprehensive income and accumulated in the foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Income Statement. Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss when the hedged item is disposed of.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the Consolidated Income Statement as they arise.

Hedge accounting is discontinued when the hedge instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Consolidated Income Statement in the period.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Further details of derivative financial instruments are disclosed in Note 33.

ESOP TRUST SHARES

Own shares deducted in arriving at shareholders' funds represent the cost of the Company's ordinary shares acquired by the Employee Share Option Plan ("ESOP") Trusts in connection with certain of the Group's employee share schemes.

PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Restructuring provisions are recognised when the Group has a detailed formal plan for the restructuring that has been communicated to the affected parties.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

CRITICAL ACCOUNTING JUDGEMENTS

In addition to the judgement taken by management in selecting and applying the accounting policies set out above, the Directors have made the following judgements concerning the amounts recognised in the Consolidated Financial Statements.

Deferred tax

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised with consideration given to the timing and level of future taxable income.

Identification of CGUs in the impairment testing of goodwill and other intangible assets

For the purpose of impairment tests, the goodwill and other intangible assets are allocated to CGUs that are expected to benefit from these and which represent the lowest level within the Group at which management monitors goodwill and other intangible assets. With changes in the business structure enacted during the year, management judgement is required in identifying the CGUs.

Recoverability of long-term receivables

There are a number of external loans which are repayable over the next two to ten years. The recoverability of the capital and interest payments is dependent on the financial success of the external parties over the coming years. In making its judgement, management will assess for each significant loan receivable whether a credit risk provision is required.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

KEY SOURCES OF ESTIMATION UNCERTAINTY

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Valuation and asset lives of separately identifiable intangible assets

In order to determine the value of the separately identifiable intangible assets on a business combination, management are required to make estimates when utilising the Group's valuation methodologies. These methodologies include the use of discounted cash flows and revenue forecasts. For significant acquisitions management have considered the advice of third party independent valuers in identifying and calculating the valuation of any intangible assets arising on acquisition.

Asset lives are estimated based on the nature of the intangible asset acquired and range between 3 and 20 years.

Valuation of share-based payments

In order to determine the value of share-based payments, management are required to make an estimation of the effects of non-transferability, exercise restrictions, and behavioural considerations. The expected volatility is determined by calculating the historical volatility of the Company's share price calculated over one, two and three years back from the date of grant. The list of inputs used in the Binomial and Monte Carlo Simulation models to calculate the fair values are provided in Note 11.

Valuation of financial instruments at fair value

Management have made a number of assumptions with regard to the models used to value financial instruments at their fair value at year end. Valuation techniques commonly used by market practitioners are applied. Note 33 details the methods used to value the primary financial instruments held or issued to finance the Group's borrowing requirements and the derivative financial instruments held to manage the interest rate profile.

For derivative financial instruments, assumptions are made based on quoted market rates adjusted for specific features of the instrument. Other financial instruments are valued using a discounted cash flow analysis based on assumptions supported, where possible, by observable market prices or rates.

Impairment of goodwill and other intangible assets

There are a number of assumptions management have considered in performing impairment reviews of goodwill and intangible assets. The determination of whether goodwill or intangible assets are impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. Note 17 details the assumptions that have been applied.

Pension assumptions

There are a number of assumptions management have considered on the advice of actuaries which have an impact on the results of the valuation of the pension scheme liabilities at year end. The most significant assumptions are those relating to the discount rate of return on investments and the rates of increase in salaries and pensions. Note 38 details the assumptions which have been adopted.

Contingent consideration

Contingent consideration relating to acquisitions has been included based on management estimates of the most likely outcome (Note 19). However, any subsequent re-measurement of contingent consideration is recognised in the Consolidated Income Statement.

5. CHANGE IN ACCOUNTING POLICY

IFRS 11 is a new standard which replaces IAS 31 and SIC 13 and is effective from 1 January 2014. Under IFRS 11 joint control is defined as the contractually agreed sharing of control of an arrangement which exists only when the decisions about the relevant activities require the unanimous consent of the parties sharing control. IFRS 11 addresses only two forms of joint arrangements (joint operations and joint ventures) and removes the option to account for joint ventures using proportionate consolidation. The Group has changed its accounting for joint ventures from proportionate consolidation to equity accounting. This change in policy has required a restatement of the comparative periods.

The impact of the prior year adjustment on the previously reported Consolidated Income Statement is summarised as follows:

	Year ended 31 December 2013		
	Previously reported £m	Adjustments £m	Restated £m
Revenue	1,132.4	(2.4)	1,130.0
Net operating expenses	(985.7)	1.7	(984.0)
Operating profit	146.7	(0.7)	146.0
Share of results of joint ventures	–	0.4	0.4
Profit before tax	115.7	(0.3)	115.4
Tax charge	(12.6)	0.2	(12.4)
Profit for the year from continuing operations	103.1	(0.1)	103.0
Loss for the year	(6.4)	(0.1)	(6.5)
Attributable to:			
– Equity holders of the parent	(6.4)	(0.1)	(6.5)

The prior year adjustments on the previously reported Consolidated Income Statement in 2013 had no impact on earnings per share.

The impact of the prior year adjustment on the previously reported Consolidated Statement of Comprehensive Income is summarised as follows:

	Year ended 31 December 2013		
	Previously reported £m	Adjustments £m	Restated £m
Loss for the year	(6.4)	(0.1)	(6.5)
Total comprehensive expense for the year[1]	(24.9)	(0.1)	(25.0)
Attributable from continuing operations to:			
– Equity holders of the parent[1]	84.6	(0.1)	84.5

[1] These numbers do not reflect the reclassification of cumulative foreign exchange losses on disposals of £3.6m.

5. CHANGE IN ACCOUNTING POLICY (CONTINUED)

The impact of the prior year adjustment on the previously reported Consolidated Statement of Financial Position is summarised as follows:

	Year ended 31 December 2013			Year ended 31 December 2012		
	Previously reported £m	Adjustments £m	Restated £m	Previously reported £m	Adjustments £m	Restated £m
Non-current assets						
Other intangible assets	780.3	(1.3)	779.0	874.7	–	874.7
Investments in joint ventures	–	0.6	0.6	–	0.5	0.5
Other receivables	37.6	0.5	38.1	20.4	–	20.4
Current assets						
Trade and other receivables	203.0	–	203.0	228.0	(1.0)	227.0
Current tax asset	2.6	(0.2)	2.4	3.1	–	3.1
Cash at hand and in bank	32.4	(0.4)	32.0	23.9	–	23.9
Capital and reserves						
Retained earnings	2,433.3	–	2,433.3	2,543.6	0.1	2,543.7
Non-current liabilities						
Trade and other payables	7.0	(0.5)	6.5	3.6	–	3.6
Current liabilities						
Current tax liabilities	45.1	(0.1)	45.0	78.0	–	78.0
Trade and other payables	179.5	(0.1)	179.4	202.3	1.0	203.3
Deferred income	316.0	(0.1)	315.9	308.1	(1.6)	306.5

The impact of the prior year adjustment on the previously reported Consolidated Cash Flow Statement is summarised as follows:

	Year ended 31 December 2013		
	Previously reported £m	Adjustments £m	Restated £m
Profit before tax from continuing and discontinued operations	2.5	(0.3)	2.2
Amortisation of other intangible assets	139.3	(0.1)	139.2
Share of results of joint ventures	–	(0.4)	(0.4)
Decrease in receivables	12.6	(1.5)	11.1
Increase in payables	(21.3)	0.1	(21.2)
Cash generated by operations	332.3	(2.2)	330.1
Dividends received from joint ventures	–	0.2	0.2
Purchase of other intangible assets	(50.4)	1.4	(49.0)

6. REVENUE

An analysis of the Group's revenue is as follows:

	2014 £m	2013[1] £m
Subscriptions	**464.8**	477.4
Attendees	**167.6**	173.0
Copy sales	**215.4**	221.8
Exhibitors	**194.4**	165.6
Sponsorship	**73.0**	66.9
Advertising	**21.8**	25.3
Total revenue from continuing operations	**1,137.0**	1,130.0

[1] Restated for the change in accounting for joint ventures (see Note 5).

7. BUSINESS SEGMENTS

BUSINESS SEGMENTS

Management has identified reportable segments based on financial information used by the Board of Directors in allocating resources and making strategic decisions. We consider the Chief Operating Decision Maker to be the Executive Directors.

Unless otherwise indicated the segment information reported on the following pages does not include any amounts for discontinued operations, which are described in more detail in Note 21.

As announced on 10 July 2014 and on the back of a comprehensive strategic review earlier in the year, the Group has been repositioned to deliver growth and scale in each of its markets.

Following this assessment, a new operating model has been implemented for the Group. It has been designed to reduce the complexity of existing business structures and reporting lines.

From 1 January 2015, the Group operating model will be structured and reported as four trading Divisions. Since the Executive Directors are already reviewing the financial information based on the four trading Divisions, the segmental disclosures are being presented using the new structure, with comparatives restated. Therefore the Group's four identified reporting segments under IFRS 8 *Operating Segments* are as follows:

Academic Publishing

The **Academic Publishing** Division, operating under the Taylor & Francis Group banner, comprises of the imprints of Taylor & Francis, Routledge, CRC Press, Garland Science and Cogent OA. The Division provides books and journals, both in print and electronic formats, primarily for academic and research users in the subject areas of behavioural and social sciences, humanities, science, technology and medicine.

Business Intelligence

The **Business Intelligence** Division provides highly specialised actionable intelligence to service the information needs of corporations and governments globally. The products consist of rich data sets and valuable insight, across the Pharamaceuticals & Healthcare, Finance, Maritime & Law, Technology/Media/Telecoms and Agriculture/Food sectors.

Global Exhibitions

The **Global Exhibitions** Division runs business-to-business Exhibitions and trade shows, as well as a number of Consumer and fan events globally.

Knowledge & Networking

The **Knowledge & Networking** Division offers thousands of conferences and training courses globally as well as building communities and providing the attendees with the opportunity to meet face to face.

7. BUSINESS SEGMENTS (CONTINUED)

SEGMENT REVENUE AND RESULTS

31 December 2014

	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total £m
Revenue (Note 6)	**408.9**	**281.7**	**200.2**	**246.2**	**1,137.0**
Adjusted operating profit	**150.0**	**75.2**	**67.4**	**41.5**	**334.1**
Restructuring and reorganisation costs (Note 9)	**(2.5)**	**(10.5)**	**(3.0)**	**(4.7)**	**(20.7)**
Acquisition and integration costs (Note 2)	**(1.0)**	**–**	**(3.7)**	**–**	**(4.7)**
Subsequent re-measurement of contingent consideration (Note 2)	**–**	**1.6**	**(1.6)**	**1.8**	**1.8**
Intangible asset amortisation[1]	**(40.2)**	**(16.2)**	**(20.9)**	**(16.6)**	**(93.9)**
Impairment (Note 2)	**–**	**(205.3)**	**(13.7)**	**–**	**(219.0)**
Operating profit/(loss)	**106.3**	**(155.2)**	**24.5**	**22.0**	**(2.4)**
Share of results of joint ventures					**(0.4)**
Loss on disposal of businesses (Note 22)					**(2.8)**
Finance costs (Note 12)					**(29.2)**
Investment income (Note 13)					**3.6**
Loss before tax from continuing operations					**(31.2)**

1 Excludes software and product development amortisation.

31 December 2013 – restated

	Academic Publishing £m	Business Intelligence £m	Global Exhibitions £m	Knowledge & Networking £m	Total[1] £m
Revenue (Note 6)	407.8	305.9	160.2	256.1	1,130.0
Adjusted operating profit	150.9	86.8	50.0	47.0	334.7
Restructuring and reorganisation costs (Note 9)	(1.3)	(9.0)	(0.6)	(3.3)	(14.2)
Acquisition and integration costs (Note 2)	(0.1)	(0.8)	(4.7)	(0.2)	(5.8)
Subsequent re-measurement of contingent consideration (Note 2)	–	2.9	0.3	(0.7)	2.5
Intangible asset amortisation[2]	(41.4)	(25.4)	(18.7)	(19.5)	(105.0)
Impairment (Note 2)	(6.2)	(4.6)	(2.7)	(52.7)	(66.2)
Operating profit/(loss)	101.9	49.9	23.6	(29.4)	146.0
Share of results of joint ventures					0.4
Loss on disposal of businesses (Note 22)					(3.4)
Finance costs (Note 12)					(29.5)
Investment income (Note 13)					1.9
Profit before tax from continuing operations					115.4

1 Restated for the change in accounting for joint ventures (see Note 5).
2 Excludes software and product development amortisation.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Adjusted operating result by operating segment is the measure reported to the Group Chief Executive for the purpose of resource allocation and assessment of segment performance. Finance costs and investment income are not allocated to segments, as this type of activity is driven by the central Treasury function, which manages the cash positions of the Group.

SEGMENT ASSETS – RESTATED

	2014 £m	2013[1] £m
Academic Publishing	**1,025.3**	1,003.4
Business Intelligence	**791.6**	985.9
Global Exhibitions	**657.0**	286.4
Knowledge & Networking	**360.2**	378.5
Total segment assets	**2,834.1**	2,654.2
Unallocated assets	**50.4**	58.0
Total assets	**2,884.5**	2,712.2

[1] Restated for the change in accounting for joint ventures (see Note 5).

For the purpose of monitoring segment performance and allocating resources between segments, management monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments except for corporate balances, including some intangible software assets, balances receivable from businesses sold and taxation (current and deferred). Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segment.

7. BUSINESS SEGMENTS (CONTINUED)

SEGMENT ASSETS – RESTATED (CONTINUED)

The Group's revenues from its major products and services (2013 restated for the new operating structure) were as follows:

	2014 £m	2013[1] £m
Academic Publishing		
Subscriptions	**218.6**	218.8
Copy sales	**190.3**	189.0
Total Academic Publishing	**408.9**	407.8
Business Intelligence		
Subscriptions	**246.2**	258.6
Copy sales	**25.1**	32.8
Advertising	**10.4**	14.5
Total Business Intelligence	**281.7**	305.9
Global Exhibitions		
Attendees	**20.1**	16.4
Exhibitors	**157.5**	129.6
Sponsorship	**16.2**	9.0
Advertising	**6.4**	5.2
Total Global Exhibitions	**200.2**	160.2
Knowledge & Networking		
Attendees	**147.5**	156.6
Exhibitors	**36.9**	36.0
Sponsorship	**56.8**	57.9
Advertising	**5.0**	5.6
Total Knowledge & Networking	**246.2**	256.1
Total revenue from continuing operations	**1,137.0**	1,130.0

[1] Restated for the change in accounting for joint ventures (see Note 5).

INFORMATION ABOUT MAJOR CUSTOMERS

The Group's revenue by location of customer and information about its segment assets by geographic location are detailed below:

	Revenue from continuing operations		Segment assets	
Geographic information	2014 £m	2013[1] £m	2014 £m	2013[1] £m
United Kingdom	**149.0**	158.3	**1,130.2**	1,281.3
North America	**416.4**	386.8	**1,334.6**	965.6
Continental Europe	**235.1**	253.1	**77.3**	106.4
Rest of World	**336.5**	331.8	**342.4**	358.9
	1,137.0	1,130.0	**2,884.5**	2,712.2

[1] Restated for the change in accounting for joint ventures (see Note 5).

No individual customer amounts to more than 10% of the Group's revenue.

8. NET OPERATING EXPENSES

Operating profit has been arrived at after charging/(crediting):

	Notes	Adjusted results 2014 £m	Adjusting items 2014 £m	Statutory results 2014 £m	Adjusted results 2013[1] £m	Adjusting items 2013[1] £m	Statutory results 2013[1] £m
Cost of sales		**367.2**	**–**	**367.2**	363.1	–	363.1
Staff costs (excluding redundancy costs)	10	**319.9**	**–**	**319.9**	322.6	–	322.6
Amortisation of other intangible assets		**12.1**	**93.9**	**106.0**	15.8	105.0	120.8
Depreciation		**6.1**	**–**	**6.1**	6.4	–	6.4
Impairment	2	**–**	**219.0**	**219.0**	–	66.2	66.2
Net foreign exchange loss		**0.8**	**–**	**0.8**	0.4	–	0.4
Auditor's remuneration for audit services (see below)		**1.0**	**–**	**1.0**	1.0	–	1.0
Operating lease expenses							
– Land and buildings	37	**17.6**	**–**	**17.6**	19.4	–	19.4
– Other	37	**1.0**	**–**	**1.0**	1.0	–	1.0
Restructuring and reorganisation costs	9	**–**	**20.7**	**20.7**	–	14.2	14.2
Acquisition and integration costs	2	**–**	**4.7**	**4.7**	–	5.8	5.8
Subsequent re-measurement of contingent consideration	2	**–**	**(1.8)**	**(1.8)**	–	(2.5)	(2.5)
Other operating expenses		**77.2**	**–**	**77.2**	65.6	–	65.6
Total net operating expenses from continuing operations		**802.9**	**336.5**	**1,139.4**	795.3	188.7	984.0

[1] Restated for the change in accounting for joint ventures (see Note 5).

Amounts payable to the auditor, Deloitte LLP and its associates by the Company and its subsidiary undertakings is provided below:

	2014 £m	2013 £m
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**0.7**	0.6
Fees payable to the Company's auditor and its associates for other services to the Group:		
Audit of the Company's subsidiaries	**0.3**	0.4
Total audit fees	**1.0**	1.0
Fees payable to the Company's auditor for non-audit services comprises:		
Audit-related assurance services	**0.1**	0.1
Other services	**0.4**	0.4
Total non-audit fees	**0.5**	0.5

There were no future services for the auditor contracted at the reporting date (2013: £nil).

The fees payable for other services of £0.4m relate to corporate finance services in relation to the listing of the new UK-domiciled ultimate Parent Company. The other services in 2013 relate to the carve-out work of the Corporate Training businesses, of which £0.3m of this fee was reimbursed from the acquirer.

A description of the work of the Audit Committee is set out in the Governance section on pages 86 to 89 and includes an explanation of how auditor objectivity and independence are safeguarded when non-audit services are provided by the auditor.

9. RESTRUCTURING AND REORGANISATION COSTS

	2014 £m	2013 £m
Redundancy costs	**14.2**	10.7
Reorganisation costs	**2.1**	2.4
Re-domicile costs	**2.9**	0.6
Vacant property provisions	**1.5**	0.5
	20.7	14.2

10. STAFF NUMBERS AND COSTS

The monthly average number of persons employed by the Group (including Directors) during the year, analysed by segment, was as follows:

	Number of employees	
	2014	2013[1]
Academic Publishing	**1,927**	1,862
Business Intelligence	**2,146**	2,203
Global Exhibitions	**782**	770
Knowledge & Networking	**1,797**	1,758
	6,652	6,593

[1] Restated for the change in accounting for joint ventures (see Note 5).

Their aggregate remuneration comprised:

	2014 £m	2013 £m
Wages and salaries	**282.5**	283.9
Social security costs	**27.1**	27.8
Pension costs charged to operating profit (Note 39)	**8.6**	8.7
Share-based payment (Note 11)	**1.7**	2.2
Staff costs (excluding redundancy costs)	**319.9**	322.6
Redundancy costs (Note 9)	**14.2**	10.7
	334.1	333.3

The remuneration of Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures* (Note 40). Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Report on pages 99 to 102.

	2014 £m	2013 £m
Short-term employee benefits	**2.7**	4.5
Post-employment benefits	**0.3**	0.5
Share incentive gains and payments	**–**	0.6
	3.0	5.6

11. SHARE-BASED PAYMENTS

The Group Long-Term Incentive Plans ("LTIPs") provide for a grant price equal to the average quoted market price of the Group's shares on the date of grant. The vesting period is generally three years. The LTIPs expire if they remain unexercised after the exercise period has lapsed. Furthermore, LTIPs are forfeited if the employee leaves the Group before the LTIPs vest, unless they meet certain eligibility criteria. The LTIPs are equity-settled.

The Group recognised total expenses of £1.7m (2013: £2.2m) related to equity-settled share-based payment transactions in the year ended 31 December 2014.

LONG-TERM INCENTIVE PLAN

The movement during the year is as follows:

	2014 Shares	2013 Shares
Opening balance	**2,540,718**	3,852,289
LTIPs exercised in the year	**–**	(630,842)
LTIPs lapsed in the year	**(1,370,006)**	(2,157,812)
LTIPs granted in the year	**782,437**	1,477,083
Closing balance	**1,953,149**	2,540,718

Date of grant	Estimated fair value[1]	Share price	Exercise price	Expected volatility	Expected life[2] (years)	Risk free rate	Dividend yield
9 March 2011	£2.52[3]	£4.26	n/a	52.0%	3.0	1.8%	2.6%
	£2.57[3]						
6 March 2012	£1.88[3]	£4.18	n/a	32.0%	3.0	0.5%	3.8%
	£2.30[3]						
7 March 2013	£2.77[3]	£5.13	n/a	27.0%	3.0	0.3%	4.2%
	£2.82[3]						
8 September 2014	£1.76[4]	£5.18	n/a	20.0%	2.3	0.9%	3.7%
	£2.15[5]						
	£4.65[6]						
	£4.65[7]						

1 Valued using the Monte Carlo Simulation method of valuation.
2 From 1 January of year in which grant made.
3 50% split of total awards granted.
4 75% split of total awards granted.
5 25% split of total awards granted.
6 66.7% of total awards granted.
7 33.3% of total awards granted.

In order to satisfy the share awards granted under LTIPs, the share capital would be increased by up to 1,215,877 shares. The Company is planning to issue additional share capital to satisfy the awards although if circumstances change it may instead buy the shares as needed on the open market.

Expected volatility was determined by calculating the historical volatility of the Group's share price over one, two and three years back from the date of grant. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

12. FINANCE COSTS

	Notes	2014 £m	2013 £m
Interest expense on financial liabilities measured at amortised cost		**27.8**	29.2
Interest cost on pension scheme liabilities	39	**0.2**	0.6
Total interest expense		**28.0**	29.8
Interest on overdue tax	2	**–**	(0.3)
Excess interest on early repayment of revolving credit facility	2	**1.2**	–
		29.2	29.5

13. INVESTMENT INCOME

	Notes	2014 £m	2013 £m
Loans and receivables:			
Interest income on bank deposits		**0.5**	0.6
Interest income on non-current receivables	26	**3.1**	1.3
		3.6	1.9

14. TAXATION

The tax charge comprises:

	Notes	2014 £m	2013 £m
Current tax:			
Current year		**33.4**	50.8
Tax credit presented as adjusting item		**(8.2)**	(13.7)
Deferred tax:			
Current year	31	**(2.4)**	(19.4)
Tax credit presented as adjusting item	31	**(3.4)**	–
Credit arising from UK corporation tax rate change	31	**0.4**	(5.3)
Total tax charge on profit on ordinary activities		**19.8**	12.4

The tax shown as an adjusting item within the Consolidated Income Statement relates to the following:

Continuing operations	Notes	Gross 2014 £m	Tax 2014 £m	Gross 2013 £m	Tax 2013 £m
Restructuring and reorganisation costs	9	**(20.7)**	**4.1**	(14.2)	3.7
Acquisition and integration costs	2	**(4.7)**	**1.4**	(5.8)	–
Amortisation of other intangible assets		**(93.9)**	**25.6**	(105.0)	26.9
Impairment	2	**(219.0)**	**–**	(66.2)	4.0
Subsequent re-measurement of contingent consideration	2	**1.8**	**0.4**	2.5	–
Loss on disposal of businesses	22	**(2.8)**	**–**	(3.4)	–
Interest on overdue tax	12	**–**	**–**	0.3	(0.1)
Excess interest on early repayment of revolving credit facility	12	**(1.2)**	**0.3**	–	–
Share of results of joint ventures		**(0.3)**	**–**	(0.1)	–
Deferred tax (charge)/credit arising from UK corporation tax rate change	31	**–**	**(0.4)**	–	5.3
Tax provision release (net of associated deferred tax charge)	2	**–**	**11.6**	–	13.7
		(340.8)	**43.0**	(191.9)	53.5

The current and deferred tax is calculated on the estimated assessable profit for the year. Taxation is calculated on each jurisdiction based on the prevailing rates of that jurisdiction.

The total tax charge/(credit) for the year can be reconciled to the accounting profit as follows:

	2014 £m	%	2013 £m	%
Profit before tax	**(31.2)**		115.7	
Tax (credit)/charge at effective UK statutory rate of 21.5% (2013: 23.25%)	**(6.7)**	**21.5**	26.8	23.2
Permanent differences	**34.5**	**(110.6)**	3.0	2.6
Losses in certain jurisdictions that have not been recognised	**3.2**	**(10.3)**	1.6	1.4
Deferred tax credit arising from UK corporation tax rate change	**0.4**	**(1.3)**	(5.3)	(4.6)
Tax provision release (net of associated deferred tax charge)	**(11.6)**	**37.2**	(13.7)	(11.9)
Tax charge and effective rate for the year	**19.8**	**(63.5)**	12.4	10.7

In addition to the income tax charge to the Consolidated Income Statement, a tax credit of £1.8m (2013: charge of £2.3m) has been recognised directly in the Consolidated Statement of Comprehensive Income during the year.

15. DIVIDENDS

	2014 £m	2013 £m
Amounts recognised as distributions to equity holders in the year:		
Second interim dividend for the year ended 31 December 2012 of 12.5p per share	–	75.4
First interim dividend for the year ended 31 December 2013 of 6.4p per share	–	38.6
Second interim dividend for the year ended 31 December 2013 of 12.5p per share	75.4	–
Interim dividend for the year ended 31 December 2014 of 6.4p per share	38.6	–
	114.0	114.0
Proposed final dividend for the year ended 31 December 2014 of 12.9p per share (2013: 12.5p per share)	83.7	75.5

As at 31 December 2014 £0.1m (2013: £0.1m) of dividends are still to be paid.

As at 31 December 2014 holders of 737,272 (2013: 737,272) ordinary shares of 0.1 pence each have waived their rights to receive dividends.

Following the re-domicile back to the UK this year, the Dividend Access Plan was unwound on 28 July 2014.

16. EARNINGS PER SHARE

BASIC

The basic earnings per share calculation is based on a loss attributable to equity shareholders of the parent of £52.4m (2013 restated: £6.5m loss). This loss on ordinary activities after taxation is divided by the weighted average number of shares in issue (less those non-vested shares held by employee share ownership trusts) which is 608,258,772 (2013: 602,421,793).

DILUTED

The diluted earnings per share calculation is based on the basic earnings per share calculation above except that the weighted average number of shares includes all potentially dilutive options granted by the reporting date as if those options had been exercised on the first day of the accounting period or the date of the grant, if later, giving a weighted average of 608,309,328 (2013: 602,687,758).

The table below sets out the adjustment in respect of diluted potential ordinary shares:

	2014[1]	2013[1]
Weighted average number of shares used in basic earnings per share calculation	608,258,772	602,421,793
Effect of dilutive share options	50,556	265,965
Weighted average number of shares used in diluted earnings per share calculation	608,309,328	602,687,758

[1] For 2014 and 2013 the effect of dilutive share options were anti-dilutive for the purpose of the dilutive earnings per share and have not been used.

ADJUSTED EARNINGS PER SHARE

The basic and diluted adjusted earnings per share calculations have been made to allow shareholders to gain a further understanding of the trading performance of the Group. They are based on the basic and diluted earnings per share calculations. Profits are based on operations attributable to equity shareholders and are adjusted for items that are not perceived by management to be part of the underlying trends in the business and the tax effect of those adjusting items.

From continuing operations:

	2014 £m	2013[1] £m
(Loss)/profit for the year	**(51.0)**	103.0
Non-controlling interest	**(1.4)**	–
Adjusting items net of attributable taxation (Note 2)	**297.8**	138.4
Adjusted profit for the year attributable to equity shareholders	**245.4**	241.4
Earnings per share from continuing operations:		
– Adjusted basic (p)	**40.3**	40.1
– Adjusted diluted (p)	**40.3**	40.1

[1] Restated for the change in accounting for joint ventures (see Note 5).

From continuing and discontinued operations:

	2014 £m	2013[1] £m
Loss for the year	**(51.0)**	(6.5)
Non-controlling interest	**(1.4)**	–
Adjusting items net of attributable taxation (Note 2)	**297.8**	250.3
Adjusted profit for the year attributable to equity shareholders	**245.4**	243.8
Earnings per share from continuing and discontinued operations:		
– Adjusted basic (p)	**40.3**	40.5
– Adjusted diluted (p)	**40.3**	40.5

[1] Restated for the change in accounting for joint ventures (see Note 5).

17. GOODWILL

	£m
Cost	
At 1 January 2013	1,827.4
Additions in the year	57.9
Disposals[1] (Note 22)	(196.3)
Exchange differences	(22.8)
At 1 January 2014	**1,666.2**
Additions in the year	**313.0**
Exchange differences	**27.1**
At 31 December 2014	**2,006.3**
Accumulated impairment losses	
At 1 January 2013	(100.9)
Impairment losses for the year (Note 2)	(40.5)
Disposals[1] (Note 22)	77.2
Exchange differences	(4.1)
At 1 January 2014	**(68.3)**
Impairment losses for the year (Note 2)	**(193.4)**
Exchange differences	**4.3**
At 31 December 2014	**(257.4)**
Carrying amount	
At 31 December 2014	**1,748.9**
At 31 December 2013	1,597.9

[1] Included in disposals for 2013 are assets written off with nil net book value that are not expected to generate any future economic benefits.

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. In July 2014 the Group announced a reorganisation of its trading Divisions, whereby the Group is now organised into four trading Divisions (**Academic Publishing**, **Business Intelligence**, **Global Exhibitions** and **Knowledge & Networking**). Each of the Divisions has its own Managing Director and Chief Financial Officer. This reorganisation of the reporting structure has changed the composition of the CGUs to which goodwill is allocated. Discussions have been held with the Managing Director and Chief Financial Officer of each operating segment, as determined in accordance with IFRS 8 *Operating Segments*, to assess the new CGUs. The comparatives have been restated accordingly.

The number of CGUs has increased to 21 (2013: 12). For reporting purposes, the CGUs have been aggregated into the reportable segments. The CGUs are individually assessed for impairment each year.

The carrying amount of goodwill recorded in the major groups of CGUs is set out below:

	2014 £m	Restated 2013 £m
Academic Publishing	**440.6**	423.3
Business Intelligence	**584.7**	760.3
Global Exhibitions	**442.1**	135.4
Knowledge & Networking	**281.5**	278.9
	1,748.9	1,597.9

The movements in carrying amount relate primarily to acquisitions, disposals, impairment, foreign exchange movements and other internal reclassifications.

The Group assesses the impairment of goodwill and intangible assets annually at year end, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In the current year, the impairment review was conducted based on the new structure. The 2013 year end impairment review was carried out under the old structure.

The recoverable amounts of the CGUs are determined from value in use calculations, which are based on the cash flow projections for each CGU. The key assumptions are those regarding the revenue and operating margin growth rates.

Estimated future cash flows are determined by reference to latest budgets and forecasts for the next five years approved by management, after which a long-term perpetuity growth rate is applied. The most recent financial budgets approved by the Board of Directors have been prepared after considering the current economic environment in each of our markets. The estimates of future cash flows are consistent with past experience adjusted for management's estimates of future performance. As disclosed in the Chief Executive's Review, we are committed to increasing the level of investment in each Division over the next three years through the *Growth Acceleration Plan*. This investment covers a large range of initiatives and we have factored both the costs and the related benefits into the approved budgets and five year projections used in the impairment review.

Short-term average growth rates used for the four year projections from 2016 to 2019 vary across each CGU. However, the weighted average compound annual growth rate ("CAGR") for the four trading Divisions is: **Academic Publishing** 2%; **Business Intelligence** 6%; **Global Exhibitions** 9%; and **Knowledge & Networking** 11%.

Our current estimate of long-term average growth rates are 3% for **Academic Publishing**, **Global Exhibitions** and the Continental Europe CGU in **Knowledge & Networking** and 2% for **Business Intelligence** and the remainder of **Knowledge & Networking**. The rates do not exceed the average long-term growth rate for the relevant markets. In 2013, the long-term average growth rates were 2% for **Academic Publishing** and **Business Intelligence** and European Conferences, and 3% for Global Events.

During the year, the pre-tax discount rates used in the value in use calculations were increased to reflect the Group's assessment of the current market and other risks specific to the CGUs. The change is an increase of 1% over the previous year.

In 2014, the pre-tax discount rates applied are 10.5% for **Academic Publishing** and **Business Intelligence** and 11.5% for the **Global Exhibitions** and **Knowledge & Networking** businesses, with the exception of the Continental Europe CGU in **Knowledge & Networking** where the pre-tax discount rate has increased by 1% to 12.5%, which is to reflect the challenging economic conditions in Europe. Management has increased the pre-tax discount rate to reflect our assessment of the current market and other risks specific to the CGUs. In 2013, the pre-tax discount rates applied were 9.5% for **Academic Publishing** and **Business Intelligence** and 10.5% for the Global Events businesses with the exception of the European Conferences CGU where the pre-tax discount rate was increased by 1% to 11.5%.

The impairment review has identified indicators of impairment for the Consumer, Pharma & Healthcare and Australia Exhibitions CGUs. The Consumer and Pharma & Healthcare CGUs are included in the **Business Intelligence** Division and the Australia Exhibitions CGU is in the **Global Exhibitions** Division. All three CGUs have been impacted by the tough market conditions and in the case of the Australia Exhibitions CGU the operations were closed in November.

17. GOODWILL (CONTINUED)

Updated projections have been produced for these CGUs which has resulted in an impairment of the carrying value of goodwill by £193.4m and intangible assets by £9.1m, split out as follows:

	Goodwill £m	Intangible assets £m	Total £m
Consumer	149.0	1.0	150.0
Pharma & Healthcare	40.0	–	40.0
Australia Exhibitions	4.4	8.1	12.5
	193.4	9.1	202.5

The carrying amounts for the impaired CGUs at 31 December 2014 are:

	Goodwill £m	Intangible assets £m	Total £m
Consumer	–	16.2	16.2
Pharma & Healthcare	288.4	46.4	334.8
Australia Exhibitions	–	–	–
	288.4	62.6	351.0

Management has undertaken sensitivity analysis taking into consideration the impact on key impairment test assumptions arising from a range of possible future trading and economic scenarios. The scenarios have been performed separately for each CGU with the sensitivities summarised as follows:

- an increase in the pre-tax discount rate by 1%;
- a decrease of 1% for **Academic Publishing** and **Business Intelligence** and 2% for **Global Exhibitions** and **Knowledge & Networking** on forecast operating profits over years 2–5; and
- a decrease in the terminal growth rate by 1% for all CGUs.

The sensitivity analysis shows that when applying all of the above criteria, a further impairment of £58.1m would arise for Pharma & Healthcare. For the other CGUs, no impairment would result from the scenarios in our sensitivity analysis.

18. OTHER INTANGIBLE ASSETS

	Book lists and journal titles £m	Database content and intellectual property £m	Exhibitions and conferences[1] £m	Sub total[1] £m	Intangible software assets £m	Product development[2] £m	Total[1] £m
Cost							
At 1 January 2013	685.2	735.5	247.7	1,668.4	123.7	26.8	1,818.9
Arising on acquisitions[3]	12.6	21.7	23.5	57.8	(0.1)	–	57.7
Additions[4,5]	14.4	18.0	27.1	59.5	8.3	2.7	70.5
Disposals[6] (Note 22)	(19.2)	(216.5)	(22.3)	(258.0)	(13.4)	(13.0)	(284.4)
Exchange differences	(7.8)	(8.1)	(13.5)	(29.4)	(0.9)	(0.4)	(30.7)
At 1 January 2014	**685.2**	**550.6**	**262.5**	**1,498.3**	**117.6**	**16.1**	**1,632.0**
Arising on acquisitions in the year	**15.7**	**–**	**51.3**	**67.0**	**0.1**	**–**	**67.1**
Adjustment to prior year acquisitions	**–**	**(0.4)**	**9.8**	**9.4**	**–**	**–**	**9.4**
Additions[4,5]	**6.4**	**–**	**10.4**	**16.8**	**8.3**	**1.7**	**26.8**
Disposals (Note 22)	**(0.2)**	**–**	**(3.7)**	**(3.9)**	**(45.2)**		**(49.1)**
Reclassification	**–**	**–**	**–**	**–**	**–**	**(0.2)**	**(0.2)**
Exchange differences	**20.2**	**16.9**	**2.1**	**39.2**	**1.8**	**0.8**	**41.8**
At 31 December 2014	**727.3**	**567.1**	**332.4**	**1,626.8**	**82.6**	**18.4**	**1,727.8**
Amortisation							
At 1 January 2013	(203.1)	(525.3)	(146.8)	(875.2)	(60.7)	(8.3)	(944.2)
Charge for the year[1]	(41.4)	(54.4)	(25.4)	(121.2)	(14.8)	(3.2)	(139.2)
Impairment losses for the year (Note 2)	–	–	(0.3)	(0.3)	(17.1)	–	(17.4)
Disposals[6] (Note 22)	19.2	176.8	21.0	217.0	11.2	6.3	234.5
Exchange differences	2.6	6.5	3.5	12.6	0.6	0.1	13.3
At 1 January 2014	**(222.7)**	**(396.4)**	**(148.0)**	**(767.1)**	**(80.8)**	**(5.1)**	**(853.0)**
Charge for the year	**(40.1)**	**(28.0)**	**(25.8)**	**(93.9)**	**(10.3)**	**(1.8)**	**(106.0)**
Impairment losses for the year (Note 2)	**–**	**(2.8)**	**(8.3)**	**(11.1)**	**–**	**–**	**(11.1)**
Disposals (Note 22)	**0.2**	**–**	**1.3**	**1.5**	**44.9**	**–**	**46.4**
Exchange differences	**(7.5)**	**(12.4)**	**(2.3)**	**(22.2)**	**(0.8)**	**(0.3)**	**(23.3)**
At 31 December 2014	**(270.1)**	**(439.6)**	**(183.1)**	**(892.8)**	**(47.0)**	**(7.2)**	**(947.0)**
Carrying amount							
At 31 December 2014	**457.2**	**127.5**	**149.3**	**734.0**	**35.6**	**11.2**	**780.8**
At 31 December 2013	462.5	154.2	114.5	731.2	36.8	11.0	779.0

1 Restated for the change in accounting for joint ventures (see Note 5).

2 All product development in 2014 and 2013 is internally generated.

3 Of the £57.7m arising on acquisitions in 2013, £10.4m related to prior year acquisitions.

4 Of the £16.8m (2013 restated: £59.5m) additions to Book lists and journal titles, Database content and intellectual property and Exhibitions and conferences, £10.8m (2013: £47.6m) represents cash paid.

5 £8.3m (2013: £8.3m) additions to Intangible software assets and £1.7m (2013: £2.7m) additions to product development represent cash paid. All research and development activity during the year met capitalisation criteria and was capitalised as additions.

6 Included in disposals for 2013 are assets written off with nil net book value that are not expected to generate any future economic benefits.

18. OTHER INTANGIBLE ASSETS (CONTINUED)

Intangible software assets include a gross carrying amount of £70.2m (2013: £103.7m) and accumulated amortisation of £39.0m (2013: £71.2m) which relates to software that has been internally generated.

The Group does not have any of its other intangible assets pledged as security over bank loans.

As a result of the impairment review (see Note 17) impairments have been recognised in the **Business Intelligence** Division for the Consumer CGU (£1.0m) and in Australia in **Global Exhibitions** (£8.1m).

As a consequence of reducing the contingent consideration for prior year acquisitions by £1.8m, an impairment charge of £1.8m in **Business Intelligence** and £0.2m in **Global Exhibitions** has also been recognised. The re-measurement of the contingent consideration and impairment has been presented as adjusting items in the Consolidated Income Statement – see Note 2.

19. BUSINESS COMBINATIONS

CASH PAID ON ACQUISITION NET OF CASH ACQUIRED	2014 £m	2013 £m
Current period acquisitions[1]		
Hanley Wood Exhibitions business	**239.8**	–
Virgo Group	**85.6**	–
Provisuale Participações Ltda	**7.2**	–
Shanghai Meisheng Culture Broadcasting Co., Ltd	**2.0**	–
Other	**17.9**	–
Prior year acquisitions		
2013 acquisitions:		
EBD Group	**0.1**	29.2
Shanghai Baiwen Exhibitions Co., Ltd	**–**	27.4
Other	**1.2**	26.5
2012 acquisitions:		
Fertecon Limited	**1.5**	–
Sagient Research Systems Inc.	**0.4**	–
Other	**1.5**	0.3
2011 acquisitions:		
Brazil Trade Shows Partners Participações S.A.	**–**	2.4
Other	**0.2**	–
2010 acquisitions:		
Emerging Portfolio Fund Research Inc.	**–**	1.4
Other	**–**	0.1
	357.4	87.3

[1] These acquisitions are covered by the 'Business combinations made in 2014' tables in this note. Where goodwill is provisional, a best estimate of fair value has been made but these will be reviewed and adjusted in the next year should it be necessary.

In line with the Group's strategy, a number of acquisitions were made in the year. All acquisitions were paid for in cash (including deferred and contingent consideration), with the exception of the Hanley Wood Exhibitions acquisition which was partly financed by an equity placement. For all acquisitions full control over the business has been obtained by acquiring 100% of the ordinary issued share capital, with the exception of the acquisition of Shanghai Meisheng Culture Broadcasting Co., Ltd where 85% of the ordinary issued share capital was acquired, and the acquisition of Design Junction Limited where 90% of the ordinary issued share capital was acquired.

The contingent consideration for our share and asset acquisitions is based on future business valuations and profit multiples and has been estimated on an acquisition by acquisition basis using available data forecasts. The range of undiscounted outcomes for contingent consideration is £2.6m to £25.3m.

BUSINESS COMBINATIONS MADE IN 2014

Hanley Wood Exhibitions

On 5 December 2014, the Group acquired 100% shareholding in Red Point, LLC ("Red Point"), which in turn holds a 100% shareholding in both Hanley Wood Topco, Inc. ("HW Topco") and Greenbuild, Inc. ("Greenbuild"). HW Topco also holds a 100% shareholding in Hanley Wood Exhibitions, Inc. ("HW Exh"), collectively the "Hanley Wood Exhibitions".

Red Point and HW Topco are holding companies and all trade occurs in HW Exh and Greenbuild. Immediately post-acquisition, Red Point, LLC, Hanley Wood Topco, Inc. and Hanley Wood Exhibitions, Inc. were renamed to IE Merger Sub, LLC, IE Topco, Inc. and Informa Exhibitions U.S. Construction & Real Estate, Inc. respectively.

Hanley Wood Exhibitions is one of the largest trade show organisers in the US, with a portfolio of 17 annual Exhibitions focused on building and construction. The combined acquisition information has been disclosed to provide better understanding of the transaction. The companies form part of the **Global Exhibitions** segment.

The net cash outflow was £239.8m comprising of cash consideration of £238.4m plus net overdraft acquired of £1.4m.

The disclosure below provides the net (liabilities)/assets acquired with the related fair value adjustments:

Net (liabilities)/assets at date of acquisition	Book value £m	Fair value adjustments £m	Fair value £m
Property and equipment	1.5	–	1.5
Trade and other receivables	5.5	–	5.5
Cash and cash equivalents	(1.4)	–	(1.4)
Deferred tax asset	10.3	–	10.3
Trade and other payables	(1.6)	–	(1.6)
Deferred income	21.9)	–	21.9)
Net liabilities acquired	(7.6)	–	(7.6)
Goodwill			248.2
Total consideration			240.6
Less: contingent consideration			(2.2)
Plus: net overdraft acquired			1.4
Net cash outflow			239.8

Due to the proximity of the business combination to the year end, the Group has been unable to obtain a detailed valuation, from an external third party, of the intangible and tangible assets acquired with the business. Accordingly, the surplus of consideration over fair value of the share of net assets acquired has been allocated to goodwill at 31 December 2014. The Group expects to obtain a valuation of intangible assets, including trade name and customer relationships, and other acquired assets and liabilities in early 2015. The value of goodwill will be adjusted by a corresponding amount for the value of intangible assets identified (including any associated deferred tax liabilities) and the difference between the market and book values of the assets and liabilities. Management believes that goodwill remaining after this exercise will comprise value to the Group for which the recognition of a discrete intangible asset is not permitted and will represent future growth opportunities.

Acquisition and integration costs (included in adjusting items in the Consolidated Income Statement for the year ended 31 December 2014) amounted to £2.8m.

The business contributed £0.4m to loss after tax and less than £0.1m to revenue of the Group for the period between the date of acquisition and 31 December 2014.

If the acquisition had been completed on the first day of the financial year, it would have contributed £10.3m to profit after tax and £37.6m to revenue of the Group.

19. BUSINESS COMBINATIONS (CONTINUED)

BUSINESS COMBINATIONS MADE IN 2014 (CONTINUED)

Virgo Group

On 8 August 2014, the Group acquired 100% shareholding in VPG Alternative Investment Corp ("VPG Corp"), Arlington VPG Alternative Investment Fund ("VPG Fund") and Arlington Virgo Holdings, LLC ("Virgo Hold Co"), which in turn holds a 100% shareholding in Virgo Publishing LLC ("Virgo LLC"), collectively the "Virgo Group".

Immediately post-acquisition, VPG Corp and VPG Fund were merged into Virgo Hold Co. The result of this merger is a 100% shareholding in Virgo Hold Co which in turn holds a 100% shareholding in Virgo LLC, renamed Informa Exhibitions Hold Co and Informa Exhibitions LLC respectively.

The Virgo Group is a leading B2B information services business with a portfolio of annual Exhibitions and conferences, trade websites and affiliated publications, focused on the Health & Nutrition, Communications, Healthcare and Self-Storage market sectors. The combined acquisition information has been disclosed to provide better understanding of the transaction.
The companies form part of the **Global Exhibitions** segment.

The net cash outflow was £85.6m comprising of cash consideration of £88.5m less net cash acquired of £2.9m.

The disclosure below provides the net (liabilities)/assets acquired with the related fair value adjustments:

Net (liabilities)/assets at date of acquisition	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	–	38.2	38.2
Intangible software assets	0.1	–	0.1
Property and equipment	0.3	–	0.3
Trade and other receivables	1.6	–	1.6
Cash and cash equivalents	2.9	–	2.9
Deferred tax asset	3.4	–	3.4
Trade and other payables	(1.0)	–	(1.0)
Deferred income	(8.2)	–	(8.2)
Net (liabilities)/assets acquired	(0.9)	38.2	37.3
Goodwill			51.2
Total consideration			88.5
Less: net cash acquired			(2.9)
Net cash outflow			85.6

Goodwill, being the excess of the consideration over the fair value of the net tangible and intangible assets acquired, represents benefits which do not qualify for recognition as intangible assets, such as:

- a meaningful foothold in the US Exhibition market, the largest market geographically in the world;
- an opportunity to achieve revenue synergies as the Virgo Group owns and operates the largest Exhibition in the world, and Informa owns the largest in Europe, for the sector of Innovative and Healthy Ingredients;
- superior growth characteristics, with strong organic revenue growth in 2013 and 2014; and
- a strong management team with expertise which can be applied to other events outside of the US.

The fair value of the acquired identifiable assets and liabilities have been finalised and valued externally by a third party.

The intangible assets acquired as part of the acquisition are as follows:

	£m
Trade name and trademarks	10.6
Customer relationships	26.8
Non-compete agreements	0.8
Total intangible assets	38.2

Acquisition and integration costs (included in adjusting items in the Consolidated Income Statement for the year ended 31 December 2014) amounted to £0.4m.

The business contributed £2.9m to profit after tax and £11.7m to revenue of the Group for the period between the date of acquisition and 31 December 2014.

If the acquisition had been completed on the first day of the financial year, it would have contributed £1.3m to loss after tax and £18.9m to revenue of the Group.

19. BUSINESS COMBINATIONS (CONTINUED)

BUSINESS COMBINATIONS MADE IN 2014 (CONTINUED)

Provisuale Participações Ltda

On 13 October 2014, the Group acquired 100% of the issued share capital of Provisuale Participações Ltda. The company owns and operates its sole event called *Futurecom*, a large annual telecoms Exhibition held in São Paulo, Brazil. The company forms part of the **Global Exhibitions** segment.

The net cash outflow was £7.2m comprising of cash consideration of £7.6m less net cash acquired of £0.4m.

The disclosure below provides the net (liabilities)/assets acquired with the related fair value adjustments:

Net (liabilities)/assets at date of acquisition	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	–	5.8	5.8
Trade and other receivables	2.1	–	2.1
Cash and cash equivalents	0.4	–	0.4
Trade and other payables	(0.6)	–	(0.6)
Deferred income	(3.7)	–	(3.7)
Deferred tax liabilities	–	(1.9)	(1.9)
Net (liabilities)/assets acquired	(1.8)	3.9	2.1
Goodwill			11.7
Total consideration			13.8
Less: deferred consideration			(0.9)
Less: contingent consideration			(5.3)
Less: net cash acquired			(0.4)
Net cash outflow			7.2

Goodwill arises when we acquire a business and pay a higher amount than the fair value of the net assets of that business primarily due to the synergies we expect to gain from the acquisition. The fair value of the acquired identifiable assets and liabilities assumed are provisional pending receipt of final valuations.

The intangible assets acquired as part of the acquisition are as follows:

	£m
Trademark	3.5
Customer relationships	2.3
Total intangible assets	5.8

Acquisition and integration costs (included in adjusting items in the Consolidated Income Statement for the year ended 31 December 2014) amounted to £0.1m.

The business contributed £2.2m to profit after tax and £5.0m to revenue of the Group for the period between the date of acquisition and 31 December 2014.

If the acquisition had been completed on the first day of the financial year, it would have contributed £1.7m to profit after tax and £5.0m to revenue of the Group.

China Beauty Expo

On 27 December 2013, the Group acquired 80% of the issued share capital of Shanghai Baiwen Exhibitions Co., Ltd ("Baiwen"). On 13 March 2014, the Group subsequently acquired 85% of the issued share capital of Shanghai Meisheng Culture Broadcasting Co., Ltd ("Meisheng"). Baiwen owns and operates *China Beauty Expo*, the largest beauty trade event in mainland China. This event comprises of three specialised shows in beauty salons and spa products; cosmetics and toiletries; and packaging, original equipment manufacturer and machinery. Meisheng owns the MeiYe Awards held at the *China Beauty Expo* event and the associated publication, *Cosmetic News*. The acquisition of these companies was subject to the Chinese government approval and therefore completed at different periods. The combined acquisition information has been disclosed to provide better understanding of the transaction. The companies will form part of the **Global Exhibitions** segment.

As reported in 2013, the net cash outflow in the Baiwen acquisition was £27.4m comprising of cash consideration of £37.9m less net cash acquired of £10.5m.

The net cash outflow in relation to the Meisheng acquisition was £2.0m comprising of cash consideration of £2.7m less net cash acquired of £0.7m.

The disclosure below provides the net assets acquired on a combined basis with the related fair value adjustments:

Net assets at date of acquisition	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	–	10.4	10.4
Trade and other receivables	2.1	–	2.1
Cash and cash equivalents	11.2	–	11.2
Trade and other payables	(1.6)	–	(1.6)
Deferred income	(6.3)	–	(6.3)
Deferred tax liabilities	–	(2.6)	(2.6)
	5.4	7.8	13.2
Non-controlling interest	(1.0)	–	(1.0)
Net assets acquired	4.4	7.8	12.2
Goodwill			28.4
Total consideration			40.6
Less: net cash acquired			(11.2)
Net cash outflow			29.4

19. BUSINESS COMBINATIONS (CONTINUED)

BUSINESS COMBINATIONS MADE IN 2014 (CONTINUED)

China Beauty Expo (continued)

By company:

Net assets at date of acquisition	Baiwen £m	Meisheng £m	Total £m
Intangible assets	9.7	0.7	10.4
Trade and other receivables	1.7	0.4	2.1
Cash and cash equivalents	10.5	0.7	11.2
Trade and other payables	(1.6)	–	(1.6)
Deferred income	(5.5)	(0.8)	(6.3)
Deferred tax liabilities	(2.4)	(0.2)	(2.6)
	12.4	0.8	13.2
Non-controlling interest	(1.0)	–	(1.0)
Net assets acquired	11.4	0.8	12.2
Goodwill	26.5	1.9	28.4
Total consideration	37.9	2.7	40.6
Less: net cash acquired	(10.5)	(0.7)	(11.2)
Net cash outflow	27.4	2.0	29.4

The goodwill of £28.4m relates to certain intangible assets that cannot be individually separated. These include items such as customer loyalty, market share and synergies expected to arise after the acquisition completion.

The intangible assets acquired as part of the acquisition are as follows:

	Baiwen £m	Meisheng £m	Total £m
Software	5.3	0.4	5.7
Brand	4.4	0.3	4.7
Total intangible assets	9.7	0.7	10.4

Acquisition and integration costs (included in adjusting items in the Consolidated Income Statement for the year ended 31 December 2014) amounted to less than £0.1m.

Baiwen contributed £0.3m to loss after tax and £8.9m to revenue of the Group for the year ended 31 December 2014 and did not contribute to the 2013 results of the Group due to the proximity of the acquisition to the 2013 year end. Meisheng contributed £0.8m to profit after tax and £1.3m to revenue of the Group for the period between the date of acquisition and 31 December 2014.

If the Meisheng acquisition had been completed on the first day of the 2014 financial year, it would have contributed £0.8m to profit after tax and £1.3m to revenue of the Group.

OTHER BUSINESS COMBINATIONS MADE IN 2014

The Group acquired 100% of the issued share capital of Landes Bioscience, Inc. and M. E. Sharpe, Inc. which form part of the **Academic Publishing** segment.

The Group also acquired 100% of the issued share capital of E-Health Media Limited and 90% of the issued share capital of Design Junction Limited which form part of the **Global Exhibitions** segment.

The net cash outflow was £17.4m comprising of cash consideration of £19.0m less net cash acquired of £1.6m. During 2014, deferred and contingent consideration of £0.5m was paid.

The disclosure below provides the net (liabilities)/assets acquired on a combined basis with the related fair value adjustments:

Net (liabilities)/assets at date of acquisition	Book value £m	Fair value adjustments £m	Fair value £m
Intangible assets	–	22.2	22.2
Inventory	0.2	–	0.2
Trade and other receivables	1.8	–	1.8
Cash and cash equivalents	1.6	–	1.6
Deferred tax asset	1.4	–	1.4
Trade and other payables	(1.5)	–	(1.5)
Deferred income	(3.9)	–	(3.9)
Deferred tax liabilities	–	(6.2)	(6.2)
Net (liabilities)/assets acquired	(0.4)	16.0	15.6
Goodwill			6.2
Total consideration			21.8
Less: deferred consideration			(2.2)
Less: contingent consideration			(0.6)
Less: net cash acquired			(1.6)
Net cash outflow			17.4

Goodwill, being the excess of the consideration over the fair value of the net tangible and intangible assets acquired, represents benefits which do not qualify for recognition as intangible assets. The fair value of the acquired identifiable assets and liabilities assumed are provisional pending receipt of final valuations.

The intangible assets of £22.2m will typically relate to trade name, trademark and customer relationships which are split across each of the individual share acquisitions.

Acquisition and integration costs (included in adjusting items in the Consolidated Income Statement for the year ended 31 December 2014) amounted to £0.9m.

The above acquisitions contributed £1.5m to profit after tax and £6.0m to revenue of the Group for the period between the date of acquisition and 31 December 2014.

If the above acquisitions had been completed on the first day of the financial year, they would have contributed £1.2m to profit after tax and £10.0m to revenue of the Group.

BUSINESS COMBINATIONS MADE IN 2013

During 2014, a payment totalling £0.1m was paid to the previous owners of the EBD Group and this resulted in an increase in the value of the intangible asset of £0.1m.

During 2014, payments totalling £0.1m were received in relation to consideration receivable for acquired net asset adjustments.

During 2014, further payments totalling £1.3m were made in relation to deferred and contingent consideration for acquisitions made in 2013. The remaining £1.9m contingent consideration for these acquisitions is payable within one year.

BUSINESS COMBINATIONS MADE IN 2012

During 2014, payments totalling £1.5m, £0.4m and £1.5m were made in relation to deferred and contingent consideration for Fertecon Limited, Sagient Research Systems Inc., and other acquisitions made in 2012, respectively. As a result, contingent and deferred consideration relating to 2012 acquisitions have been fully repaid.

BUSINESS COMBINATIONS MADE IN 2011

During 2014, payments totalling £0.2m were made in relation to deferred and contingent consideration for acquisitions made in 2011.

20. INVESTMENT IN JOINT VENTURES

	2014 £m	Restated 2013 £m	Restated 2012 £m
Investment in joint ventures	**0.2**	0.6	0.5

The Group's joint ventures at 31 December 2014 are as follows:

Company	Segment	Type of business	Country of incorporation and operation	Class of shares held	Share holding/ interest	Accounting year end
Lloyd's Maritime Information Services Limited	Business Intelligence	Business information	England and Wales	Ordinary	50%	31 December
SIAL Brasil Feiras Profissionais Ltda	Global Exhibitions	Event organisation	Brazil	Ordinary	49%	31 December
Independent Materials Handling Exhibitions Limited	Global Exhibitions	Event organisation	England and Wales	Ordinary	50%	31 December
Informa Tharawat LLC	Global Exhibitions	Conference organisation	State of Qatar	Ordinary	49%	31 December

As per Note 2, the Group has adopted IFRS 11 *Joint Arrangements* in the period, which has meant changing the accounting for joint ventures from proportionate consolidation to equity accounting. This change in policy requires a restatement of the comparative periods as well.

An analysis of changes in the carrying value of investments in joint ventures is set out below:

	2014 £m	2013 £m	2012 £m
Restated at start of year	**0.6**	0.5	0.3
Share of results of joint ventures	**(0.4)**	0.4	0.2
Dividends received	**–**	(0.2)	–
Exchange differences on translation of foreign operations	**–**	(0.1)	–
At end of year	**0.2**	0.6	0.5

The following represent the aggregate assets, liabilities, income and expenses of the Group's joint ventures:

	2014 £m	2013 £m	2012 £m
Non-current assets	**0.6**	2.7	–
Current assets	**2.0**	1.9	2.2
Non-current liabilities	**(1.9)**	(2.0)	–
Current liabilities	**(1.7)**	(1.4)	(1.8)
Income	**1.5**	5.9	0.4
Expenses	**(3.7)**	(5.3)	(0.3)

The loss recognised in SIAL Brasil Feiras Profissionais Ltda exceeds the investment held on the balance sheet. Therefore £0.7m of operating losses has been recognised off balance sheet. Any future operating profits for SIAL Brasil Feiras Profissionais Ltda will be offset against this balance before being recognised in the Consolidated Income Statement.

21. DISCONTINUED OPERATIONS

On 30 September 2013, the Group disposed of its five Corporate Training businesses, which created a loss for the period from discontinued operations of £109.5m. The loss included £99.3m recognised on disposal, being proceeds of £87.3m (at fair value); less the carrying amount of the net assets and attributable goodwill.

These businesses were a separate CGU and included within the Global Events reportable segment, as under the reporting structure in 2013.

The results of the discontinued operation, which have been included in the Consolidated Income Statement, were as follows:

	2013 £m
Revenue	76.2
Expenses	(90.1)
Loss before tax	(13.9)
Attributable tax credit	3.9
	(10.0)
Loss on disposal of discontinued operations (Note 22)	(99.3)
Attributable tax charge	(0.2)
Loss for the period from discontinued operations	(109.5)

The disposal made in 2014 (see Note 22) does not meet the definition of a discontinued operation in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations.*

22. DISPOSAL OF SUBSIDIARY AND OTHER ASSETS

DISPOSALS MADE IN 2014

During the year the Group disposed of its *Fashion Exposed* event in Australia. Upon completion, proceeds of £0.4m were received, resulting in a loss on disposal of £1.3m – see Note 2.

Following the disposal of the Corporate Training businesses on 30 September 2013, final adjustments (including related costs) of £1.5m have been recognised in the loss on disposal. This has been included as an adjusting item in the Consolidated Income Statement – see Note 2.

DISPOSALS MADE IN 2013

On 30 September 2013, the Group disposed of its five Corporate Training businesses; the European Conferences businesses in Spain and Italy; the trade and assets in the Superyacht Cup; and other small businesses. A loss on disposal of £102.7m, including directly attributable costs of £11.1m, has been recognised within adjusting items in the Consolidated Income Statement.

The disclosure below sets out the aggregate effect of the disposals on the Group's assets and liabilities:

	Corporate Training £m	Other businesses £m	Total £m
Goodwill	119.1	–	**119.1**
Other intangible assets (excluding intangible software assets)	46.4	1.3	**47.7**
Intangible software assets	2.1	–	**2.1**
Property and equipment	0.9	0.1	**1.0**
Inventory	0.7	–	**0.7**
Trade and other receivables	25.3	1.4	**26.7**
Cash and cash equivalents	3.5	1.8	**5.3**
Deferred tax asset	0.1	0.1	**0.2**
Trade and other payables	(13.6)	(1.7)	**(15.3)**
Deferred income	(2.6)	(0.8)	**(3.4)**
Deferred tax liabilities	(8.4)	(0.3)	**(8.7)**
Net assets disposed	173.5	1.9	**175.4**
Costs directly attributable with the disposal	9.8	1.3	**11.1**
Cumulative foreign exchange losses reclassified from equity	3.3	0.3	**3.6**
Loss on disposal	(99.3)	(3.4)	**(102.7)**
Total consideration	87.3	0.1	**87.4**
Satisfied by:			
Cash and cash equivalents	60.3	0.1	**60.4**
Deferred consideration	27.0	–	**27.0**
Net cash inflow arising on disposal			
Consideration received in cash and cash equivalents	60.3	0.1	**60.4**
Less: cash and cash equivalents disposed of	(3.5)	(1.8)	**(5.3)**
Less: costs directly attributable with the disposal	(6.6)	(1.0)	**(7.6)**
	50.2	(2.7)	**47.5**

The loss on disposal of £99.3m for the Corporate Training businesses is included within discontinued operations – see Note 21.

23. PROPERTY AND EQUIPMENT

	Freehold land and buildings £m	Leasehold land and buildings £m	Equipment fixtures and fittings £m	Total £m
Cost				
At 1 January 2013	2.4	12.5	42.6	57.5
Additions[1]	–	0.9	5.0	5.9
Disposals	–	(2.6)	(9.4)	(12.0)
Disposal of subsidiaries (Note 22)	–	(1.5)	(3.7)	(5.2)
Exchange differences	–	(0.2)	(0.6)	(0.8)
At 1 January 2014	**2.4**	**9.1**	**33.9**	**45.4**
Additions[1]	**–**	**1.2**	**3.6**	**4.8**
Acquisition of subsidiaries	**–**	**0.1**	**1.8**	**1.9**
Reclassification	**–**	**0.2**	**–**	**0.2**
Disposals	**–**	**(1.3)**	**(3.7)**	**(5.0)**
Exchange differences	**–**	**0.2**	**0.8**	**1.0**
At 31 December 2014	**2.4**	**9.5**	**36.4**	**48.3**
Depreciation				
At 1 January 2013	(0.4)	(6.7)	(31.1)	(38.2)
Charge for the year	–	(1.4)	(5.4)	(6.8)
Disposals	–	2.4	9.0	11.4
Disposal of subsidiaries (Note 22)	–	1.0	3.2	4.2
Exchange differences	–	0.1	0.4	0.5
At 1 January 2014	**(0.4)**	**(4.6)**	**(23.9)**	**(28.9)**
Charge for the year	**–**	**(1.1)**	**(5.0)**	**(6.1)**
Disposals	**–**	**1.3**	**3.6**	**4.9**
Exchange differences	**–**	**(0.1)**	**(0.6)**	**(0.7)**
At 31 December 2014	**(0.4)**	**(4.5)**	**(25.9)**	**(30.8)**
Carrying amount				
At 31 December 2014	2.0	5.0	10.5	17.5
At 31 December 2013	2.0	4.5	10.0	16.5

[1] All the £4.8m (2013: £5.9m) additions represents cash paid.

The Group does not have any of its property and equipment pledged as security over bank loans.

24. SUBSIDIARIES

The listing below shows the subsidiary undertakings as at 31 December 2014 which principally affected the profits or net assets of the Group. To avoid a statement of excessive length, details of investments which are not significant have been omitted.

Company	Country of registration and incorporation	Principal activity	Ordinary shares held
Informa Group Holdings Limited	England and Wales	Holding company	100%
Informa Group plc	England and Wales	Holding company	100%
Informa Switzerland Limited (formerly known as Informa plc)	Switzerland	Holding company	100%
Informa Finance GmbH	Switzerland	Finance	100%
Informa Middle East Limited	Bermuda	Conference organisation and publishing	100%
Informa IP GmbH	Switzerland	Intellectual property management	100%
Informa Exhibitions, LLC	US	Events organisation	100%
Provisuale Participações Ltda	Brazil	Events organisation	100%
Informa Exhibitions US Construction & Real Estate, Inc.	US	Events organisation	100%
Informa UK Limited	England and Wales	Events, conference organisation and publishing	100%
Taylor & Francis Group, LLC	US	Publishing	100%
IIR Limited	England and Wales	Conference organisation and publishing	100%
Informa Telecoms & Media Limited	England and Wales	Events, conference organisation and publishing	100%
Informa Investment Solutions Inc.	US	Financial information	100%
Informa Business Information Inc.	US	Intelligence information gathering service	100%
Citeline, Inc.	US	Intelligence information gathering service	100%
BTS Informa Feiras, Eventos e Editora Ltda	Brazil	Events organisation	100%
Informa Canada Inc.	Canada	Events and conference organisation	100%
Informa Global Markets (Europe) Limited	England and Wales	Financial information	100%
Informa Monaco S.A.M.	Monaco	Events organisation	100%
Shanghai Baiwen Exhibitions Co., Limited	China	Events organisation	80%
Datamonitor Inc.	US	Business information	100%
Emerging Portfolio Funds Research Inc.	US	Financial information	100%
IIR Exhibitions Limited	England and Wales	Events organisation	100%
Institute for International Research Inc.	US	Conference organisation	100%
Informa Research Services Inc.	US	Market research consulting	100%

Of the above, Informa PLC directly owns Informa Switzerland Limited (formerly known as Informa plc). The proportion of voting power held is the same as the proportion of ownership interest. The Consolidated Financial Statements incorporate the financial statements of all entities controlled by the Company as at 31 December each year. Refer to Note 3 for further description of the method used to account for investments in subsidiaries.

In addition to the companies shown above, Informa PLC also holds investments in a number of other subsidiary undertakings which in the Directors' opinion do not significantly affect the figures in the Consolidated Financial Statements. In accordance with section 410(2)(a) of the Companies Act 2006, a full list of subsidiaries was annexed to the 2014 annual return submitted to Companies House. A full list of subsidiaries will be submitted to Companies House during 2015.

25. INVENTORY

	2014 £m	2013 £m
Raw materials	**0.1**	–
Work in progress	**7.6**	7.3
Finished goods and goods for resale	**36.8**	34.9
	44.5	42.2

Write down of inventory during the year amounted to £1.6m (2013: £2.7m).

26. TRADE AND OTHER RECEIVABLES

	2014 £m	2013[1] £m
Current		
Trade receivables	**178.1**	162.1
Less: provision	**(26.0)**	(21.6)
Trade receivables net	**152.1**	140.5
Other receivables	**17.4**	13.4
Prepayments and accrued income	**32.3**	27.7
Costs in advance	**17.1**	21.4
	218.9	203.0
Non-current		
Other receivables	**30.9**	38.1
Total non-current	**30.9**	38.1
	249.8	241.1

1 Restated for the change in accounting for joint ventures (see Note 5).

The average credit period taken on sales of goods is 30 days (2013: 30 days). The Group has provision policies for its various Divisions which have been determined by reference to past default experience. Under the normal course of business, the Group does not charge interest on its overdue receivables.

Other non-current receivables primarily consists of a long-term receivable of £30.0m provided by the acquirer as consideration for the disposal of the Corporate Training business in 2013. The non-current receivable is repayable in 2019. The movements in the year relate to the impairment of China Medical Data Services and Expo Vinis receivables totalling £14.5m (see Note 2), offset by effective interest on loan receivable and foreign exchange movements.

The Group's exposures to credit risk and impairment losses related to trade and other receivables are disclosed in Note 33.

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

27. CASH AND CASH EQUIVALENTS

	Note	2014 £m	2013[1] £m
Cash at bank and in hand		**38.6**	32.0
Bank overdrafts	32	**(3.3)**	(0.5)
Cash and cash equivalents in the Consolidated Cash Flow Statement		**35.3**	31.5

[1] Restated for the change in accounting for joint ventures (see Note 5).

The gross position for the cash at bank and in hand that has the legal right to set off the gross financial assets was £39.8m (2013: £35.3m) and the gross financial liabilities were £4.5m (2013: £3.8m).

The Group's exposure to interest rate risks and a sensitivity analysis for financial assets and liabilities are disclosed in Note 33.

28. TRADE AND OTHER PAYABLES

	2014 £m	2013[1] £m
Current		
Deferred consideration	**5.7**	2.1
Trade payables	**29.4**	32.8
Accruals	**127.1**	118.3
Other payables	**35.8**	26.2
Total current	**198.0**	179.4
Non-current		
Deferred consideration	**1.2**	3.4
Other payables	**4.7**	3.1
Total non-current	**5.9**	6.5
	203.9	185.9

[1] Restated for the change in accounting for joint ventures (see Note 5).

An analysis of the maturity of debt is given in Note 33.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 35 days (2013: 42 days).

There are no suppliers who represent more than 10% of the total balance of trade payables in either 2014 or 2013.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame. Therefore, under the normal course of business, the Group is not charged interest on overdue payables.

The Directors consider that the carrying amount of trade payables approximates to their fair value.

29. DEFERRED INCOME

	2014 £m	2013[1] £m
Subscriptions and event revenue received in advance	**342.9**	315.9

[1] Restated for the change in accounting for joint ventures (see Note 5).

30. PROVISIONS

	Contingent consideration £m	Property leases £m	Restructuring provision £m	Other provision £m	Total £m
At 1 January 2013	7.6	2.6	3.3	0.3	13.8
Increase in year	11.3	1.0	25.4	3.6	41.3
Utilisation	(5.4)	(1.0)	(22.4)	(3.1)	(31.9)
Release	(2.5)	(0.5)	(0.4)	–	(3.4)
At 1 January 2014	**11.0**	**2.1**	**5.9**	**0.8**	**19.8**
Increase in year	**12.4**	**2.8**	**21.0**	**0.1**	**36.3**
Utilisation	**(5.9)**	**(0.5)**	**(18.2)**	**(0.8)**	**(25.4)**
Release	**(1.8)**	**(0.5)**	**(0.2)**	**–**	**(2.5)**
At 31 December 2014	**15.7**	**3.9**	**8.5**	**0.1**	**28.2**
2014					
Current liabilities	**5.7**	**2.3**	**8.3**	**0.1**	**16.4**
Non-current liabilities	**10.1**	**1.6**	**0.1**	**–**	**11.8**
2013					
Current liabilities	5.5	0.7	5.7	0.8	12.7
Non-current liabilities	5.5	1.4	0.2	–	7.1

The contingent consideration relates primarily to current year acquisitions (Provisuale Participações Ltda, Design Junction Limited, Landes Bioscience, Inc. and M.E. Sharpe, Inc.) and prior year acquisitions (Apps World Event Limited and Doyle Trading Consultants, LLC). The contingent consideration will be paid in one to three years.

The property lease provision represents the estimated excess of rent payable on surplus property leases, plus dilapidation provisions, less rent receivable via sub leases. The property lease provisions will be fully utilised between one and five years.

As outlined in Note 2, during 2014 the Group implemented a number of restructuring and reorganisation projects. The restructuring provision is expected to be substantially utilised by 31 December 2015.

The other provision relates to a finder's fee on the acquisition of Agrishow. The majority of the other provision is fully utilised as at 31 December 2014.

31. DEFERRED TAX

	Accelerated tax depreciation £m	Intangibles £m	Pensions (Note 39) £m	Other £m	Cash flow hedges £m	Total £m
At 1 January 2013	0.1	179.8	(4.0)	(15.0)	–	160.9
Debit to other comprehensive income for the year	–	–	2.2	–	0.1	2.3
Acquisitions	–	16.9	–	(4.3)	–	12.6
(Credit)/charge to profit or loss for the year excluding UK corporation tax rate change	(5.4)	(15.6)	0.7	(1.3)	–	(21.6)
Charge/(credit) to profit or loss for the year arising from UK corporation tax rate change	0.8	(6.7)	–	0.6	–	(5.3)
Disposals	0.1	(9.3)	–	0.7	–	(8.5)
Foreign exchange movements	–	(6.1)	–	0.2	–	(5.9)
At 1 January 2014	**(4.4)**	**159.0**	**(1.1)**	**(19.1)**	**0.1**	**134.5**
Credit to other comprehensive income for the year	**–**	**–**	**(1.7)**	**–**	**(0.1)**	**(1.8)**
Acquisitions	**0.1**	**11.6**	**–**	**(15.3)**	**–**	**(3.6)**
(Credit)/charge to profit or loss for the year excluding UK corporation tax rate change	**–**	**(9.7)**	**0.7**	**3.2**	**–**	**(5.8)**
Charge to profit or loss for the year arising from UK corporation tax rate change	**–**	**0.4**	**–**	**–**	**–**	**0.4**
Disposals	**–**	**(0.6)**	**–**	**–**	**–**	**(0.6)**
Foreign exchange movements	**0.1**	**3.4**	**–**	**(1.0)**	**–**	**2.5**
At 31 December 2014	**(4.2)**	**164.1**	**(2.1)**	**(32.2)**	**–**	**125.6**

Certain deferred tax assets and liabilities have been offset in accordance with the Group's accounting policy. The following is the analysis of deferred tax balances for Consolidated Statement of Financial Position purposes:

	2014 £m	2013 £m
Deferred tax liability	**125.6**	134.5
Deferred tax asset	**–**	–
	125.6	134.5

The Finance Act 2013 enacted prospective reductions in the UK corporation tax rate from 23% to 21%, effective from 1 April 2014, and to 20%, effective from 1 April 2015. The impact of this prospective reduction for 2013 was to reduce the Group's deferred tax liability by £4.8m, increase profit for the year by £5.3m and reduce other comprehensive income by £0.5m. The impact for the current year is to increase the Group's deferred tax liability by £0.4m and decrease profit for the year by £0.4m.

At 31 December 2014 the Group has unused tax losses of approximately £36.6m (2013: £37.1m) available for offset against future profits. A deferred tax asset of £12.1m (2013: £12.5m) has not been recognised due to the unpredictability of future taxable profit streams.

At the reporting date, the aggregate amount of withholding tax on post-acquisition undistributed earnings for which deferred tax liabilities have not been recognised was £13.3m (2013: £24.6m). No liability has been recognised because the Group, being in a position to control the timing of the distribution of intra-Group dividends, has no intention to distribute intra-Group dividends in the foreseeable future that would trigger withholding tax.

32. BORROWINGS

	Note	2014 £m	2013 £m
Current			
Bank overdraft	27	**3.3**	0.5
Private placement loan notes		**70.4**	–
Total current borrowings		**73.7**	0.5
Non-current			
Bank borrowings		**450.5**	371.9
Private placement loan notes		**390.6**	442.2
Total non-current borrowings[1]		**841.1**	814.1
		914.8	814.6

[1] The borrowings for current and prior year are presented net of arrangement fees.

There have been no breaches of covenants under the Group's bank facilities and private placement loan notes during the year. The bank and private placement borrowings are guaranteed by material subsidiaries of the Group. The Group does not have any of its property and equipment and other intangible assets pledged as security over loans.

The Group maintains the following significant lines of credit:

- Private placement loan notes drawn in three currency tranches of US dollar ("USD") 597.5m, pound sterling ("GBP") 40.0m and Euro ("EUR") 50.0m. As at 31 December 2014, the note maturities ranged between one and six years, with an average duration of 4.3 years, at a weighted average interest rate of 4.3%.
- £900.0m (2013: £625.0m) revolving credit facility, of which £455.2m has been drawn down at 31 December 2014. Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA.
- £39.1m (2013: £39.5m) comprising a number of bilateral bank facilities that can be drawn down to meet short-term financing needs. These facilities consist of GBP 16.0m (2013: GBP 16.0m), USD 15.0m (2013: USD 15.0m), EUR 15.0m (2013: EUR 15.0m), and Australian dollar ("AUD") 3.5m (2013: AUD 3.5m). Interest is payable at the local base rate plus margins that vary between 1% and 7%.

The effective interest rate as at 31 December 2014 is 3.0% (2013: 3.1%).

The Group had the following committed undrawn borrowing facilities at 31 December:

Expiry date	2014 £m	2013 £m
Within one to two years	**–**	–
In more than two years	**444.8**	251.1
	444.8	251.1

The Group's exposure to liquidity risk is disclosed in Note 33(g).

33. FINANCIAL INSTRUMENTS

(A) FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- Capital risk management
- Market risk
- Credit risk
- Liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's management of capital, and the Group's objectives, policies and procedures for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established a Treasury Committee which is responsible for developing and monitoring the Group's financial instrument-related risk management policies. The Treasury Committee meets and reports regularly to the Audit Committee on its activities.

The Group Treasury function provides services to the Group's businesses, co-ordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Treasury Committee has put in place policies that have been established to identify and analyse financial instrument-related risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. These policies provide written principles on funding and investment policies, credit risk, foreign exchange risk and interest rate risk. Compliance with policies and exposure limits is reviewed by the Treasury Committee. This Committee is assisted in its oversight role by Internal Audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

In October 2014, the Group entered into a new five year revolving credit facility of £900.0m, of which £455.2m was drawn down at 31 December 2014. The facility matures in October 2019.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders as well as sustaining the future development of the business. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt, which includes borrowings (Note 32) and cash and cash equivalents (Note 27), and equity attributable to equity holders of the parent, comprising issued capital (Note 34), reserves and retained earnings.

Cost of capital

The Group's Treasury Committee reviews the Group's capital structure on a regular basis and as part of this review, the Committee considers the weighted average cost of capital and the risks associated with each class of capital.

Gearing ratio

The principal financial covenant ratios under the Group's borrowing facilities are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. At 31 December 2014 both financial covenants were comfortably achieved, with the ratio of net debt (using average exchange rates) to EBITDA of 2.2 times (2013: 2.2 times). The ratio of EBITDA to net interest payable in the year ended 31 December 2014 was 14.4 times (2013: 13.0 times).

(B) CATEGORIES OF FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument, are disclosed in Note 3.

	Notes	2014 £m	2013[1] £m
Financial assets			
Trade receivables	26	**152.1**	140.5
Other receivables	26	**48.3**	51.5
Cash and cash equivalents	27	**38.6**	32.0
Derivative financial instruments in designated hedge accounting relationships		**–**	0.5
Total financial assets		**239.0**	224.5
Financial liabilities			
Bank overdraft	32	**3.3**	0.5
Bank borrowings	32	**450.5**	371.9
Private placement loan notes	32	**461.0**	442.2
Trade payables	28	**29.4**	32.8
Accruals	28	**127.1**	118.3
Other payables	28	**40.5**	29.3
Deferred consideration	28	**6.9**	5.5
Contingent consideration	30	**15.7**	11.0
Total financial liabilities		**1,134.4**	1,011.5

[1] Restated for the change in accounting for joint ventures (see Note 5).

During the year there were no fair value or net investment hedges of foreign operations entered in during the year.

(C) MARKET RISK

Market risk is the risk that changes in the market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Group's activities expose it mainly to the financial risks of changes in foreign currency exchange rates and changes in interest rates. The Group enters into interest rate swaps to mitigate the risk of rising interest rates and, by managing the risk of currencies of its borrowings, the Group is able to achieve a level of natural hedge of both the Consolidated Statement of Financial Position net currency assets and also the currency earnings due to the currency interest payable. Refer to both interest rate risk and foreign currency risk in Note 33(d) and (e) respectively.

The Group does not use derivative contracts for speculative purposes.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department ("Group Treasury") under policies approved by the Board of Directors. The Board sets the Group's treasury policy to ensure that it has adequate financial resources to develop the Group's businesses and to manage the currency and interest risks to which the Group is exposed. Group Treasury monitors the distribution of its cash assets, borrowings and facilities so as to control exposure to the relative performance of any particular territory, currency or institution.

33. FINANCIAL INSTRUMENTS (CONTINUED)

(C) MARKET RISK (CONTINUED)

The Board and the Treasury Committee provide written principles for overall risk management, as well as policies covering specific areas, such as funding, foreign exchange risk, interest rate risk, credit risk and investments of excess liquidity.

Risk is measured in terms of impact, inherent risk and residual risk, and takes account of management's control actions in mitigating against both external and internal risk events.

The risk model consolidates unique risk events and aggregated risk categories at both a business unit level and Group-wide, and the results are presented to the Risk Committee and the Audit Committee for discussion and review, and may drive the allocation of Internal Audit resources to provide assurance on significant risks in its annual plan.

(D) INTEREST RATE RISK

The Group has no significant interest-bearing assets at floating rates and is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The risk is managed by the Group by maintaining an appropriate mix between fixed and floating-rate borrowings by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring optimal hedging strategies are applied, by either protecting the Consolidated Statement of Financial Position or protecting interest expense through different interest rate cycles.

The Group's policy is to minimise its exposure to fluctuations in interest rates by using interest rate swaps as cash flow hedges to hedge up to 90% of forecast interest payments over a period of up to five years, based on forecast net debt levels by currency during that period. This policy provides a level of certainty of future interest costs by swapping floating to fixed interest payments which in turn assists the predictability of achieving interest-based loan covenants.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk section of this note.

Interest rate swap contracts

The Group draws down on its bank borrowing facilities at floating rates of interest. A portion of those are then swapped to fixed rates in line with the Group treasury policy in order to manage its cash flow interest rate risk. Such contracts enable the Group to convert borrowings from floating rates and swap them into fixed rates. Under interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (primarily monthly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the future interest rate curves at the reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balance at the end of the financial year.

The Group terminated its interest rate swaps during the year and did not replace them. Therefore the Group does not have any outstanding contracts at year end.

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at the reporting date:

Cash flow hedges

Outstanding receive floating, pay fixed contracts	Average contracted fixed interest rate 2014 %	2013 %	Notional principal amount 2014 £m	2013 £m	Fair value 2014 £m	2013 £m
Within one year	–	–	–	–	–	–
Within one to two years	–	0.54	–	20.0	–	–
More than two years	–	0.69	–	40.0	–	0.5
			–	60.0	–	0.5

At 31 December 2013, the fixed interest rates varied from 0.54% to 0.76%, and the main floating rates were LIBOR. Gains or losses deferred in equity on interest rate swap contracts as of 31 December 2013 were recognised in the Consolidated Income Statement in the same period in which the hedged item affected net profit or loss.

The following table details financial liabilities by interest category:

	Fixed rate £m	Floating rate £m	Non-interest bearing £m	Total 2014 £m	Fixed rate £m	Floating rate £m	Non-interest bearing £m[1]	Total 2013 £m[1]
Bank overdraft	–	3.3	–	3.3	–	0.5	–	0.5
Bank borrowings	–	450.5	–	450.5	60.0	311.9	–	371.9
Private placement loan notes	461.0	–	–	461.0	442.2	–	–	442.2
Trade payables	–	–	29.4	29.4	–	–	32.8	32.8
Accruals	–	–	127.1	127.1	–	–	118.3	118.3
Other payables	–	–	40.5	40.5	–	0.6	28.7	29.3
Deferred consideration	–	–	6.9	6.9	–	–	5.5	5.5
Contingent consideration	–	–	15.7	15.7	–	–	11.0	11.0
	461.0	453.8	219.6	1,134.4	502.2	313.0	196.3	1,011.5

1 Restated for the change in accounting for joint ventures (see Note 5).

Interest rate sensitivity analysis

A high percentage of loans are at fixed interest rates or are designated in hedging relationships, and hence the Group's interest rate sensitivity would only be affected by the exposure to variable rate debt.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit for the year would have decreased or increased by £4.5m (2013: £3.1m).

33. FINANCIAL INSTRUMENTS (CONTINUED)

(E) FOREIGN CURRENCY RISK

The Group is a business with significant net USD and net EUR transactions; hence exposures to exchange rate fluctuations arise. In the absence of any currency conversion, cash positions in USD and other trading currencies, such as the EUR, would develop imbalances by growing GBP debt.

Allied to the Group's policy on the hedging of surplus foreign currency cash inflows, the Group will usually seek to finance its net investment in its principal overseas subsidiaries by borrowing in those subsidiaries' functional currencies, primarily EUR and USD. This policy has the effect of partially protecting the Group's Consolidated Statement of Financial Position from movements in those currencies to the extent that the associated net assets are hedged by the net foreign currency borrowings.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2014 £m	2013 £m	**2014 £m**	2013 £m
USD	**156.5**	135.6	**(982.8)**	(718.1)
EUR	**18.6**	20.3	**(54.6)**	(65.0)
Other	**39.0**	41.3	**(40.4)**	(47.9)
	214.1	197.2	**(1,077.8)**	(831.0)

The foreign currency borrowings of £877.3m (2013: £600.9m) are used to hedge the Group's net investments in foreign subsidiaries.

	Average rate		Closing rate	
	2014	2013	**2014**	2013
USD	**1.6485**	1.5635	**1.5596**	1.6510
EUR	**1.2422**	1.1776	**1.2833**	1.1997

Foreign currency sensitivity analysis

The Group receives approximately 48% of its revenues and incurs approximately 39% of its costs in USD or currencies pegged to USD. The Group is therefore sensitive to movements in the USD against the GBP. Each $0.01 movement in the USD to GBP exchange rate has a circa £3.4m impact on revenue and a circa £1.5m impact on operating profits. Offsetting this will be reductions to USD interest and USD tax liabilities. This analysis assumes all other variables, including interest rates, remain constant.

The Group receives approximately 8% of its revenues and incurs approximately 7% of its costs in EUR. The Group is therefore sensitive to movements in EUR against GBP. Each €0.01 movement in the EUR to GBP exchange rate has a circa £0.7m impact on revenue and a circa £0.2m impact on operating profits. Offsetting this will be reductions to EUR interest and EUR tax liabilities. This analysis assumes all other variables, including interest rates, remain constant.

(F) CREDIT RISK

The Group's principal financial assets are trade and other receivables (Note 26) and cash and cash equivalents, which represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the Consolidated Statement of Financial Position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The credit risk on liquid funds and derivative financial instruments is limited by dealing only with counterparty banks with high credit ratings assigned by international credit-rating agencies such as Standard and Poor's, Moody's and Fitch. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved financial institutions. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Treasury Committee regularly.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Non-current other receivables

Non-current other receivables arose from disposals made in the current and prior years as disclosed in Note 26. The Risk Committee reviews these receivables and the credit quality of the counterparties on a regular basis. At 31 December 2014, an impairment charge of £14.5m has been recognised in the Consolidated Income Statement, as a result of the Group's assessment of the recoverability of these non-current receivables.

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographic areas and the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including default risk of the industry and country in which the customers operate, has less of an influence on credit risk.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk did not exceed 5% of gross monetary assets at any time during the year.

The Group establishes a provision that represents its estimate of incurred losses in respect of trade and other receivables and investments when there is objective evidence that the asset is impaired. The main components of this provision are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss provision is determined by reference to past default experience.

Before accepting any new customer, the Group uses an external credit rating system to assess the potential customer's credit quality.

All customers have credit limits set by credit managers and are subject to standard terms of payment for each Division. As the Events Division works on a prepaid basis they are not subject to the same credit controls and they have a low bad debt history. The Group is exposed to normal credit risk and potential losses are mitigated as the Group does not have significant exposure to any single customer.

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

33. FINANCIAL INSTRUMENTS (CONTINUED)

(F) CREDIT RISK (CONTINUED)

Ageing of trade receivables:

	Gross 2014 £m	Provision 2014 £m	Gross 2013 £m	Provision 2013 £m
Not past due	**105.7**	**(0.7)**	82.1	(0.2)
Past due 0–30 days	**30.3**	**(0.1)**	45.6	(0.6)
Past due over 31 days	**42.1**	**(12.0)**	34.4	(10.0)
Books provision (see below)	**–**	**(13.2)**	–	(10.8)
	178.1	**(26.0)**	162.1	(21.6)

Trade receivables that are less than three months past due for payment are generally not considered impaired. For trade receivables that are more than three months past due for payment, there are debtors with a carrying amount of £2.0m (2013: £5.4m) which the Group has not provided for, as there has not been a significant change in the credit quality and the amounts are considered recoverable. The Group does not hold any collateral over these balances.

A provision relating to returns on books of £13.2m (2013: £10.8m) has been disclosed separately in the table above. This provision is based on management's best estimate of previous seasonal sales and returns trends, and is included as part of the overall provision balance.

Movement in the provision:

	2014 £m	2013 £m
Balance at beginning of the year	**21.6**	24.4
Provision recognised	**10.0**	7.1
Receivables written off as uncollectable	**(2.2)**	(4.1)
Amounts recovered during the year	**(3.4)**	(5.8)
	26.0	21.6

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the above amounts.

There are no customers who represent more than 10% of the total gross balance of trade receivables in both 2014 and 2013.

(G) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. Ultimate responsibility for liquidity risk management rests with the Board of Directors, though operationally it is managed by Group Treasury. Group Treasury has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking and other debt facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 32 is a summary of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

Historically and for the foreseeable future the Group has been and is expected to continue to be in a net borrowing position. The Group's policy is to fulfil its borrowing requirements by borrowing in the currencies in which it operates, principally GBP, USD and EUR; thereby providing a natural hedge against projected future surplus USD and EUR cash inflows as well as spreading the Group's interest rate profile across a number of currencies.

Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its financial assets and liabilities.

The table below has been drawn up based on the contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period:

	Carrying amount £m	Contractual cash flows[1] £m	Less than 1 year £m	1–2 years £m	2–5 years £m	Greater than 5 years £m
31 December 2014						
Non-derivative financial assets						
Non-interest bearing	**209.0**	**209.0**	**208.1**	**0.8**	**0.1**	**–**
Variable interest rate instruments	**30.0**	**32.7**	**32.7**	**–**	**–**	**–**
	239.0	**241.7**	**240.8**	**0.8**	**0.1**	**–**
31 December 2013						
Non-derivative financial assets						
Non-interest bearing	188.0	188.0	186.3	0.1	1.6	–
Variable interest rate instruments	26.0	31.6	0.2	31.0	0.2	0.2
Fixed interest rate instruments	10.0	23.7	–	–	–	23.7
	224.0	243.3	186.5	31.1	1.8	23.9
Derivative financial assets						
Derivative financial instruments in designated hedge accounting relationships	0.5	0.5	–	–	0.5	–
	224.5	243.8	186.5	31.1	2.3	23.9

[1] Under IFRS 7 contractual cash flows are undiscounted and therefore may not agree with the carrying amounts in the Consolidated Statement of Financial Position.

33. FINANCIAL INSTRUMENTS (CONTINUED)

(G) LIQUIDITY RISK (CONTINUED)

Liquidity and interest risk tables (Continued)

The following tables have been drawn up based on the earliest date on which the Group can settle its financial liabilities. The table includes both interest and principal cash flows.

31 December 2014	Carrying amount £m	Contractual cash flows[1] £m	Less than 1 year £m	1-2 years £m	2-5 years £m	Greater than 5 years £m
Non-derivative financial liabilities						
Variable interest rate instruments	**453.8**	**458.9**	**458.9**	**–**	**–**	**–**
Fixed interest rate instruments	**461.0**	**551.7**	**19.9**	**17.5**	**255.6**	**258.7**
Trade and other payables	**197.0**	**197.0**	**192.3**	**4.7**	**–**	**–**
Deferred consideration	**6.9**	**6.9**	**5.7**	**1.2**	**–**	**–**
Contingent consideration	**15.7**	**15.7**	**5.7**	**9.6**	**0.4**	**–**
	1,134.4	**1,230.2**	**682.5**	**33.0**	**256.0**	**258.7**

[1] Under IFRS 7 contractual cash flows are undiscounted and therefore may not agree with the carrying amounts in the Consolidated Statement of Financial Position.

31 December 2013	Carrying amount £m	Contractual cash flows[1] £m	Less than 1 year £m	1-2 years £m	2-5 years £m	Greater than 5 years £m
Non-derivative financial liabilities						
Variable interest rate instruments	313.1	315.3	197.7	117.1	0.3	0.2
Fixed interest rate instruments	502.1	608.3	19.2	79.1	254.7	255.3
Trade and other payables	179.8	179.8	176.7	3.1	–	–
Deferred consideration	5.5	5.5	2.1	2.1	1.3	–
Contingent consideration	11.0	11.0	5.5	3.1	2.4	–
	1,011.5	1,119.9	401.2	204.5	258.7	255.5

[1] Under IFRS 7 contractual cash flows are undiscounted and therefore may not agree with the carrying amounts in the Consolidated Statement of Financial Position.

The Group draws down on its bank borrowing facilities at floating rates of interest. In 2013, a portion of those were then swapped to fixed rates in line with the Group treasury policy. The first portion of these swaps that matured in a period greater than one year but less than two years was £20.0m and the final portion that matured between two and five years was £40.0m. The Group terminated the interest rate swaps during 2014 and did not replace them.

The variable interest rate on these borrowings is reset by the bank on a monthly basis and as such it is not possible to estimate the interest payable on these borrowings.

(H) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value is defined as the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties and is calculated by reference to market rates discounted to current value.

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments; and
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values due to the short maturity of the instruments or because they bear interest at rates approximate to the market.

The fair value of all the Group's financial assets and financial liabilities are the same as the carrying amounts.

(I) FAIR VALUE MEASUREMENTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 2014 £m	**Level 2 2014 £m**	**Level 3 2014 £m**	**Total 2014 £m**
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–
Financial liabilities				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–

	Level 1 2013 £m	Level 2 2013 £m	Level 3 2013 £m	Total 2013 £m
Financial assets				
Derivative financial instruments in designated hedge accounting relationships	–	0.5	–	–
Financial liabilities				
Derivative financial instruments in designated hedge accounting relationships	–	–	–	–

34. SHARE CAPITAL

On 30 May 2014 under a Scheme of Arrangement between Informa plc ("Old Informa"), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC (the "Company") in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The Company was incorporated under the Companies Act 2006 on 24 January 2014, as a private company limited by shares with the name Informa Limited and re-registered on 14 May 2014 as a public company limited by shares called Informa PLC. The Company became the Parent Company of the Informa Group and the previous Parent Company, Old Informa, was renamed Informa Switzerland Limited.

The Company was incorporated with an issued share capital of £2 divided into two ordinary shares of 100p each which were taken by the subscribers and were paid up in full in cash. On 13 May 2014 the two ordinary shares of 100p each were converted into two Redeemable Deferred Shares of 100p each and an additional 49,998 Redeemable Deferred Shares were issued to the subscribers. The 50,000 issued Redeemable Deferred Shares of 100p each were redeemed on 11 June 2014.

On 13 May 2014 one ordinary share of 435p in the Company was issued and subsequently cancelled on 30 May 2014. Under the Scheme of Arrangement 603,941,249 ordinary shares of 435p each in the Company were allotted to shareholders on 30 May 2014.

On 4 June 2014 the nominal value per share of the issued share capital of the Company was reduced from 435p per share to 0.1p each pursuant to sections 645 to 649 of the Companies Act 2006.

Share capital as at 31 December 2014 amounts to £0.6m. During the year, the Company also issued 45,000,000 ordinary shares of 0.1p for consideration of £207.0m. The share premium (net of transaction costs) is £204.0m as at 31 December 2014.

	2014 £m	2013 £m
Issued and fully paid		
648,941,249 ordinary shares of 0.1p each (2013: 603,941,249 of 0.1p each)	**0.6**	0.6

	Number of shares	£m
At 1 January 2014	**603,941,249**	**0.6**
Issued	**45,000,000**	**–**
At 31 December 2014	**648,941,249**	**0.6**

35. CAPITAL AND RESERVES

This note provides further explanation for the "Other reserves" listed in the Consolidated Statement of Changes in Equity.

	Reserves for shares to be issued £m	Merger reserve £m	Other reserve £m	ESOP Trust shares £m	Hedging reserve £m	Total £m
At 1 January 2013	5.9	496.4	(1,718.6)	(0.3)	–	(1,216.6)
Change in fair value of cash flow hedges	–	–	–	–	0.5	0.5
Tax relating to components of other comprehensive income (Note 31)	–	–	–	–	(0.1)	(0.1)
Total comprehensive income for the year	–	–	–	–	0.4	0.4
Share award expense	2.2	–	–	–	–	2.2
Own shares purchased	–	–	–	(0.4)	–	(0.4)
Transfer of vested LTIPs	(4.5)	–	–	0.5	–	(4.0)
At 1 January 2014	**3.6**	**496.4**	**(1,718.6)**	**(0.2)**	**0.4**	**(1,218.4)**
Change in fair value of cash flow hedges	**–**	**–**	**–**	**–**	**(0.2)**	**(0.2)**
Termination of interest rate swaps	**–**	**–**	**–**	**–**	**(0.3)**	**(0.3)**
Tax relating to components of other comprehensive income (Note 31)	**–**	**–**	**–**	**–**	**0.1**	**0.1**
Total comprehensive expense for the year	**–**	**–**	**–**	**–**	**(0.4)**	**(0.4)**
Inversion accounting	**–**	**–**	**1,756.0**	**–**	**–**	**1,756.0**
Issue of shares under scheme of arrangement	**–**	**–**	**(2,189.9)**	**–**	**–**	**(2,189.9)**
Share award expense	**1.7**	**–**	**–**	**–**	**–**	**1.7**
Own shares purchased	**–**	**–**	**–**	**(0.1)**	**–**	**(0.1)**
Put option on acquisition of non-controlling interest	**–**	**–**	**(0.3)**	**–**	**–**	**(0.3)**
Transfer of vested LTIPs	**(2.1)**	**–**	**–**	**–**	**–**	**(2.1)**
At 31 December 2014	**3.2**	**496.4**	**(2,152.8)**	**(0.3)**	**–**	**(1,653.5)**

RESERVE FOR SHARES TO BE ISSUED

This reserve relates to LTIPs granted to employees. Further information is set out in Note 11.

MERGER RESERVE

The merger reserve has not changed since 2004, when it was created from the business combination with Taylor & Francis Group plc.

OTHER RESERVE

Other reserve includes the inversion accounting reserve of £2,189.9m, which was created from the new equity structure in May 2014. It also includes a redemption reserve, which is the reserve fund into which profits are allocated for the purpose of redeeming or buying back shares in the Company.

35. CAPITAL AND RESERVES (CONTINUED)

ESOP TRUST SHARES

As at 31 December 2014 the Informa Employee Share Trust held 737,272 (2013: 737,272) ordinary shares in the Company at a cost of £737 (2013: £737) and a market value of £3.7m (2013: £4.2m). 737,272 shares (2013: 712,051) held by the Employee Share Trust have not been allocated to individuals and the remaining shares have been allocated to individuals in accordance with the Deferred Share Bonus Plan as set out in the Remuneration Report on page 93 and 105. Dividends on the shares held by the Employee Share Trust are waived.

At 31 December 2014 the Group held 0.0% (2013: 0.0%) of its own called up share capital.

HEDGING RESERVE

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

36. NON-CONTROLLING INTEREST

The Group's non-controlling interest at 31 December 2014 was composed entirely of equity interests and represents the minority shares of Agra CEAS Consulting Limited (18.2%), Bureau Européen de Recherches SA (18.2%), Shanghai Baiwen Exhibitions Co., Ltd (20%), Shanghai Meisheng Culture Broadcasting Co., Ltd (15%), Design Junction Limited (10%) and Monaco Yacht Show S.A.M (10%).

The Group's non-controlling interest at 31 December 2013 was composed entirely of equity interests and represents the minority shares of Agra CEAS Consulting Limited (18.2%), Bureau Européen de Recherches SA (18.2%), Shanghai Baiwen Exhibitions Co., Ltd (20%) and Monaco Yacht Show S.A.M (10%).

37. OPERATING LEASE ARRANGEMENTS

	2014 £m	2013 £m
Minimum lease payments under operating leases recognised in Consolidated Income Statement for the year	**18.6**	20.4

At the reporting date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2014		2013	
	Land and buildings £m	**Other £m**	Land and buildings £m	Other £m
Within one year	**17.9**	**0.6**	17.5	0.6
Within two to five years	**55.7**	**0.5**	50.4	0.5
After five years	**26.4**	**–**	21.6	–
	100.0	**1.1**	89.5	1.1

Operating lease payments on land and buildings represent rentals payable by the Group for certain of its properties. Leases are negotiated for an average term of six years and rentals are fixed for an average of three years.

38. NOTES TO THE CASH FLOW STATEMENT

	Notes	2014 £m	2013[1] £m
(Loss)/profit before tax from continuing and discontinued operations		**(31.2)**	2.2
Adjustments for:			
Depreciation of property and equipment	23	**6.1**	6.8
Amortisation of other intangible assets	18	**106.0**	139.2
Share-based payment	11	**1.7**	2.2
Subsequent re-measurement of contingent consideration	2	**(1.8)**	(2.5)
Loss on disposal of businesses	22	**2.8**	102.7
Finance costs	12	**29.2**	29.5
Investment income	13	**(3.6)**	(1.9)
Impairment	2	**219.0**	66.2
Share of results of joint ventures		**0.4**	(0.4)
Increase in inventories		**(2.1)**	(3.8)
(Increase)/decrease in receivables		**(10.5)**	11.1
Decrease/(increase) in payables		**1.5**	(21.2)
Cash generated by operations		**317.5**	330.1

1 Restated for the change in accounting for joint ventures (see Note 5).

ANALYSIS OF NET DEBT

	At 1 January 2014[1] £m	Non-cash items £m	Cash flow £m	Exchange movement £m	At 31 December 2014 £m
Cash at bank and in hand	32.0	–	3.8	2.8	38.6
Bank overdraft	(0.5)	–	(2.8)	–	(3.3)
Cash and cash equivalents	31.5	–	1.0	2.8	35.3
Bank loans due in more than one year	(371.9)	(2.1)	(52.1)	(24.4)	(450.5)
Private placement loan notes due in less than one year	–	(70.4)	–	–	(70.4)
Private placement loan notes due in more than one year	(442.2)	70.1	–	(18.5)	(390.6)
	(782.6)	(2.4)	(51.1)	(40.1)	(876.2)

1 Restated for the change in accounting for joint ventures (see Note 5).

Included within the cash flow movement of £51.1m is £382.3m (2013: £0.6m) of repayment of borrowings and £439.2m (2013: £nil) of loans drawn down.

The net movement caused by non-cash items arises from arrangement fee amortisation of £2.4m (2013: £1.1m).

39. RETIREMENT BENEFIT SCHEMES

The Group operates two defined benefit pension schemes, the Informa Final Salary Scheme and the Taylor & Francis Group Pension and Life Assurance Scheme (the "Group Schemes") for all qualifying UK employees providing benefits based on final pensionable pay. Both schemes are closed to future accrual. Contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The defined benefit schemes are administered by a separate fund that is legally separated from the Company. The Trustees are responsible for running the Group Schemes in accordance with the Group Schemes' Trust Deed and Rules, which sets out their powers. The Trustees of the Group Schemes are required to act in the best interests of the beneficiaries of the Group Schemes. There is a requirement that one third of the Trustees are nominated by the members of the Group Schemes. The Trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund. Neither of the Schemes has any reimbursement rights.

The Group's pension funding policy is to provide sufficient funding, as agreed with the Trustees, to ensure any shortfall/pension deficit will be addressed to ensure pension payment made to current and future pensioners will be met.

The investment strategies adopted by the Trustees of the Group Schemes include some exposure to index-linked gilts and corporate bonds. These assets are held to provide some protection to the Group Schemes' funding levels in the event of interest rates falling.

Through the Group Schemes the Company is exposed to a number of potential risks as described below:

- *Asset volatility:* the Group Schemes' defined benefit obligation is calculated using a discount rate set with reference to corporate bond yields; however, the Group Schemes invests significantly in equities. These assets are expected to outperform corporate bonds in the long term, but provide volatility and risk in the short term.
- *Changes in bond yields:* a decrease in corporate bond yields would increase the Group Schemes' defined benefit obligation; however, this would be partially offset by an increase in the value of the Schemes' bond holdings.
- *Inflation risk:* a significant proportion of the Group Schemes' defined benefit obligation is linked to inflation, therefore higher inflation will result in a higher defined benefit obligation (subject to the appropriate caps in place). The majority of the Group Schemes' assets are either unaffected by inflation, or only loosely correlated with inflation, therefore an increase in inflation would also increase the deficit.
- *Life expectancy:* if the Group Schemes' members live longer than expected, the Group Schemes' benefits will need to be paid for longer, increasing the Group Schemes' defined benefit obligations.

The Trustees and the Company manage risks in the Group Schemes through the following strategies:

- *Diversification:* investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.
- *Investment strategy:* the Trustees are required to review their investment strategy on a regular basis.

There are three categories of pension scheme members:

- Employed deferred members: currently employed by the Company
- Deferred members: former employees of the Company
- Pensioner members: in receipt of pension.

The defined benefit obligation is valued by projecting the best estimate of future benefit payments (allowing for future salary increases for employed deferred members, revaluation to retirement for deferred members and annual pension increases for all members) and then discounting to the balance sheet date. The majority of benefits receive increases linked to inflation (subject to a cap of no more than 5% p.a.). The valuation method used is known as the Projected Unit Method. The approximate overall duration of the Schemes' defined benefit obligation as at 31 December 2014 was 20 years (2013: 20 years). This number can be subdivided into the duration related to:

- Deferred members: 22 years (2013: 22 years)
- Retired members: 13 years (2013: 13 years)

CHARGE TO OPERATING PROFIT

The charge to operating profit for the year in respect of pensions was £8.6m (2013: £8.7m). The net pension charge for the defined benefit schemes in the Consolidated Income Statement for the year was £0.2m (2013: £0.6m), of which £nil (2013: £nil) was charged to operating profit. The Group also operates defined contribution schemes, and contributions charged to the Consolidated Income Statement during the year were £8.6m (2013: £8.7m).

DEFINED BENEFIT SCHEMES

Informa Final Salary Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the Group.

The last actuarial full valuation of the Informa Final Salary Scheme was performed by the Scheme Actuary for the Trustees as at 31 March 2011. This valuation revealed a funding shortfall of £9.7m. In respect of the deficit in the Scheme as at 31 March 2011, the Group agreed to pay £333,333 by 30 August 2014. The Group was also paying recovery plan contributions of £150,000 p.a. in respect of the Achieve UK Learning Pension and Benefits Plan. Following the merger of the Achieve Plan into the Informa Final Salary Scheme, in March 2013, the Group will continue to pay an additional £150,000 p.a. into the Scheme until December 2018.

The actuarial valuation of the Informa Final Salary Scheme as at 31 March 2014 is still in progress. The valuation is expected to be signed off shortly and at this point it is likely the Company will no longer need to continue paying contributions into the Scheme.

An actuarial valuation was carried out for IAS 19 purposes as at 31 December 2014 by a qualified independent actuary. The Scheme was closed to new entrants on 1 April 2000 and closed to future accrual on 1 April 2011. The Group's contribution over the year was £3.2m. The Employer expects to pay £0.2m to the Scheme during the accounting year beginning 1 January 2015 in respect of the deficit payments.

The assumptions which have the most significant effect on the results of the IAS 19 valuation are those relating to the discount rate and the rates of increase in salaries, price inflation and pensions. The assumptions adopted are:

	2014	2013
Discount rate	**3.6% p.a.**	4.6% p.a.
Rate of price inflation pre-retirement	**2.2% p.a.**	2.7% p.a.
Rate of increase in pensions in payment – non pensioners	**3.1% p.a.**	3.5% p.a.
Rate of increase in pensions in payment – pensioners	**3.1% p.a.**	3.5% p.a.

The sensitivities regarding the principal assumptions used to measure the Informa Final Salary Scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £1.8m
Rate of price inflation pre-retirement	Increase/decrease by 0.25%	Increase/decrease by £4.0m
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £2.2m

39. RETIREMENT BENEFIT SCHEMES (CONTINUED)

DEFINED BENEFIT SCHEMES (CONTINUED)

Taylor & Francis Group Pension and Life Assurance Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the Group.

The last actuarial full valuation of the Taylor & Francis Life Assurance and Pension Scheme was performed by the Scheme Actuary for the Trustees as at 30 September 2011. This valuation revealed a funding shortfall of £2.8m. In respect of the deficit in the Scheme as at 30 September 2011, the Group agreed to pay £27,833 per month to eliminate the deficit by July 2018.

An actuarial valuation was carried out for IAS 19 purposes as at 31 December 2014 by a qualified independent actuary. The Scheme was closed to new entrants on 1 April 2000 and closed to future accrual on 1 April 2011. The Group's contribution over the year was £0.3m. The Employer expects to pay £0.3m to the scheme during the accounting year beginning 1 January 2015 in respect of the deficit.

The assumptions which have the most significant effect on the results of the IAS 19 valuation are those relating to the discount rate and the rates of increase in salaries, price inflation and pensions. The assumptions adopted are:

	2014	2013
Discount rate	**3.6% p.a.**	4.6% p.a.
Rate of price inflation pre-retirement	**2.2% p.a.**	2.7% p.a.
Rate of increase in pensions in payment – non pensioners	**3.1% p.a.**	3.5% p.a.
Rate of increase in pensions in payment – pensioners	**3.1% p.a.**	3.5% p.a.

The sensitivities regarding the principal assumptions used to measure the Taylor & Francis Group Pension and Life Assurance Scheme liabilities are set out below:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.1%	Decrease/increase by £0.4m
Rate of price inflation pre-retirement	Increase/decrease by 0.25%	Increase/decrease by £0.9m
Rate of mortality	Increase/decrease by 1 year	Increase/decrease by £0.7m

Amounts recognised in respect of these defined benefit schemes are as follows:

	2014 £m	2013 £m
Analysis of amount recognised in the Consolidated Statement of Comprehensive Income		
Actual return less expected return on scheme assets	**2.9**	5.2
Experience gain	**0.3**	0.4
Change in demographic actuarial assumptions	**(0.1)**	(0.5)
Change in financial actuarial assumptions	**(11.1)**	3.2
Actuarial (loss)/gain	**(8.0)**	8.3
Movement in deficit during the year		
Deficit in Scheme at beginning of the year	**(5.4)**	(17.5)
Contributions	**3.5**	4.4
Net finance cost	**(0.2)**	(0.6)
Actuarial (loss)/gain	**(8.0)**	8.3
Deficit in Scheme at end of the year	**(10.1)**	(5.4)

The amounts recognised in the Consolidated Statement of Financial Position in respect of the Group Schemes are as follows:

	2014 £m	2013 £m
Present value of defined benefit obligations	**(112.0)**	(98.7)
Fair value of Scheme assets	**101.9**	93.3
Deficit in Scheme and liability recognised in the Consolidated Statement of Financial Position	**(10.1)**	(5.4)

Changes in the present value of defined benefit obligations are as follows:

	2014 £m	2013 £m
Opening defined benefit obligation	**(98.7)**	(99.3)
Interest cost	**(4.5)**	(4.3)
Benefits paid	**2.1**	1.8
Actuarial (losses)/gains	**(10.9)**	3.1
Closing defined benefit obligation	**(112.0)**	(98.7)

39. RETIREMENT BENEFIT SCHEMES (CONTINUED)

DEFINED BENEFIT SCHEMES (CONTINUED)

Taylor & Francis Group Pension and Life Assurance Scheme (Continued)

Changes in the fair value of Scheme assets are as follows:

	2014 £m	2013 £m
Opening fair value of Scheme assets	93.3	81.8
Expected return on Scheme assets	4.3	3.7
Actuarial gains	2.9	5.2
Contributions from the sponsoring companies	3.5	4.4
Benefits paid	(2.1)	(1.8)
Closing fair value of Scheme assets	101.9	93.3

The assets of the Taylor & Francis Group Pension and Life Assurance Scheme are held in managed funds and cash funds operated by Zurich Assurance Limited, Legal & General Assurance (Pensions Management) Limited, Baring Asset Management Limited and Standard Life Investments. The assets of the Informa Final Salary Scheme are held in managed funds and cash funds operated by Zurich Assurance Limited, BlackRock Investment Management (UK) Limited, Baring Asset Management Limited, Standard Life Investments and Schroder Investment Management Limited. The fair value of the assets held and the expected rates of return assumed are as follows:

	Fair value at 31 December 2014 £m	Fair value at 31 December 2013 £m
Equities		
Taylor & Francis	8.0	7.7
Informa	42.1	40.1
Bonds		
Taylor & Francis	8.5	7.2
Informa	10.5	8.8
Cash		
Taylor & Francis	0.1	2.0
Informa	1.3	6.9
Property		
Taylor & Francis	1.5	1.3
Informa	2.7	2.3
Diversified Growth Fund		
Taylor & Francis	4.9	2.8
Informa	22.3	14.2
	101.9	93.3

All the assets listed above have a quoted market price in an active market. The Group Schemes' assets do not include any of the Group's own financial instruments, nor any property occupied by, or other assets used by, the Group. The actual return on plan assets was £7.3m (2013: £8.9m).

The history of the Group Schemes for the current and prior years is as follows:

	2014 £m	2013 £m	2012 £m	2011 £m	2010 £m
Present value of defined benefit obligations	**(112.0)**	(98.7)	(99.3)	(85.8)	(83.6)
Fair value of Scheme assets	**101.9**	93.3	81.8	73.7	73.1
Deficit in the Scheme and liability recognised in Consolidated Statement of Financial Position	**(10.1)**	(5.4)	(17.5)	(12.1)	(10.5)
Related deferred tax assets	**2.1**	1.1	4.0	3.0	2.8
Deficit net of deferred tax assets	**(8.0)**	(4.3)	(13.5)	(9.1)	(7.7)
Experience adjustments on Scheme liabilities:					
Amount (£m)	**0.3**	0.4	(0.4)	1.3	2.2
Percentage of Scheme liabilities (%)	**0.3**	0.4	(0.4)	1.6	2.6
Experience adjustments on Scheme assets:					
Amount (£m)	**2.9**	5.2	2.8	(5.8)	3.6
Percentage of Scheme assets (%)	**2.9**	5.6	3.5	(7.8)	4.9

Following the completion of the triennial valuations of the main defined benefit schemes, a revised deficit funding plan has been agreed with the Trustees to eliminate the deficits in both schemes. The contributions for the ongoing service will be £nil in 2015 as both schemes are closed to future accrual of benefits. In addition, the contributions paid towards reducing the scheme deficits will decrease from £3.5m in 2014 to £0.5m in 2015.

40. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. The transactions between the Group and its joint ventures are disclosed below. The following transactions and arrangements are those which are considered to have had a material effect on the financial performance and position of the Group for the year.

TRANSACTIONS WITH DIRECTORS

There were no material transactions with Directors of the Company during the year, except for those relating to remuneration and shareholdings. For the purposes of IAS 24 *Related Party Disclosures*, Executives below the level of the Company's Board are not regarded as related parties.

Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Report on pages 99 to 102 and Note 10.

TRANSACTIONS WITH JOINT VENTURES

During the period the Group received revenue of £12,000 (2013: £11,000) from Lloyd's Maritime Information Services Limited, a joint venture.

During the period the Group received revenue of £0.7m (2013: £1.1m) from SIAL Brasil Feiras Profissionais Ltda, a joint venture.

During the period the Group received revenue of £nil (2013: £1.8m) from Independent Materials Handling Exhibitions Limited, a joint venture.

OTHER RELATED PARTY DISCLOSURES

At 31 December 2014, the Group has guaranteed the total pension scheme liability of £10.1m (2013: £5.4m).

41. EVENTS AFTER THE REPORTING DATE

On 15 January 2015, the Group completed the acquisition of 100% of the shares of Megaconvention, Inc., for initial consideration of £4.9m and further performance-related consideration estimated at £3.4m payable over two years. The sole event of the company is *Orlando MegaCon*, an enthusiast Consumer show featuring exhibits and content from the sci-fi, horror, anime, gaming and TV genres, including merchandise, memorabilia and art.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2014

	Notes	2014 £m
Fixed assets		
Investment in subsidiary undertakings	3	3,653.9
		3,653.9
Current assets		
Debtors due within one year	4	775.2
Cash at bank and in hand		0.2
		775.4
Creditors: amounts falling due within one year	5	(170.5)
Net current assets		604.9
Creditors: amounts falling due after more than one year	6	(450.6)
Net assets		3,808.2
Capital and reserves		
Called up share capital	7	0.6
Share premium account	8	204.0
Reserve for shares to be issued	8	1.1
Merger reserve	8	872.9
ESOP Trust shares	8	(0.2)
Profit and loss account	8	2,729.8
Equity shareholders' funds		3,808.2

These financial statements of this Company registration number 8860726, were approved by the Board of Directors on 12 February 2015 and were signed on its behalf by

STEPHEN A. CARTER CBE
GROUP CHIEF EXECUTIVE

GARETH WRIGHT
GROUP FINANCE DIRECTOR

1. CORPORATE INFORMATION

Informa PLC (the "Company") was incorporated under the Companies Act 2006 on 24 January 2014, as a private company limited by shares with the name Informa Limited and re-registered on 14 May 2014 as a public company limited by shares called Informa PLC.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

Informa PLC is the Parent Company of the Informa Group (the "Group") and its principal activity is to act as the ultimate holding company of the Group.

On 30 May 2014 under a Scheme of Arrangement between Informa plc ("Old Informa"), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC (the "Company") in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The shares of the Company are listed on the London Stock Exchange and trading in these shares commenced on 30 May 2014.

2. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Company's financial statements have been prepared on a going concern basis (for further analysis refer to the Directors' Report on page 76) and under the historical cost convention, and in accordance with the Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice ("UK GAAP").

The Company's financial statements are presented in pounds sterling being the Company's functional currency.

The Directors' Report, Corporate Governance Statement and Directors' Remuneration Report disclosures are on pages 73 to 107 of this report.

PROFIT AND LOSS ACCOUNT

As permitted by section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the period. The Company's revenue for the period is £nil, profit before tax for the year is £141.6m and profit after tax for the year is £141.6m.

CASH FLOW STATEMENT

The Company's results for the period 24 January to 31 December 2014 are included in the Consolidated Financial Statements of Informa PLC, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996) *Cash Flow Statements*.

RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in FRS 8 *Related Party Disclosures*, that transactions with wholly owned subsidiaries do not need to be disclosed.

FINANCIAL INSTRUMENTS

The Informa PLC Consolidated Financial Statements contain financial instrument disclosures required by IFRS 7 *Financial Instruments: Disclosures* and these would also comply with the disclosures required by FRS 29 *Financial Instruments: Disclosures*. Accordingly, the Company has taken advantage of the exemptions provided in paragraph 2D of FRS 29 not to present separate financial instrument disclosures for the Company.

INVESTMENTS IN SUBSIDIARIES

Investments held as fixed assets are stated at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, an impairment is recognised.

BANK LOANS

Interest-bearing bank loans are recorded at the proceeds received, net of direct issue costs.

ESOP TRUST SHARES

Own shares deducted in arriving at shareholders' funds represent the cost of the Company's ordinary shares acquired by the Employee Share Option Plan ("ESOP") Trusts in connection within certain of the Company's employee share schemes.

2. ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at hand and demand deposits, and other short-term highly liquid investments that are readily convertible (with a maturity of three months or less) to a known amount of cash and are subject to an insignificant risk of changes in value.

SHARE-BASED PAYMENTS

The Company issues equity-settled share-based payments to certain employees. A fair value for the equity-settled share awards is measured at the date of grant. The fair value is measured using the Binomial or Monte Carlo model of valuation, which are considered to be the most appropriate valuation techniques. The valuation takes into account factors such as non-transferability, exercise restrictions and behavioural considerations. To assign a fair value to share awards granted under the Share Matching Plan where the proportion of the award released is dependent on the level of total shareholder return, the Monte Carlo Simulation methodology is considered the most appropriate.

In terms of FRS 20 *Share-based Payment*, where a parent grants rights to its equity instruments to employees of a subsidiary, and such share-based compensation is accounted for as equity-settled in the consolidated financial statements of the parent, the subsidiary is required to record an expense for such compensation, with a corresponding increase recognised in equity as a contribution from the parent. Consequently, in accordance with Urgent Issues Task Force ("UITF") 44 FRS 20 (IFRS 2) – *Group and Treasury Transactions* the Company has recognised an addition to fixed asset investments of the aggregate amount of these contributions that have accrued in the period with a corresponding credit to equity shareholders' funds.

FOREIGN CURRENCIES

Foreign currency transactions arising from operating activities are translated from local currency into pounds sterling at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are translated at the period end exchange rate. Foreign currency gains or losses are credited or charged to the profit and loss account as they arise.

INTEREST INCOME

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

INTEREST EXPENSE

Finance costs of debts are capitalised against the debt value on first drawdown of the debt and are recognised in the profit and loss account at a constant rate over the life of the debt.

3. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Cost	2014 £m
At 24 January 2014	–
Additions	3,653.9
At 31 December 2014	3,653.9

On 30 May 2014 under a Scheme of Arrangement, the Company subscribed to shares in Informa Switzerland Limited (formerly Informa plc) ("Old Informa"), a subsidiary undertaking, for £3,500.0m.

On 5 December 2014, the Company entered into a Contribution Agreement with Informa Finance GmbH, a wholly owned subsidiary undertaking of Informa Switzerland Limited (formerly Informa plc), and made a capital contribution of USD 240.0m. As per the terms of the Contribution Agreement, the Company did not receive any consideration for its capital contribution. This resulted in the Company holding an investment in Informa Finance GmbH of £153.0m.

The remaining addition of £0.9m relates to the fair value of the share incentives issued to employees of subsidiary undertakings during the year, in accordance with UITF 44 FRS 20 (IFRS 2) – *Group and Treasury Transactions.*

The listing below shows the subsidiary undertakings as at 31 December 2014 which affected the profit or net assets of the Company:

Company	Country of registration and operation	Principal activity	Ordinary shares held
Informa Switzerland Limited (formerly Informa plc)	United Kingdom	Holding Company	100%
Informa Finance GmbH	Switzerland	Finance	0%

4. DEBTORS DUE WITHIN ONE YEAR

	2014 £m
Amounts owed from Group undertakings	775.2

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £m
Amounts owed to Group undertakings	169.7
Other creditors and accruals	0.8
	170.5

Amounts owed to Group undertakings falling due within one year are unsecured, interest bearing and repayable on demand.

6. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2014 £m
Bank loans (net of arrangement fees)	450.6

On 23 October 2014, the Company entered into a new five year revolving credit facility for an equivalent of £900.0m, of which £455.2m was drawn down at 31 December 2014. The facility matures in October 2019. Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA.

7. SHARE CAPITAL

On 30 May 2014 under a Scheme of Arrangement between Informa plc ("Old Informa"), the former holding company of the Group, and its shareholders, under Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by The Royal Court of Jersey, all the issued shares in Old Informa were cancelled and an equivalent number of new shares in Old Informa were issued to Informa PLC (the "Company") in consideration for the allotment to shareholders of one ordinary share in the Company for each ordinary share in Old Informa that they held on the record date, 29 May 2014.

The Company was incorporated under the Companies Act 2006 on 24 January 2014, as a private company limited by shares with the name Informa Limited and re-registered on 14 May 2014 as a public company limited by shares called Informa PLC. The Company became the Parent Company of the Informa Group and the previous Parent Company, Old Informa, was renamed Informa Switzerland Limited.

The Company was incorporated with an issued share capital of £2 divided into two ordinary shares of 100p each which were taken by the subscribers and were paid up in full in cash. On 13 May 2014 the two ordinary shares of 100p each were converted into two Redeemable Deferred Shares of 100p each and an additional 49,998 Redeemable Deferred Shares were issued to the subscribers. The 50,000 issued Redeemable Deferred Shares of 100p each were redeemed on 11 June 2014.

On 13 May 2014 one ordinary share of 435p in the Company was issued and subsequently cancelled on 30 May 2014. Under the Scheme of Arrangement 603,941,249 ordinary shares of 435p each in the Company were allotted to shareholders on 30 May 2014.

On 4 June 2014 the nominal value per share of the issued share capital of the Company was reduced from 435p per share to 0.1p per share pursuant to sections 645 to 649 of the Companies Act 2006.

Share capital as at 31 December 2014 amounted to £0.6m. During the period, the Company also issued 45,000,000 ordinary shares of 0.1p for consideration of £207.0m. The share premium (net of transaction costs) is £204.0m as at 31 December 2014.

	2014 £m
Issued and fully paid	
648,941,249 ordinary shares of 0.1p each	0.6

	Number of shares	£m
At 24 January 2014	–	–
Scheme of arrangement	603,941,249	0.6
Issued	45,000,000	–
At 31 December 2014	648,941,249	0.6

8. CAPITAL AND RESERVES

	Share capital £m	Share premium account £m	Reserve for shares to be issued £m	Merger reserve £m	ESOP Trust shares £m	Profit and loss account £m	Total £m
Issue of shares under Scheme of Arrangement	**2,627.1**	–	–	**872.9**	–	–	**3,500.0**
Capital reduction (Note 7)	**(2,626.5)**	–	–	–	–	**2,626.5**	–
Acquisition of ESOP Trust	–	–	–	–	**(0.2)**	**0.3**	**0.1**
Shares issued (net of transaction costs)	–	**204.0**	–	–	–	–	**204.0**
Share-based payment charge	–	–	**1.1**	–	–	–	**1.1**
Profit for the period	–	–	–	–	–	**141.6**	**141.6**
Dividend paid	–	–	–	–	–	**(38.6)**	**(38.6)**
At 31 December 2014	**0.6**	**204.0**	**1.1**	**872.9**	**(0.2)**	**2,729.8**	**3,808.2**

The Scheme of Arrangement created share capital of £2,627.1m and since the investment was held at fair value, a merger reserve of £872.9m was recognised.

As at 31 December 2014 the Informa Employee Share Trust held 737,272 ordinary shares in the Company at a cost of £737 and a market value of £3.7m. 737,272 shares held by the Employee Share Trust have not been allocated to individuals and the remaining shares have been allocated to individuals in accordance with the Deferred Share Bonus Plan as set out in the Directors' Remuneration Report on pages 93 and 105. Dividends on the shares held by the Employee Share Trust are waived.

9. SHARE-BASED PAYMENTS

Details of the share-based payments are disclosed in the Consolidated Financial Statements (Note 11).

10. DIVIDENDS

During the period an interim dividend of £38.6m was paid by the Company. Details of the dividend payments are disclosed in the Consolidated Financial Statements (Note 15).

11. POST BALANCE SHEET EVENTS

There have been no significant events since the reporting date.

AUDIT EXEMPTION

With the re-domicile back to the UK this year, the Group has applied the audit exemption allowed under section 479A–479C of the Companies Act 2006. The changes to company audit and reporting requirements remove the requirement for UK subsidiaries to be audited, if the requirements in section 479A–479C of the Companies Act 2006 are met.

The list below provides those UK subsidiaries where the Group has taken the audit exemption for the year ended 31 December 2014.

Audit exempt companies	Registration numbers
Agra Informa Limited	00746465
Cityscape Exhibitions Limited	08790203
IBC (Ten) Limited	01844717
IBC (Twelve) Limited	03007085
IBC Fourteen Limited	03119071
IIR (U.K. Holdings) Limited	02748477
IIR Management Limited	02922734
Informa Finance UK Limited	08774672
Informa Finance USA Limited	08940353
Informa Holdings Limited	03849198
Informa Overseas Investments Limited	05845568
Informa Six Limited	04606229
Informa Three Limited	04595951
Routledge Books Limited	03177762

	2014 £m	2013[2] £m	2012[2] £m	2011 £m	2010 £m
Results from continuing operations					
Revenue	**1,137.0**	1,130.0	1,111.1	1,140.0	1,096.1
Adjusted operating profit	**334.1**	334.7	330.5	313.3	290.0
Statutory operating (loss)/profit	**(2.4)**	146.0	127.8	129.9	162.7
Statutory (loss)/profit before tax	**(31.2)**	115.4	70.3	88.2	123.7
(Loss)/profit attributable to equity holders of the parent	**(52.4)**	(6.5)	90.6	75.4	98.9
Assets employed[1]					
Non-current assets	**2,578.3**	2,432.6	2,641.4	2,755.6	2,820.9
Current assets	**306.2**	279.6	292.2	320.1	299.5
Non-current liabilities	**(994.5)**	(967.6)	(1,016.4)	(1,003.0)	(867.8)
Current liabilities	**(658.3)**	(553.5)	(593.5)	(692.3)	(851.7)
Net assets	**1,231.7**	1,191.1	1,323.7	1,380.4	1,400.9
Financed by[1]					
Equity	**1,230.2**	1,190.1	1,323.7	1,382.1	1,400.9
Non-controlling interest	**1.5**	1.0	–	(1.7)	–
	1,231.7	1,191.1	1,323.7	1,380.4	1,400.9
Key statistics (in pence) from continuing operations					
Earnings per share	**(8.6)**	17.1	15.0	12.5	16.5
Diluted earnings per share	**(8.6)**	17.1	15.0	12.5	16.5
Adjusted earnings per share	**40.3**	40.1	37.7	36.1	32.8
Adjusted diluted earnings per share	**40.3**	40.1	37.6	36.0	32.8

1 The numbers reported include continuing and discontinued operations.
2 Restated for the change in accounting for joint ventures (see Note 5).

NOTICE CONCERNING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements. Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, these statements are not guarantees of future performance and are subject to a number of risks 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 are intended to 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, those identified under “Principal Risks Factors” on pages 62 to 65 of this Annual Report. The forward-looking statements contained in this Annual Report speak only as of the date of publication of this Annual Report. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Group’s expectations or any change in events, conditions or circumstances on which any such statement is based.

WEBSITE

Informa’s website www.informa.com gives additional information on the Group. Information made available on the website does not constitute part of this Annual Report.

REGISTRARS

All general enquiries concerning holdings of ordinary shares in Informa PLC should be addressed to our registrars, Computershare Investor Services PLC ("Computershare"):

Computershare Investor Services PLC
The Pavilions, Bridgwater Road
Bristol, BS99 6ZZ

Helpline: +44 (0)870 707 1679
Website: www.investorcentre.co.uk

The shareholder helpline is available between Monday and Friday, 8.30 am to 5.30 pm.

To access your shareholding details online, go to www.investorcentre.co.uk. To register to use the website, you will need your shareholder reference number as shown on your share certificate or dividend voucher.

The website enables you to:

- view and manage all of your shareholdings;
- register for electronic communications;
- buy and sell shares online with the dealing service; and
- deal with other matters such as a change of address, transferring shares or replacing a lost certificate.

DIVIDEND

Informa usually pays a dividend to all shareholders twice each year. Shareholders can arrange for dividends to be paid by mandate directly to a UK bank or building society account through the BACSTEL-IP (Bankers' Automated Clearing Services) system. You can register your bank or building society details online at www.investorcentre.co.uk or contact Computershare for a dividend mandate form.

If you wish receive your dividends in a different currency, you will need to register for the global payments service provided by Computershare. Further information can be found on the Computershare website.

Alternatively, shareholders can elect to receive shares instead of cash from their dividend allocation through the Dividend Reinvestment Plan ("DRIP"). For further details on the DRIP, including terms and conditions, you should contact Computershare or visit their website.

SHARE DEALING

If shareholders wish to buy or sell any Informa shares, they can do so by calling the Company's stockbrokers, Equiniti Financial Services Limited on 0808 208 4433. Instructions on how to deal will be provided over the phone. The helpline is open 8.00 am to 4.30 pm UK time, Monday to Friday, except bank holidays.

CREST ELECTRONIC PROXY VOTING

The Company will be accepting proxy votes through the CREST Electronic Proxy Voting system.

SHAREGIFT

ShareGift (registered charity no. 1052686) is an independent charity which specialises in accepting donations of small numbers of shares which are uneconomic to sell on their own. ShareGift is particularly designed to accept unwanted shares and uses the ultimate proceeds to support a wide range of UK charities. Over £14m has been given by ShareGift so far to over 1,700 different UK charities. Further information about ShareGift can be found on their website, www.ShareGift.org or by calling 020 7930 3737.

ELECTRONIC SHAREHOLDER COMMUNICATIONS

As part of Informa's Corporate Social Responsibility programme, and in particular our ongoing commitment to reduce our environmental impact, we offer all shareholders the opportunity to elect to register for electronic communications. For further information please visit www.investorcentre.co.uk/ecomms.

PROTECTING YOUR INVESTMENT FROM SHARE REGISTER FRAUD

Over the last few years a number of companies have become aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from brokers who target existing shareholders offering to sell what often turn out to be worthless or high risk shares in US or UK investments. They can be extremely persuasive and very persistent. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports.

If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation.
- Check that they are properly authorised by the Financial Conduct Authority ("FCA") before getting involved. You can check at www.fca.org.uk.
- Report the matter to the FCA by completing an online form at www.fca.org.uk.
- Inform Computershare on 0870 707 1679.

TIPS ON PROTECTING YOUR SHAREHOLDING

- Ensure all your certificates are kept in a safe place or hold your shares electronically in CREST via a nominee.
- Keep all correspondence from Computershare in a safe place, or destroy correspondence by shredding it.
- If you change address, inform Computershare. If you receive a letter from Computershare regarding a change of address and you have not recently moved, contact them immediately.
- Know when the dividends are paid and consider having your dividend paid directly into your bank. If you change your bank account, inform Computershare of the details of your new account. Respond to any letters Computershare send to you about this.
- If you are buying or selling shares, only deal with brokers registered in the UK or in your country of residence.

ADR PROGRAMME

On 1 July 2013, Informa established a Level I American Depositary Receipt (ADR) programme with BNY Mellon, the global leader in investment management and investment services. Each Informa ADR represents two ordinary shares and trades on the OTC (over-the-counter) market in the US under the symbol "IFJPY" (ISIN US45672B2060). Investors can find information on Informa's ADRs on www.bnymellon.com/dr.

Informa's ordinary shares continue to trade on the Premium Main Market of the London Stock Exchange (LSE) under the symbol "INF" (ISIN: GB00BMJ6DW54).

Designed and produced by Luminous
www.luminous.co.uk

Global Exhibitions photography courtesy of *Arab Health*. Other photography by Philip Gatward and Simon Jarratt.

Illustrations by Brett Ryder and Aude Van Ryn.

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This report is printed on UPM Fine Offset, a paper produced using wood fibre from fully sustainable forests with FSC® certification.

All pulps used are Elemental Chlorine Free, and the manufacturing mill is ISO 14001 and FSC® certified.

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informa