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Press release
25 May 2018

Informa PLC

Trading Update

2018...Growth Continuation

London: Informa (LSE: INF.L), the international Exhibitions, Events, Business Intelligence and Academic Publishing Group, today reported further improvement in its operating performance through the first four months of 2018 and is re-confirming full year expectations in a trading update released to coincide with its Annual General Meeting in London.

Stephen A. Carter, Group Chief Executive, said: “Our performance in the first four months of 2018 has been encouraging, with continued operating progress and robust underlying trading reflecting our increased scale and international breadth post the successful completion of the *Growth Acceleration Plan*.”

He added: “In 2018, we are focused on *Growth Continuation* whilst effectively combining Informa and UBM to create a new business, with further operating scale, international breadth and specialist B2B products and services.”

COMBINATION WITH UBM PLC

- Our proposed combination with UBM plc was approved by both sets of shareholders at our respective General Meetings on 17 April, with 99% of Informa shareholders that voted supporting the offer. Having completed the regulatory process in China, Germany, Turkey and the United States, we are now just awaiting the outcome of the UK process, and remain confident of completion by the end of the second quarter.
- Preparation and planning for the effective combination of the two groups is progressing well. Our Portfolios and Brands are very complementary and we believe we have many common values and beliefs. We aim to combine the best aspects of both groups to create a new business with the capacity and capabilities to become a leading B2B Information Services Group.

ACCELERATED INTEGRATION PLAN (“AIP”)

- Having worked constructively with UBM Group management and, as we approach completion, increasingly also with the UBM operational teams, we have developed a programme of post-completion activity to deliver the **AIP** successfully. This will seek to provide clarity to colleagues quickly on structure, on roles and on reporting lines, ensuring we can meet our commitment to deliver a run rate of at least £60m of pre-tax cost synergies by the end of 2020.
- A core ambition of the **AIP** is to embed a shared culture across the new Informa Group, creating a strong purpose and identity to successfully pursue the attractive growth opportunities available in the B2B information services market. This programme of **Combination and Creation** will follow four distinct phases:

PHASE 1: Discovery & Validation: From completion through to the beginning of August, we will use the time to learn more, engage with new colleagues and validate our proposed approach to the combination. We will bring senior management teams together to agree and articulate the purpose and future direction of the new Group and we will also aim to provide clarity to colleagues in obvious areas of overlap and duplication.

PHASE 2: Combination: From August through to the beginning of November, we will finalise the operating model, leadership and reporting lines for the new Group and then formally combine the two businesses ahead of the annual budgeting process to ensure there is clear ownership going into 2019. We will also start to combine some front-end systems and develop the Brand and operational architecture for the new Group.

PHASE 3: Completion: From November through to March 2019, the new Group will start to operate as a single, combined business. The Colleague Value Proposition will be further developed, additional systems integrated and we will report our 2018 full year results as the new Informa Group.

PHASE 4: Ambition & Creation: From March through to the anniversary of completion around June, we will start to reap the full benefits of Combination and Creation, setting out the long-term ambition and opportunities for the new Informa Group.

DIVISIONAL TRADING HIGHLIGHTS

Global Exhibitions

- Trading in our largest operating division remains strong and with 17 of our Top 30 largest events having successfully run and with good visibility on forward bookings, we remain confident of another year of attractive growth.
- We continue to build on the successful integration of Penton Information Services, leveraging our increased scale and depth in industry verticals to deliver revenue benefits through cross-marketing, sponsorship and international sales. This is evident in our strong performances so far in 2018 in **Construction & Real Estate** (*World of Concrete, TISE*), **Life Sciences** (*Arab Health, Medlab*), **Beauty & Aesthetics** (*China Beauty, Anti-Aging World Congress*), and particularly in **Health & Nutrition**, with record revenues at both *Natural Products West Expo* and *Vitafoods Europe*.
- We continue to invest in technology in key areas such as marketing automation, registration and data collection, and more specifically in new revenue opportunities. We have now launched our Markit Makr platform into a range of verticals, generating high levels of customer interest. In **Life Sciences**, we brand Markit Makr as *Omnia* and it already has nearly 30,000 products listed. With over 5 million page views and nearly 12,000 leads generated to date, it is building real critical mass as a market making product for connecting buyers and sellers in the attractive **Life Sciences** vertical.

Knowledge & Networking

- Following the GAP-led programme of portfolio rationalisation and exit from non-core businesses, most recently through the sale of our domestic conference businesses in Germany and Switzerland, the division is more streamlined and focused on higher quality, Branded confexes built on providing specialist content and networking opportunities to professional B2B communities.
- This increased focus is delivering further steady improvement in performance across our three core verticals of **Life Sciences** (*Bio Tech Showcase, Bio Europe Spring*), **Finance** (*SuperReturn International, Inside ETFs*) and **TMT** (*Industrial IOT World, AI Summit*). This gives us confidence we can deliver continued positive underlying growth in 2018.

Events, Content, Subscriptions and B2B Services

- Our portfolio of Brands and growing range of B2B marketing, digital and content services in the **Knowledge & Networking** Division, now sits firmly as the nexus between our market-led **Global Exhibitions** Division and our information-led **Business Intelligence** Division. As we build our data capabilities and further strengthen our customer relationships in key verticals, the connections and crossover between these divisions is growing. The combination with UBM will add to this, bringing further scale in key verticals such as Technology and Life Sciences, complementary content-led Brands and additional B2B capabilities. We believe this strength and depth across multiple B2B products and services within industry verticals will, over time, bring us closer to customers and create new growth opportunities.

Business Intelligence

- We continue to make steady progress in our information and intelligence division, building on the reorganisation and investment made through the *Growth Acceleration Plan*. The early part of the year is a key period for subscriptions and our renewal rates now remain consistently around 90%. The major focus for 2018 is on accelerating new business activity following the investment made in recent years to upgrade and enhance core products and features. To support this, we have invested behind our sales strategy, adding further senior sales experience in key verticals and putting greater focus on strengthening major account relationships.

- We also continue to build our contingent revenue streams in Consulting and in B2B Marketing Services, the latter through the Informa Engage Brand. The year has started well in both areas as our reputation grows externally and internally within the Business Intelligence Division and the wider group. Combined with the steady improvement in subscription revenue, this leaves us well placed to deliver further improvement in underlying growth in 2018.

Academic Publishing

- Trading in our scholarly research business remains consistent, with steady and predictable growth through the first four months of the year, which we expect to continue through 2018. Our Journals business continues to deliver high renewal rates in subscription products while our Books business, which is predominantly focused on specialist, reference-led academic content, has also started the year well, maintaining the momentum built up through the second half of last year.
- Following the acquisition of Dove Medical Press in 2017, we now have a portfolio of over 250 pure open access ("OA") journals. Dove Medical Press has also brought new capacity and capabilities and we are using them to improve the focus on the author experience, innovate rapidly and offer additional services. This mirrors our wider digital investment across the business, designed to improve the user experience for researchers, authors and librarians, increase the discoverability of our content and open up new product and service opportunities.

ENQUIRIES

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NOTES TO EDITORS

About Informa PLC

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 7,500 colleagues globally, it has a presence in all major geographies, including North America, South America, Asia, Europe, the Middle East and Africa.

To learn more, please visit www.informa.com

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This Trading Update contains forward looking statements. These statements 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 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: general economic conditions and business conditions in Informa's markets; exchange rate fluctuations, customers' acceptance of its products and services; the actions of competitors; legislative, fiscal and regulatory developments; changes in law and legal interpretation affecting Informa's intellectual property rights and internet communications; and the impact of technological change. These forward looking statements speak only as of the date of this Trading Update. 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 statement is based.

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