

# INTERIM RESULTS PRESENTATION

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28 July 2016

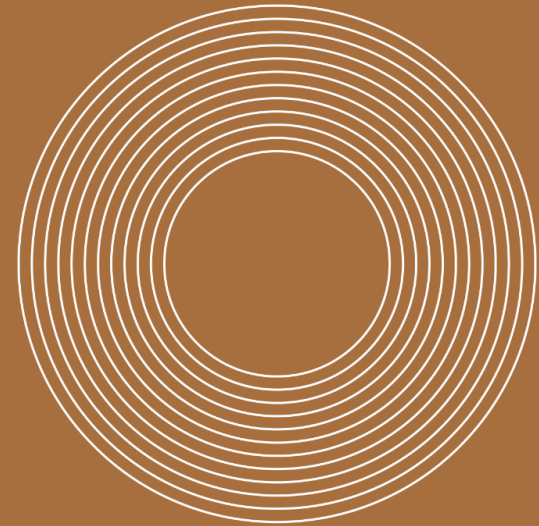
2016

informa



**STEPHEN A. CARTER**  
Group Chief Executive

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Progress and Performance  
Resilience and Renovation

## CONTINUED PROGRESS AND PERFORMANCE

**+2.5%**      Accelerating organic revenue growth...

**+4.7%**      Higher reported revenue...

**+6.3%**      Increased adjusted operating profit...

**+3.1%**      Growth in adjusted diluted earnings per share...

**+4%**      Increased interim dividend per share...

**2.4x**      Robust balance sheet...

ON TRACK FOR FULL YEAR GROWTH IN REVENUE AND ADJUSTED EARNINGS

## DISCIPLINED DELIVERY IN THE PEAK YEAR OF *GAP INVESTMENT*

**£45-50m**

*GAP Investment* in 2016...

**£70-75m**

Cumulative *GAP Investment* by year-end...

**c£90m**

Total *GAP Investment* programme...

**c30**

Product and platform workstreams in progress ...

**>50**

Individual product/platform upgrades over next 18 months...

**>35**

Individual product/platform upgrades in Business Intelligence...

**ALL FOUR OPERATING DIVISIONS ON TRACK FOR 2016 GROWTH TARGETS**

# INCREASING RESILIENCE THROUGH *GAP*

## **Talent**

Management, Sales, Technology, Graduates, Training, Incentives

## **Product**

Mobile, Digital, Flexible, Data Rich, Analytical Tools, Search, APIs

## **Platform**

CRM, Digital, Content, Data, Sales, Finance, Communication

## **Structure**

Simplified Model, Cust. Focused, Data Oriented, Auth. Framework

## **Portfolio**

Oriented around Verticals, Streamlined, Actively Managed

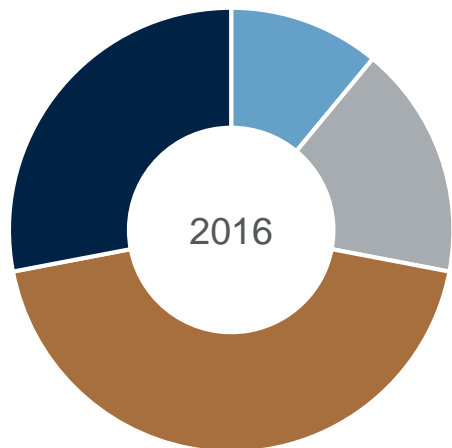
## **M&A**

Targeted, Disciplined, Internationalisation, Scale, Vertical Strength

**OPERATIONAL FITNESS AND INCREASED CAPABILITY**

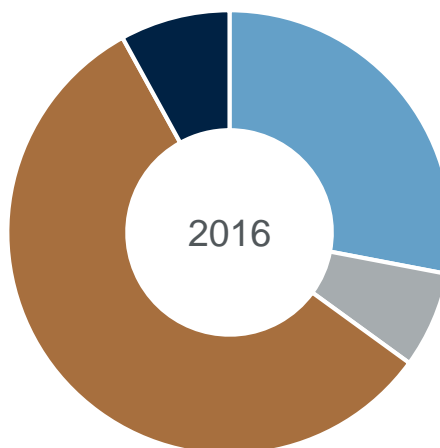
# VISIBILITY OF EARNINGS





REVENUE BY GEOGRAPHY



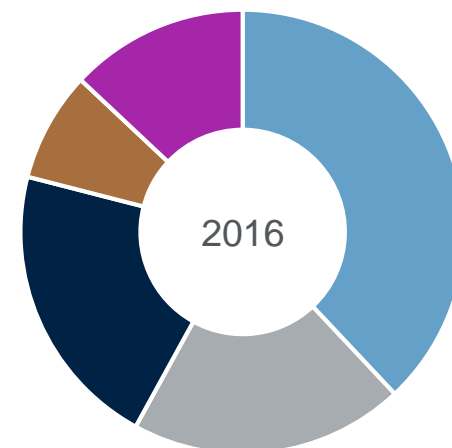
	NORTH AMERICA	44%
	REST OF WORLD	28%
	CONTINENTAL EUROPE	17%
	UK	11%






REVENUE BY CURRENCY



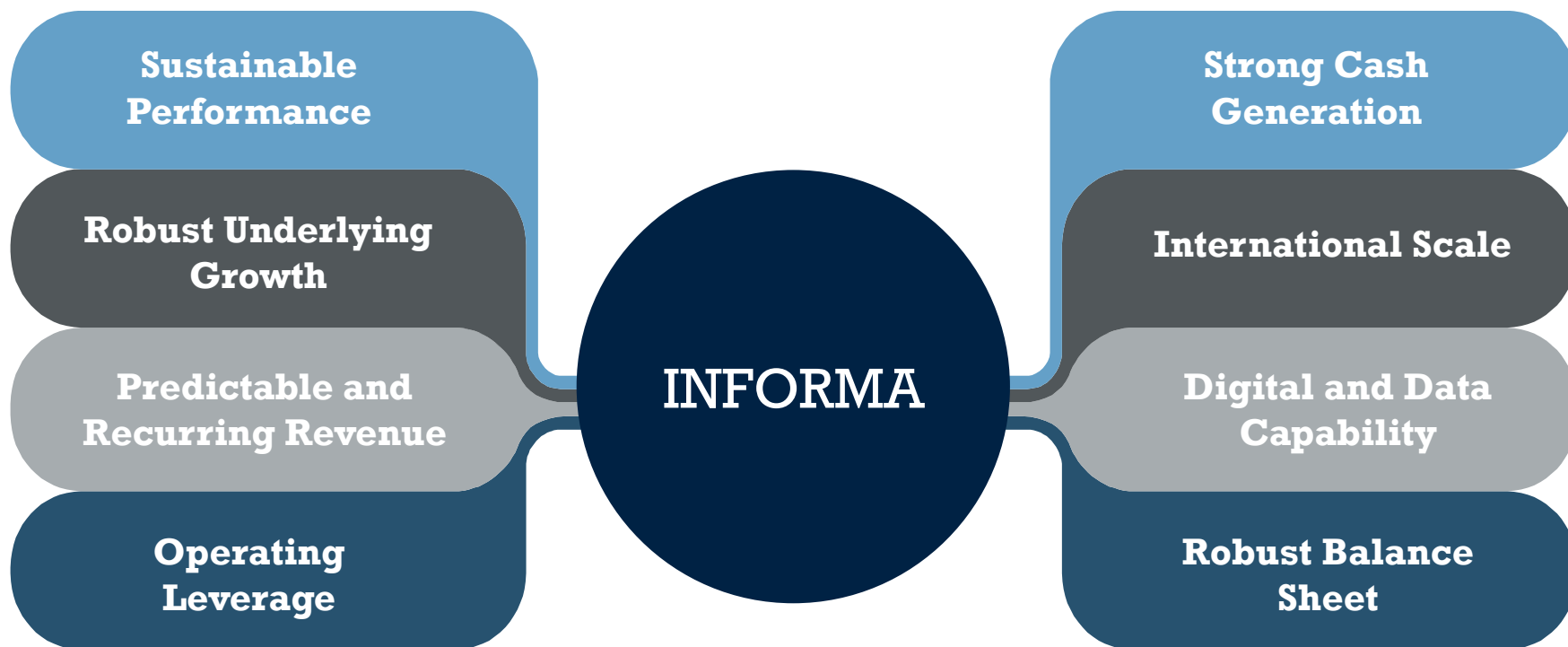
	US DOLLAR / PEGGED	57%
	UK STERLING	28%
	EUROS	8%
	OTHER CURRENCIES	7%

REVENUE BY TYPE



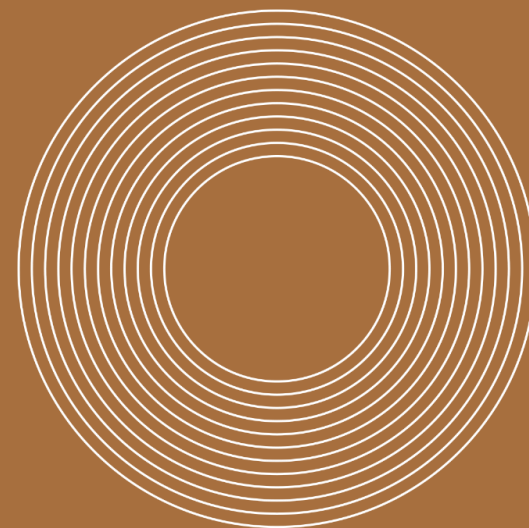
	SUBSCRIPTIONS	38%
	EXHIBITOR	20%
	UNIT SALES	21%
	SPONSORSHIP & ADS	8%
	ATTENDEE	13%

# OPERATIONAL FITNESS



**GARETH WRIGHT**  
Group Finance Director

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## 2016 PERFORMANCE AND PROGRESS

# +2.5%

### Accelerating Organic Revenue Growth

+2.5% vs +0.2% in H1 2015 and +1.0% in FY 2015

# +6.3%

### Increased Adjusted Operating Profit

+6.3% to £202.2m (2015: £190.3m)

# ↑ 4%

### Increased Interim Dividend Per Share

up 4% to 6.80p (2015: 6.55p)

# +3.1%

### Growth in Adjusted Diluted EPS

+3.1% to 23.1p (2015: 22.4p)

# +4.7%

### Higher Reported Revenue

+4.7% to £647.7m revenue (2015: £618.8m)

# 2.4x

### Robust Balance Sheet

Net debt/EBITDA 2.4 times (2015: 2.4 times)

# £67.7m

### Strong Underlying Free CashFlow

£67.7m (2015: £116.4m)

**CONTINUED FINANCIAL PROGRESS IN PEAK YEAR OF *GAP* INVESTMENT**

# DIVISIONAL PERFORMANCE ON TRACK

	H1 2016 £m	H1 2015 £m	Year-on-Year Growth %	Year-on-Year Organic Growth %
<b><u>Revenue:</u></b>				
Global Exhibitions	192.9	168.8	14.3	11.6
Academic Publishing	214.7	195.0	10.1	0.9
Business Intelligence	134.6	138.8	(3.0)	(0.5)
Knowledge & Networking	105.5	116.2	(9.2)	(4.7)
<b>Group</b>	<b>647.7</b>	<b>618.8</b>	<b>4.7</b>	<b>2.5</b>
<b><u>Adjusted Operating Profit:</u></b>				
Global Exhibitions	88.3	77.7	13.6	10.0
Academic Publishing	72.9	66.7	9.3	(3.5)
Business Intelligence	26.9	28.2	(4.6)	(4.4)
Knowledge & Networking	14.1	17.7	(20.3)	(27.7)
<b>Group</b>	<b>202.2</b>	<b>190.3</b>	<b>6.3</b>	<b>(0.7)</b>
<b><u>Operating Margins:</u></b>				
Global Exhibitions	45.8%	46.0%		
Academic Publishing	34.0%	34.2%		
Business Intelligence	20.0%	20.3%		
Knowledge & Networking	13.4%	15.2%		
<b>Group</b>	<b>31.2%</b>	<b>30.8%</b>		

## GAP INVESTMENT AND PERFORMANCE

**c£90m**

Total Programme

**c£50m**

Cash invested to date

**c£70m**

Approved to invest

**c30**

Project workstreams live

**c£5m**

P&L impact in H1 2016

**c80%**

Capex v Opex in 2016

**30-40**

Total number of projects

**15-20%**

2017 forecast ROI\*

**25-35%**

2018 forecast ROI\*

\* ROI = Net P&L impact (Benefits – Opex – Capex depreciation)/ Cumulative investment

# GAP RETURNS – ENTERING THE DELIVERY PHASE

Scheduled Product/Platform releases



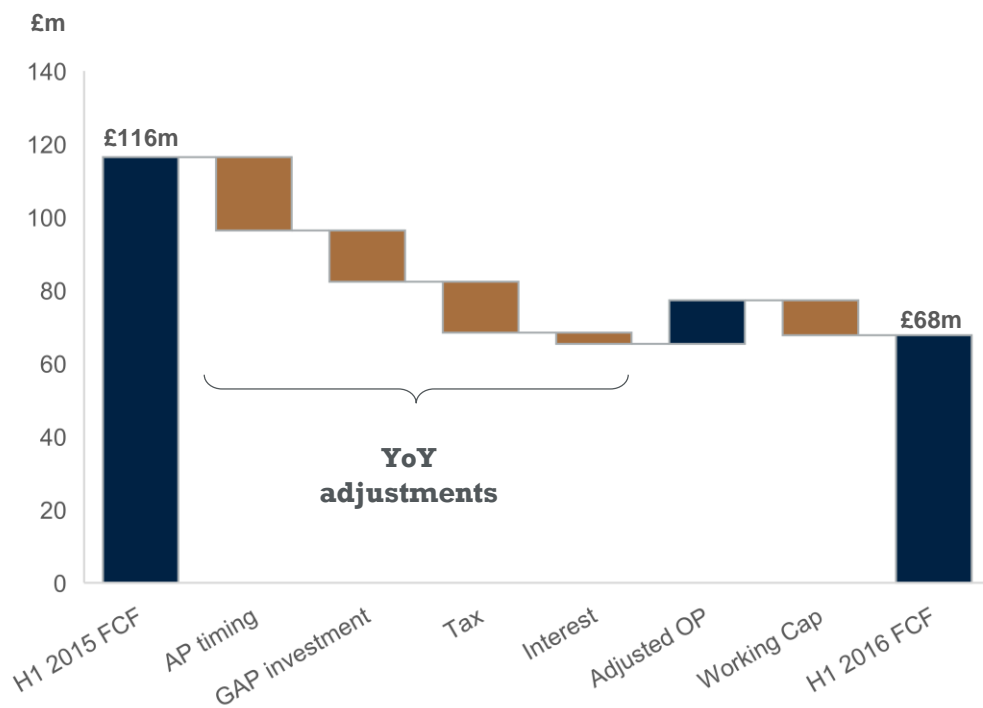
2016 - 2018

# GROWTH IN ADJUSTED EARNINGS PER SHARE

	H1 2016 £m	H1 2015 £m
Revenue	647.7	618.8
<b>Adjusted Operating Profit</b>	<b>202.2</b>	<b>190.3</b>
<i>Adjusted Operating margin</i>	<b>31.2%</b>	30.8%
Net interest	(17.4)	(12.1)
<b>Adjusted Profit Before Tax</b>	<b>184.8</b>	<b>178.2</b>
Adjusting items	(85.9)	(59.3)
<b>Reported Profit Before Tax</b>	<b>98.9</b>	<b>118.9</b>
<b>Adjusted Tax charge</b>	<b>(33.4)</b>	<b>(31.5)</b>
<i>Effective Tax rate</i>	<b>18.1%</b>	17.7%
<b>Adjusted Profit</b>	<b>151.4</b>	<b>146.7</b>
<b>Adjusted EPS (diluted)</b>	<b>23.1</b>	<b>22.4</b>
<b>Dividends Per Share</b>	<b>6.80</b>	<b>6.55</b>

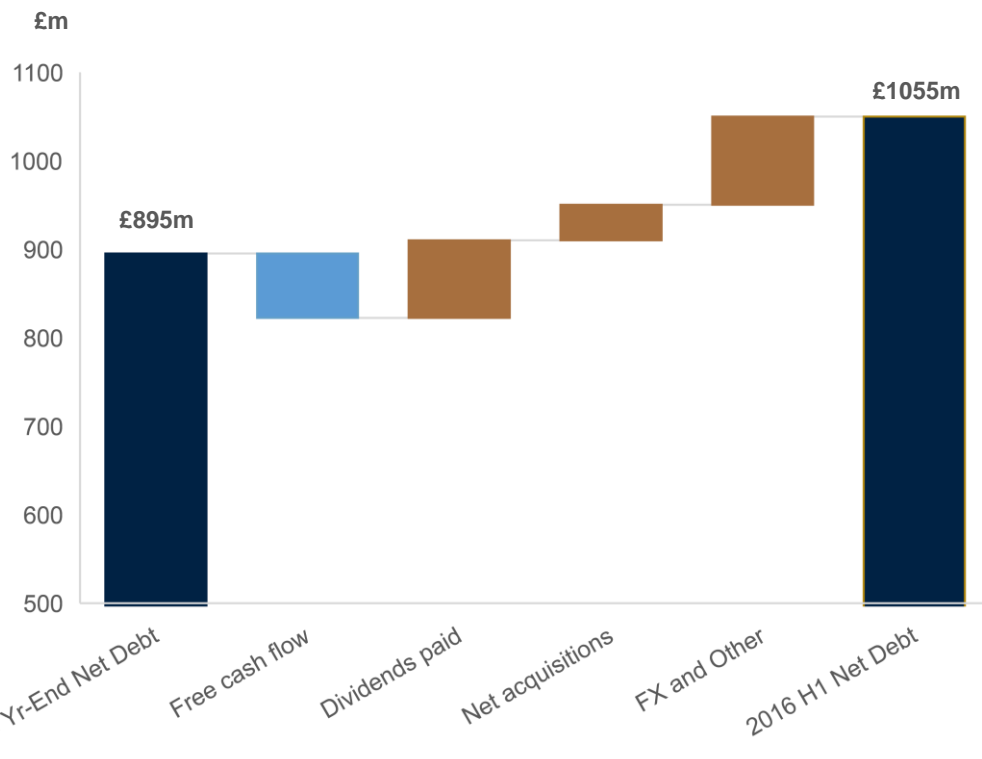
- Adjusted EPS growth of 3.1%
- Three key factors:
  - Higher net interest:
    - Long-term USD Private Placing financing
    - Higher average debt due to currency
    - Prudent treatment of interest on loan receivable
  - Higher effective tax rate
  - Increase in shares issued

# STRONG UNDERLYING FREE CASH FLOW



- One-off factors distort YoY comparison
  - Academic Publishing timing
  - *GAP Investment* up to £20m
  - Normalised cash tax rate
  - FX and US Private Placing impact
- Underlying cash conversion strong
- Full year cash flow on track

# ROBUST BALANCE SHEET

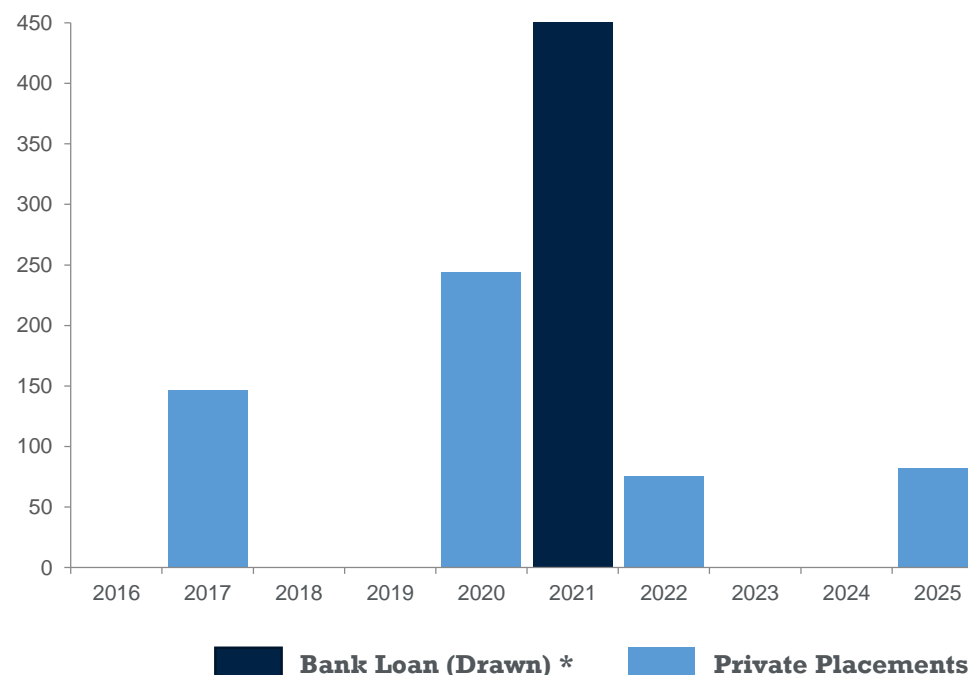


- Increase in net debt principally due to FX
  - USD at 30 June 2016 = 1.35
  - USD at 31 Dec 2015 = 1.48
- Gearing in line with last year and within target range at 2.4x

# FINANCING FLEXIBILITY AND VISIBILITY

- Robust balance sheet
  - 2.4x gearing at H1
  - Mix of bank debt and US PP debt
  - >80% of debt US Dollar denominated
- Secure pension position
  - Defined benefit schemes closed
  - No cash contributions in H1
  - Net liabilities of £15.6m
  - Next triennial valuation reported in 2018

## Debt Maturity Profile

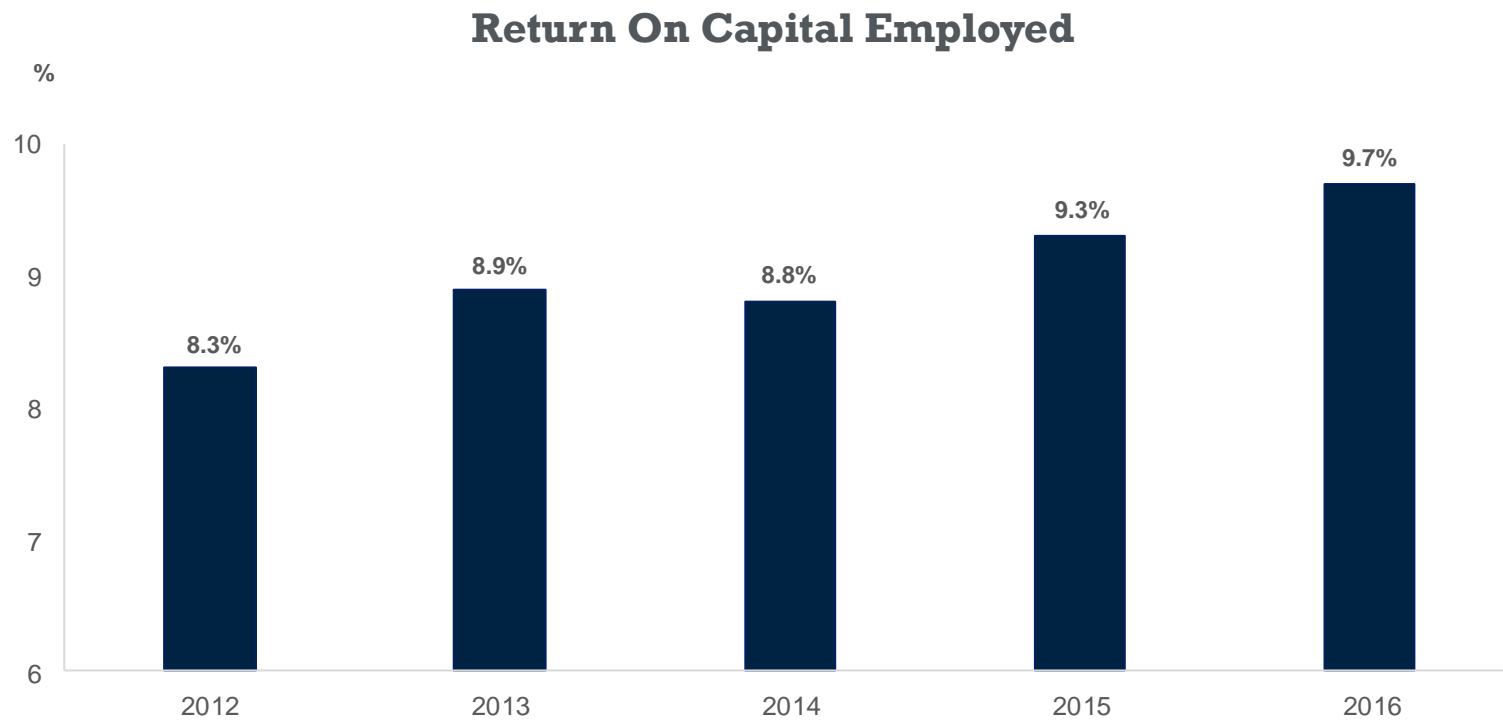


**BALANCED MIX OF FINANCING ENSURES FUNDING FLEXIBILITY AND VISIBILITY**

\* The RCF is a 5+1+1 years facility



# OPERATING DISCIPLINE



**IMPROVING RETURNS PROFILE**

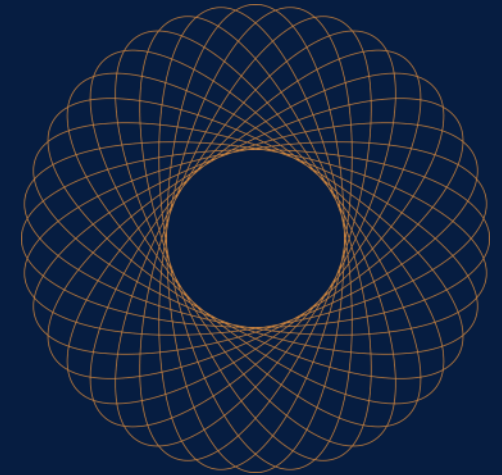
# PERFORMANCE SUMMARY

- 1 Progressive improvement in organic revenue growth
- 2 Good growth in adjusted operating profit
- 3 Peak year of investment for future growth and capability
- 4 Growth in adjusted earnings with prudent treatment of loan note interest
- 5 Strong underlying Free Cash Flow, one-off factors in 2016
- 6 Robust balance sheet with secure pension position
- 7 Consistent dividend growth, in line with *GAP* commitment

**ON TRACK FOR FULL YEAR GROWTH IN REVENUE AND ADJUSTED EARNINGS**

**STEPHEN A. CARTER**  
**Group Chief Executive**

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**Progress and Performance**  
**Resilience and Renovation**

# INCREASING RESILIENCE THROUGH *GAP*

## **Talent**

Management, Sales, Technology, Graduates, Training, Incentives

## **Product**

Mobile, Digital, Flexible, Data Rich, Analytical Tools, Search, APIs

## **Platform**

CRM, Digital, Content, Data, Sales, Finance, Communication

## **Structure**

Simplified Model, Cust. Focused, Data Oriented, Auth. Framework

## **Portfolio**

Oriented around Verticals, Streamlined, Actively Managed

## **M&A**

Targeted, Disciplined, Internationalisation, Scale, Vertical Strength

**OPERATIONAL FITNESS AND INCREASED CAPABILITY**

# GLOBAL EXHIBITIONS...GROWING

## Talent

- Divisional CEO
- CTO and Digital Director
- Training & Leadership Development Programme
- Performance incentives

## Product

- Market Maker activity
- Targeted geo-cloning
- Pricing models
- Medlab spin-off

## Platform

- Global Web platform
- Redshift & Eloqua
- Salesforce CRM deployment
- Workspace & Passport Operations Portal

## Structure

- **Shift from franchises to verticals**
- International vertical Brands
- Centralised Procurement

## Portfolio

- 180 Exhibitions
- Key verticals: **Construction & Real Estate, Beauty & Aesthetics, Life Sciences, Nutrition and Pop Culture**

## M&A

- Targeted US expansion delivering strong returns
- Scale benefits
- Integration model

FROM EXHIBITION ORGANISER TO MARKET MAKER

# ACADEMIC PUBLISHING...RESILIENT

## Talent

- CTO appointment
- Leadership Development Programme
- Global Books and Journal MDs

## Product

- Content expansion
- Open Access acceleration
- Author Services
- Digital Archives – *From World War to Cold War*

## Platform

- Content Delivery & Discoverability
- Customer Analytics
- Digital Marketing
- Author Management

## Structure

- Single global Books and Journals businesses
- Increased customer focus and agile response
- International development

## Portfolio

- Niche subject expertise
- 120k Book titles across > 80 subject categories
- 2500 Journal titles across > 30 subject categories

## M&A

- Double-digit returns from content acquisitions
- Scale benefits
- Integration model

DEPTH OF CONTENT AND OPERATING EFFICIENCY

# BUSINESS INTELLIGENCE...IMPROVING

## Talent

- Senior Management
- Sales leadership
- Vertical expertise
- Consulting MD

## Product

- New vertical Brand structure
- >35 product/platform releases over the next 18m
- Subscription renewals c90%
- Investment in Consulting

## Platform

- CRM platform
- Insight platform
- Intelligence platform
- Marketing Automation

## Structure

- Customer focused
- Oriented around Verticals
- Central management of Sales, Finance, HR

## Portfolio

- 5 core verticals: **Pharma, TMT, Finance, Maritime and AgriBusiness**
- >100 digital subscription products

## M&A

- Proactive market scanning
- Targeting vertical expertise, adjacency opportunities and/or enhanced capability

**POSITIVE ORGANIC GROWTH ACROSS THE YEAR**

# KNOWLEDGE & NETWORKING...RESTRUCTURING

## Talent

- Senior Management Team
- Professional Development & Learning
- Key Account Management

## Product

- Brand consolidation to c1200 events in 2016
- Focus on building Community Brands
- Continuous engagement

## Platform

- CORE digital platform
- Salesforce integration
- Digital Marketing
- Customer Analytics

## Structure

- Streamlined model
- Organised by function within verticals
- Central procurement initiative

## Portfolio

- Focus on **TMT, Finance and Life Sciences** verticals
- Development of Communities

## M&A

- Vertical expertise...*Light Reading*
- Enhanced capability in value-added services
- Partnerships...London Technology initiative

**TARGET FLAT ORGANIC GROWTH ACROSS THE YEAR**



## GAP YEAR 3 PERFORMANCE AMBITIONS

	2015	2016
Global Exhibitions	10.5%	Consistent strong growth
Academic Publishing	1.6%	Steady year-on-year growth
Business Intelligence	-1.7%	Positive full year growth
Knowledge & Networking	-4.2%	Flat full year growth
Group	1.0%	Progressive improvement in organic growth

### THE *GAP* AMBITION:

CONSISTENT 3%+ GROWTH, ROBUST MARGINS, STRONG CASH FLOW AND CONSISTENT DIVIDEND GROWTH

# 2016 PROGRESS AND PERFORMANCE

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1 Continued Progress and Performance in peak year of *GAP Investment*

2 £45-50m investment across 30 workstreams in 2016

3 Increased Resilience through *GAP Renovation*

4 >50 individual Product and Platform enhancements over next 18 months

5 Consistent growth in Dividend Per Share reflecting strong cash flow

6 Robust balance sheet with secure pension position

**ON TRACK FOR FULL YEAR EXPECTATIONS**

# BUILDING CAPABILITY FOR FUTURE POTENTIAL

## TALENT

Strong capability and experience in all disciplines; Diverse workplace with strong development and succession programme

## PRODUCT

Consistent re-investment into product development and innovation, driven by customer needs

## PLATFORM

Strong digital and data capability across the Group; Technology Fast, agile approach to platform development

## STRUCTURE

Simplified and customer driven model, increasing cross-Divisional collaboration along verticals

## PORTFOLIO

Balanced portfolio of businesses across verticals and geographies; Subscription, recurring and forward booked revenue over two-thirds of revenue

## M&A

Consistently high returns on complementary and bolt-on additions. Capability and capacity for strategic opportunities

# INFORMA GROUP INVESTOR DAY 2016 – LONDON, UK

Please join Stephen A. Carter, Group CEO and Gareth Wright,  
Group FD on 6 October 2016 for:

## INFORMA GROUP PLC 2016 INVESTOR DAY LONDON

**Knowledge &  
Networking**

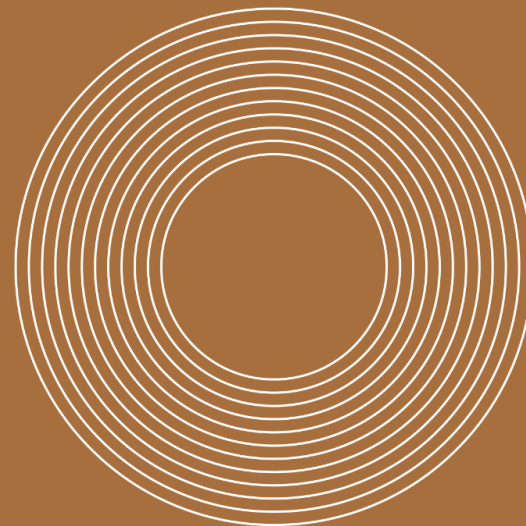


**Business  
Intelligence**

And...pre-presentation entertainment and humour at dinner the evening before!

# APPENDICES

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# RETURN ON INVESTMENT METRICS

Last 3 years ROI on acquisitions	%
2015 acquisitions - 1st year ROI	10.5
2014 acquisitions - 1st year ROI	6.8
2013 acquisitions - 1st year ROI	13.0

Group Return on Capital Employed (%)	2016	2015	2014	2013	2012
Group ROCE	9.7	9.3	8.8	8.9	8.3

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

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

The Group applies financial and strategic criteria to all acquisitions: Acquisitions are expected to have a neutral or positive impact on EPS and deliver a ROIC (including synergies) in excess of the Group's Weighted Average Cost of Capital ("WACC") in the first full financial year of ownership. For certain strategic acquisitions, the Group will target a ROIC in excess of WACC within 3 years of ownership

# BALANCE SHEET SUMMARY

	H1 2016 £m	H1 2015 £m
Intangibles and goodwill	2,879.1	2,566.8
Fixed assets	16.6	17.1
Other non-current assets	17.5	31.9
Current assets	341.7	306.8
Deferred income	(384.3)	(339.0)
Other current liabilities	(264.1)	(259.7)
Net debt	(1,054.9)	(911.7)
Other non-current liabilities	(216.1)	(184.7)
<b>Net Assets</b>	<b>1,335.5</b>	<b>(1,227.5)</b>
 <i>Return on Capital Employed</i>	 <b>9.7%</b>	 <b>9.3%</b>

# TAX

	<b>Profit/(loss)</b> <b>£m</b>	<b>Tax</b> <b>£m</b>	<i>ETR</i> <b>%</b>
<b>Reported Profit Before Tax</b>	<b>98.9</b>	<b>8.8</b>	<b>8.9%</b>
Adjusted for:			
Restructuring and reorganization costs	<b>2.6</b>	1.2	
Intangible asset amortisation	<b>51.2</b>	20.3	
Acquisition and integration costs	<b>6.5</b>		
Impairments	<b>2.3</b>		
Subsequent re-measurement of contingent consideration	<b>(2.0)</b>		
Loss on disposal of businesses	<b>25.3</b>	3.1	
<b>Adjusted Profit Before Tax</b>	<b>184.8</b>	<b>33.4</b>	<b>18.1%</b>



# FREE CASH FLOW

	H1 2016 £m	H1 2015 £m
<b>Adjusted operating profit</b>	<b>202.2</b>	<b>190.3</b>
Depreciation of property & equipment	3.0	3.1
Software and product development amortisation	6.1	6.2
Share-based payments	1.3	1.4
Adjusted share of joint venture results	(0.1)	0.1
<b>Adjusted EBITDA</b>	<b>212.5</b>	<b>201.1</b>
Net capital expenditure	(25.9)	(14.2)
Working capital movement	(63.4)	(33.2)
<b>Operating cash flow</b>	<b>123.2</b>	<b>153.7</b>
<i>Adjusted cash conversion</i>	<b>61%</b>	<b>81%</b>
Restructuring, reorganisation, acquisition and integration	(11.4)	(10.5)
Net interest	(16.4)	(13.1)
Taxation	(27.7)	(13.7)
<b>Free cash flow</b>	<b>67.7</b>	<b>116.4</b>

# ADJUSTING ITEMS

	<b>H1 2016</b>	H1 2015
	<b>£m</b>	£m
Intangible asset amortisation	51.2	53.5
Impairment	2.3	-
Restructuring and reorganisation costs	2.6	4.4
Acquisition and integration costs	6.5	0.9
Subsequent re-measurement of contingent consideration	(2.0)	1.1
<b>Adjusting items in operating profit</b>	<b>60.6</b>	59.9
Loss/(profit) on disposal	25.3	(0.6)
<b>Adjusting items in profit before tax</b>	<b>85.9</b>	59.3

# CURRENCY

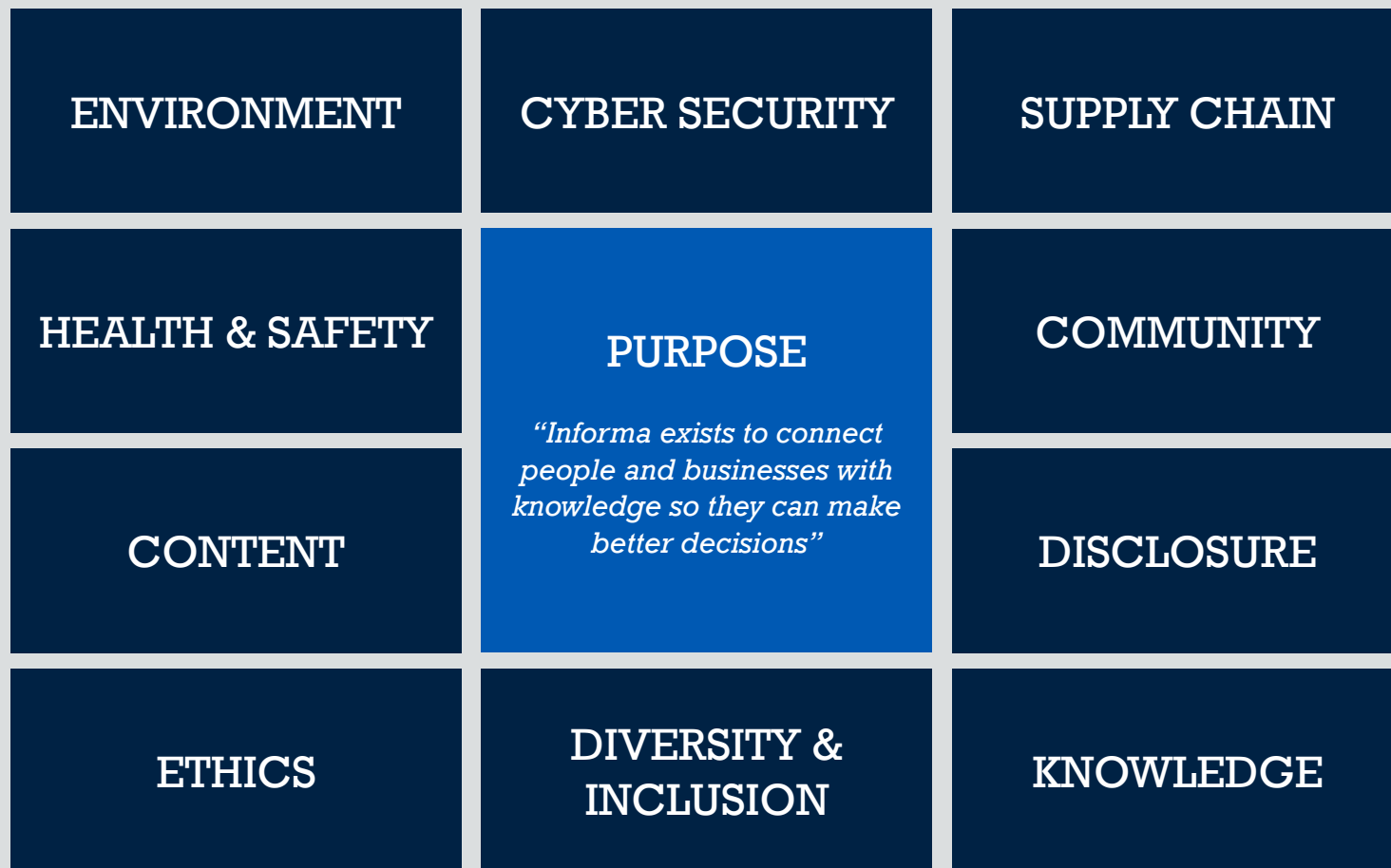
Major Currencies	Average Rates		Closing Rates	
	H1 2016	H1 2015	H1 2016	H1 2015
USD	1.43	1.53	1.35	1.57
EUR	1.29	1.37	1.21	1.41
Impact of a 1 cent movement in 2016*				
	<b>USD £m</b>	<b>EUR £m</b>		
Revenue	5.6	0.8		
Operating Profit	2.6	0.4		
Net Debt	6.6	0.3		

\* The actual impact of currency on Group profit may be different to that implied due to the timing of profit receipts, with financials translated on a monthly basis using the average for that month

# NET DEBT MOVEMENT

	H1 2016 £m	H1 2015 £m
<b>Net debt at 1 January</b>	<b>(895.3)</b>	<b>(876.2)</b>
Free cash flow	67.7	116.4
Dividends paid to Shareholders	(86.8)	(83.6)
Dividends paid to non-controlling interest	(0.9)	(0.5)
Acquisitions less disposals	(53.5)	(71.3)
Shares acquired	(0.2)	(0.3)
Non-cash movements	(0.8)	(0.7)
Foreign exchange	(85.1)	4.5
<b>Net Debt at 30 June</b>	<b>(1,054.9)</b>	<b>(911.7)</b>
<i>Net debt/EBITDA (using average exchange rates)</i>	<b>2.4x</b>	<b>2.4x</b>

# CORPORATE RESPONSIBILITY



# SPONSORED ADR PROGRAMME

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

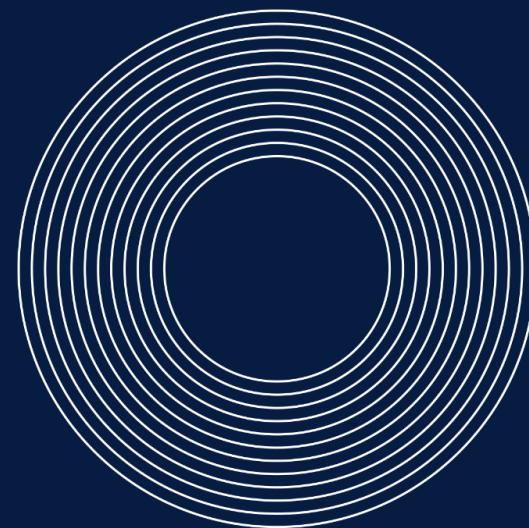
Symbol	IFJPY
ISIN	US45672B305
Ratio	1 ADR : 2 ORD
Effective date	1 <sup>st</sup> July 2013
Underlying ISIN	JE00B3WJHK45
Depository Bank	BNY Mellon

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

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