

Press Release  
25 July 2012

## Informa plc Half Year Results for the Six Months Ended 30 June 2012

**Resilient Earnings – Confirmation of Full Year Expectations**  
**Further International Expansion and Portfolio Rationalisation**

### Key Highlights

#### Financial

- Resilient profit performance – adjusted operating profit growth of 0.6% to £160.1m; 0.3% on an organic basis
- Improved margin – adjusted operating margin 25.8% (H1 2011: 25.1%)
- Strong cash flow – cash conversion rate increased to 76% (H1 2011: 56%)
- Revenue decline of 2.4% (organic decline of 1.2%) – proactive reduction in marginal product.
- Statutory loss before tax of £27.4m (H1 2011: £66.5m profit) – reflecting impairment charge of £80.0m and losses on disposal of £24.4m relating to European Conference businesses.
- Earnings increased – adjusted diluted earnings per share growth of 3.4% to 18.3p (H1 2011: 17.7p)
- Dividend increased – interim dividend increased to 6.0p (H1 2011: 5.0p)
- Net debt/EBITDA ratio of 2.3 times (H1 2011: 2.5 times)

#### Operational

- Academic division continues to trade well – organic revenue growth of 3.7%
- Total cost savings delivered at PCI of £12m
- 9 new large events run in H1
- Forward bookings on leading events remains strong
- Restructure of conference portfolio to reflect prevailing market conditions in Europe
- 20% of revenue from emerging markets (H1 2011: 19%)
- Acquisition of market leading exhibition and conference business in Canada

### Financial Highlights

|                                                      | H1 2012<br>£m | H1 2011<br>£m | Actual<br>% | Organic<br>% |
|------------------------------------------------------|---------------|---------------|-------------|--------------|
| Revenue                                              | 619.6         | 634.8         | (2.4)       | (1.2)        |
| EBITDA <sup>2</sup>                                  | 172.7         | 170.4         |             |              |
| Operating Profit                                     | 11.0          | 87.9          |             |              |
| Adjusted Operating Profit <sup>1</sup>               | 160.1         | 159.1         | 0.6         | 0.3          |
| Operating cash flow <sup>2</sup>                     | 121.1         | 88.7          |             |              |
| (Loss)/profit before tax                             | (27.4)        | 66.5          |             |              |
| Adjusted profit before tax <sup>1</sup>              | 142.8         | 139.1         |             |              |
| (Loss)/profit for period                             | (41.9)        | 55.2          |             |              |
| Adjusted profit for period <sup>1</sup>              | 110.1         | 106.4         |             |              |
| Basic (loss)/earnings per share (p)                  | (7.0)         | 9.2           |             |              |
| Diluted (loss)/earnings per share (p)                | (7.0)         | 9.2           |             |              |
| Adjusted diluted earnings per share (p) <sup>1</sup> | 18.3          | 17.7          |             |              |
| Dividend per share (p)                               | 6.0           | 5.0           |             |              |
| Free cash flow <sup>2</sup>                          | 76.2          | 54.1          |             |              |
| Net debt <sup>3</sup>                                | 844.8         | 877.7         |             |              |

Notes:

In this document 'organic' refers to results adjusted for material acquisitions and disposals and the effects of changes in foreign currency exchange rates. In this Business Review we refer to adjusted and statutory results. Adjusted results are prepared to provide a useful alternative measure to explain the Group's underlying business performance.

1. Adjusted results exclude adjusting items as set out in the Condensed Consolidated Income Statement and detailed in note 3.
2. EBITDA, operating cash flow and free cash flow are as calculated in the Business Review.
3. Net debt as calculated in note 11.

Commenting on the first half results and future prospects, Peter Rigby, Chief Executive, said:

*“Overall, we have made a solid start to the year and are pleased with our performance to date.*

*With our flat structure, experienced local management and focus on operating profit we continue to deliver good financial performance and earnings growth. In addition, high cash flow conversion continues to support our progressive dividend policy. Global economic conditions show no signs of sustained improvement. We have become used to operating in this environment and are actively managing the portfolio to concentrate on our areas of strategic focus. The business is in better shape as a result and we are well positioned for growth when an economic recovery occurs.*

*We are encouraged by the product launches coming in the second half of the year as well as our recent Canadian acquisition. We are making good progress on a number of growth initiatives including geographic expansion, across Informa which gives the Board confidence in meeting its expectations for the full year and the Group's future prospects.”*

## Enquiries

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## Note to Editors

Bringing Knowledge to Life - Businesses, professionals and academics worldwide turn to Informa for unparalleled knowledge, up-to-the minute information and highly specialist skills and services. Our ability to deliver high quality knowledge and services through multiple media channels, in dynamic and rapidly changing environments, makes our offer unique and extremely valuable to individuals and organisations.

## Analyst Presentation

There will be a webcast presentation to analysts with full Q&A at 9.30am BST on 25 July 2012. The webcast will be available on [www.informa.com/interimresults2012](http://www.informa.com/interimresults2012) and further details of the alternative phone dial-in to be found on [www.informa.com](http://www.informa.com).

## Business Review

Informa plc ('Informa' or 'the Group') is pleased to announce the half year results for the six months to 30 June 2012.

As 2011 ended there was an expectation that 2012 would see an improvement in global economic prospects. Unfortunately, because of the continued uncertainty and volatility in Europe with negative growth in real terms and the knock on effect this has had on the rest of the world, this improvement has not occurred. In this context we, like many businesses, have seen trading conditions toughen requiring decisive management action in order to deliver strong operational and financial performance.

Despite a 2.4% fall in revenue our focus on driving operating profits has seen our adjusted operating margin improve to 25.8% (H1 2011: 25.1%). Our profits are backed by strong operating cash flow and we are pleased that at the half year our cash conversion is 76% (H1 2011: 56%) and expect it to be around 100% on a full year basis. We are maintaining the increased payout ratio we announced in February 2012 and therefore are paying a first interim dividend of 6.0p up 20.0%.

We have a resilient balanced portfolio of assets spread across many formats, sectors and geographies. Consistent with our strategy of focusing on high quality subscription revenues, developing digital products, increasing the number of large resilient events and growing all of our businesses in emerging markets, we continually look to enhance the quality of this portfolio. Consequently, there have been a few changes over the past six months.

Following recent geographic expansion within our trade show operations in Australia and Brazil, we are pleased to have acquired Canada's leading exhibition and conference organiser, Merchandise Mart Properties Canada Inc. ('MMPI') on 3 July. Based in Toronto and operating across the country, MMPI delivered revenues of CAD 25m in 2011. With specialisation in construction, real estate, interior design and furnishing, the business fits well with our sector strengths and we are confident about the opportunities that exist to grow the business within Informa by launching new shows or geo-cloning existing ones into a market which has been less affected by the world's economic issues.

As we look to increase the proportion of resilient large events that we run, we have taken the decision to restructure our European local language conference and training portfolio. We have disposed of our Austrian, Czech Republic and Hungarian businesses and downsized the remainder of our portfolio to reflect current market demand. This has resulted in a loss on disposal of £24.4m. Whilst the remainder of our European businesses remain profitable, the revenues generated are significantly below their peak in 2007 and 2008 reflecting the tough trading conditions in large parts of Europe. We believe there has been a structural change in this market and have therefore taken a non-cash impairment charge of £80.0m.

Within PCI as part of a strategic move to deliver higher quality resilient earnings, we have increased the focus on our core verticals to concentrate on those where we have market leading brands and products. This alongside a proactive move away from print advertising to focus on higher margin digital products has resulted in a decline in advertising revenue. Despite the continued tough operating conditions, particularly in verticals such as financial services and pharmaceuticals, profitability has not been affected significantly and this part of our business remains strong. We have also completed the integration of Datamonitor into IBI resulting in cost savings of £12m and leading to a number of opportunities to develop our products.

During this period, we disposed of Robbins Gioia. Following a review we concluded this consulting company which principally served the US Government was non-core.

The actions taken results in Informa operating with a larger proportion of resilient, quality revenue streams without, we believe, losing any of the growth potential which would come from an economic recovery.

## Academic Information (AI)

|                               | H1 2012 | H1 2011 | Actual | Organic |
|-------------------------------|---------|---------|--------|---------|
|                               | £m      | £m      | %      | %       |
| Revenue                       | 154.0   | 145.1   | 6.1    | 3.7     |
| Adjusted Operating Profit     | 51.2    | 47.0    | 8.9    | 5.6     |
| Adjusted Operating Margin (%) | 33.2    | 32.4    |        |         |

The Academic Information division accounts for 25% of the Group's revenue and 32% of the adjusted operating profit.

We have made a good start to the year with our journal subscription rates in line with historic levels and the books, particularly the humanities and social sciences, performing well. The biggest geographic areas for AI are North America and the UK, which remain resilient, and we have seen good growth so far this year in Japan, South Korea and China. Almost 13% of AI's revenues currently come from emerging markets, which remains an area of opportunity and focus for us.

Sales models continue to evolve, with the growing interest in Open Access an example of how we must focus on the way the market wants to buy its content. In the UK the recent Finch Report, which we broadly welcome, outlined the UK's approach to research funding and Open Access. Whilst we foresee little short to medium term impact on our business we will continue to adapt our approach as required.

E-books and digital offerings continue to grow in their importance to the business, although currently they only represent 13% of our total books revenue in AI. Of our total book back catalogue of 60,000 titles just over half are now available electronically.

We continue to see a robust outlook for this business across the globe.

## Professional and Commercial Information (PCI)

|                               | H1 2012 | H1 2011 | Actual | Organic |
|-------------------------------|---------|---------|--------|---------|
|                               | £m      | £m      | %      | %       |
| Revenue                       | 173.3   | 181.6   | (4.6)  | (4.5)   |
| Adjusted Operating Profit     | 54.0    | 52.6    | 2.7    | 2.5     |
| Adjusted Operating Margin (%) | 31.2    | 29.0    |        |         |

Our PCI division accounts for 28% of the Group's revenue and 34% of the adjusted operating profit.

This division consists of three areas: Informa Business Information (serving the commodities, healthcare, legal, maritime, pharmaceutical and insurance sector), Informa Financial Information (our banking and financial services business) and Informa Telecoms & Media. Overall in PCI 80% of revenue comes from subscriptions and 89% is delivered electronically. Across the large number of niche products within this division, we are pleased that overall renewal rates are holding up well.

The current trading environment is one of the toughest we have encountered with many customers undertaking large cost cutting exercises. Despite this, renewal rates are largely being maintained at or close to historic levels although in financial services it has proved difficult to replace non renewals with new business. On an organic basis about a fifth of the overall PCI revenue decline is due to financial services, especially mainstream banking within our bonds and exchange rate information business. In addition, we have seen a lengthening of the renewal cycle in the pharmaceutical sector but we remain confident in the overall quality and diversity of our product mix.

Against this more challenging trading backdrop, actions taken last year and at the beginning of 2012 to control costs and, in particular the merger of IBI and Datamonitor, have helped retain profitability whilst at the same time improving margins. Across PCI, we have only 5% of revenue derived from advertising. This remains a particularly challenging revenue stream and going forward advertising will be linked to a digital product as we are proactively reducing the print offering to focus on core

verticals. Advertising revenue overall has declined by 4% in the first half of 2012.

We continue to make progress towards our goal of having 100% of our subscriptions available digitally and there have been a number of notable achievements over the past six months. Informa Healthcare is up 7%, we have launched a new version of Medtrack and we have seen good growth in subscription revenues at Citeline and Lloyds List. We are also excited about further product launches which are scheduled to take place in the second half of 2012, including a new version of Marketline and the Datamonitor Healthcare knowledge centre.

We concluded an arrangement with a Chinese information group working in the Chinese medical governmental health and medical sector, which towards the end of 2012 will start to give our healthcare division exclusive access to Chinese medical data, covering such things as demographics, diseases and pharmaceutical forecasting. This is a really exciting opportunity for us which we expect to bear fruit increasingly over the next five years.

While the revenue performance year to date is disappointing the decline mainly reflects the decision to actively remove marginal products and the impact of the current macro environment on advertising and consulting revenue streams. Achieving revenue growth for the full year is a challenge and will depend on current economic conditions remaining stable and the on time launches of our new products. Nevertheless, with the benefit of action taken last year around the IBI and Datamonitor integration which restructured the cost base, we remain confident of achieving our profit targets and improving the operating profit margin.

## Events and Training

|                               | H1 2012 | H1 2011 | Actual | Organic |
|-------------------------------|---------|---------|--------|---------|
|                               | £m      | £m      | %      | %       |
| Revenue                       | 292.3   | 308.1   | (5.1)  | (1.6)   |
| Adjusted Operating Profit     | 54.9    | 59.5    | (7.7)  | (5.8)   |
| Adjusted Operating Margin (%) | 18.8    | 19.3    |        |         |

Our events and training portfolio accounts for 47% of Group revenues and 34% of adjusted operating profit.

Exhibitions and large scale conferences account for around 40% of the total events and training revenues. The main revenue stream is from exhibitors and sponsors rather than delegates. Typically, all of these events are market leaders in their niche fields and are international and resilient. They also lend themselves to geo-cloning which is at the core of our organic growth strategy, alongside new launches. In the first half of 2012 our top five events namely Arab Health, Middle East Electricity, Fispal Technology, ABF and Vitafoods grew revenue over 2011 by 12% and have rebooked strongly into 2013. As a result, not only is this business resilient and cash generative but it is also growing and highly visible. Our previous acquisitions in this area have performed well particularly in Brazil.

We continue to launch new shows, particularly in the Telecoms market, and clone titles such as Cityscape, Beauty, Vitafoods and Anti-Ageing and Aesthetics. We have run 9 new events over the past six months.

Our smaller conference business has had a rather more mixed performance, particularly within our European business. This area of our business comprises 35% of our overall events and training revenue and over the last few years we have radically reduced their volumes, especially within local language events, as delegate numbers declined. With the Eurozone crisis worsening during the first half of 2012, we have sold our events businesses in Austria, the Czech Republic and Hungary to local management and in addition similarly disposed of part of our German business. The net effect of this rationalisation has been to reduce the number of events in a full year by over 550 and a loss of revenue of around £7.5m but we do not expect it to have a significant effect at the profit level. Restructuring the European businesses has resulted in a £80.0m impairment charge, a £24.4m loss on disposal and a £0.4m restructuring and reorganisation charge.

Some of our remaining local language businesses, including those in Spain and Italy not unsurprisingly but also to some extent in The Netherlands and Germany are also cutting back on output and reducing costs accordingly. These are our bigger European conference businesses where

we still expect a recovery in the future but not in 2012. These type of conferences driven by delegate revenue are our most volatile income stream and very much linked to GDP growth. When this improves so will our businesses and in the meantime it remains our intention to manage the business according to revenue demand.

Our corporate training businesses accounted for around 25% of events and training revenue. Market conditions, especially in the US and Europe, have been extremely tough in the first half of 2012. This part of our business is always weighted towards the second half of the year and with pipelines currently showing a better position we expect improvements in the top line over the next six months although we do not expect to see growth for the full year. We have been able over the last few years to match revenue and cost in this area leaving the muscle of the business intact for an eventual bounce back.

## **Future Prospects**

We are pleased with our overall performance in the first half of the year, against what has been a very challenging and turbulent economic backdrop. The results reflect both the quality and resilience of most of our business, with good visibility and strong cashflows, and the pro-active steps we have taken to manage the more cyclical parts of the group.

We continue to actively pursue our strategy of enhancing the overall quality of the business, ensuring that we are well placed for the future, whilst protecting profitability in the short term. We remain confident of our ability to meet our expectations in 2012.

## **Translation Impact**

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

The Group receives approximately 46% of its revenues and incurs approximately 38% of its costs in USD or currencies pegged to USD. Each 1 cent movement in the USD to GBP exchange rate has a circa £3.7m impact on revenue and a circa £1.5m impact on operating profits.

The Group receives approximately 10% of its revenues and incurs approximately 9% of its costs in Euros. Each 1 cent movement in the Euro to GBP exchange rate has a circa £1.0m impact on revenue and a circa £0.3m impact on operating profits.

With both currencies, offsetting the movements in 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 throughout the relevant period.

## **Impairment**

The Group has experienced weaker than anticipated business performance during the period in the challenging European economic climate, which has resulted in indicators of impairment for the European Conferences Cash Generating Unit ('CGU'). Updated five year projections have been produced for the CGU, which have resulted in an impairment of the carrying value of Goodwill by £80.0m.

## **Adjusted Net Finance Costs**

Adjusted net finance costs, which consist principally of interest costs net of interest receivable, decreased by £2.7m from £20.0m to £17.3m. We maintain a balance of fixed and floating rate debt partly through utilising derivative financial instruments. The majority of the fixed interest swaps that were entered into at the time of the Datamonitor acquisition in 2007 expired during 2011, with the remaining swaps expiring at the end of September 2012. This has resulted in a lower average fixed interest rate on borrowings.

## **Profit Before Tax**

Adjusted profit before tax increased by 2.7% to £142.8m from £139.1m and adjusted profit for the period increased by 3.5% to £110.1m from £106.4m.

Statutory loss before tax was £27.4m (H1 2011: £66.5m profit). The decrease is primarily due to the impairment charge of £80.0m and loss on disposal of £25.6m.

## **Taxation**

Across the Group, tax has been provided on adjusted profits at an adjusted tax rate of 22.9% (H1 2011: 23.5%). This adjusted tax rate benefits from profits generated in low tax jurisdictions, including Switzerland and is lower than for the previous year due to movements in the mix of profits between jurisdictions and lower tax rates in certain countries including the UK.

The Group tax charge on statutory profit before tax was negative 52.9% (H1 2011: 17.0%). The statutory tax rate is affected by the fact that the impairment charge is not tax deductible, and no tax relief is anticipated for the accounting losses arising on disposals.

## Earnings and Dividend

Adjusted diluted EPS of 18.3p is 3.4% ahead of the same period in 2011, but statutory diluted EPS of negative 7.0p is significantly below the same period in 2011. This is primarily due to the impairment charge of £80.0m and loss on disposal of £25.6m.

In line with the Group's dividend policy, the Board has recommended a first interim dividend of 6.0p (H1 2011: 5.0p) which will be payable on 12 September 2012 to ordinary shareholders registered as of the close of business on 17 August 2012.

## Cash Flow

The Group continues to generate strong cash flows. The cash conversion rate, expressed as a ratio of operating cash flow (as calculated below) to adjusted operating profit, is 76% (H1 2011: 56%).

|                                                                             | 6 months to 30 June |                | Year to 31 December |
|-----------------------------------------------------------------------------|---------------------|----------------|---------------------|
|                                                                             | 2012                | 2011           | 2011                |
|                                                                             | £m                  | £m             | £m                  |
| <b>Adjusted operating profit</b>                                            | <b>160.1</b>        | <b>159.1</b>   | <b>336.2</b>        |
| Depreciation of PP&E                                                        | 3.2                 | 3.2            | 6.7                 |
| Software amortisation                                                       | 7.1                 | 6.5            | 13.1                |
| Share-based payment                                                         | 2.3                 | 1.6            | 3.0                 |
| <b>EBITDA</b>                                                               | <b>172.7</b>        | <b>170.4</b>   | <b>359.0</b>        |
| Net capital expenditure                                                     | (11.8)              | (11.5)         | (23.9)              |
| Working capital movement (net of restructuring and reorganisation accruals) | (39.8)              | (70.2)         | (23.9)              |
| <b>Operating cash flow</b>                                                  | <b>121.1</b>        | <b>88.7</b>    | <b>311.2</b>        |
| Restructuring and reorganisation cash flow                                  | (5.2)               | (5.3)          | (19.3)              |
| Net interest                                                                | (16.5)              | (22.5)         | (44.5)              |
| Taxation                                                                    | (23.2)              | (6.8)          | (44.0)              |
| <b>Free cash flow</b>                                                       | <b>76.2</b>         | <b>54.1</b>    | <b>203.4</b>        |
| Acquisitions and disposals                                                  | (71.0)              | (103.0)        | (112.9)             |
| Dividends                                                                   | (71.0)              | (57.1)         | (87.3)              |
| Net issue of shares                                                         | 0.3                 | 0.2            | 0.3                 |
| <b>Net funds flow</b>                                                       | <b>(65.5)</b>       | <b>(105.8)</b> | <b>3.5</b>          |
| <b>Opening net debt</b>                                                     | <b>(784.0)</b>      | <b>(779.1)</b> | <b>(779.1)</b>      |
| Non-cash items                                                              | (0.5)               | (2.2)          | (2.7)               |
| Foreign exchange                                                            | 5.2                 | 9.4            | (5.7)               |
| <b>Closing net debt</b>                                                     | <b>(844.8)</b>      | <b>(877.7)</b> | <b>(784.0)</b>      |

In the six months ended 30 June 2012, before taking into account dividend payments and spend on acquisitions, the Group generated free cash flow of £76.2m (H1 2011: £54.1m).

The change to net debt arising from acquisitions and disposals was a £71.0m outflow (H1 2011: £103.0m) which comprises current year acquisitions and disposals of £63.8m (H1 2011: £100.0m) and consideration in respect of acquisitions completed in prior years of £7.2m (H1 2011: £3.0m). The Group made a number of disposals during the period for total consideration of £10.0m, generating a net loss on disposal of £25.6m. For further details on each disposal, please refer to note 13.

Net debt increased by £60.8m from £784.0m to £844.8m reflecting funds net outflow of £65.5m and favourable exchange movements of £5.2m. During the period the Group paid the 2011 second interim dividend of £71.0m.

## **Financing and Bank Covenants**

The principal financial covenant ratios under the private placement loan notes and revolving credit facility are maximum net debt to EBITDA of 3.5 times and minimum EBITDA interest cover of 4.0 times, tested semi-annually. At 30 June 2012 both financial covenants were comfortably achieved, with the ratio of net debt (using average exchange rates) to EBITDA 2.3 times compared to 2.1 times at 31 December 2011.

## **Deferred Income**

Deferred income, which represents income received in advance, was up 0.4% on a constant currency basis at 30 June 2012 compared to the same date in 2011. Deferred income arises primarily from advance subscriptions or forward bookings for trade shows, exhibitions or conferences. Subscriptions generated by our academic journal business renew annually a year 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 to the size of the Group, with net pension liabilities at 30 June 2012 of £15.3m (H1 2011: £5.9m).

## **Related Party Transactions**

Related party transactions, other than those relating to Directors' remuneration in the six months ended 30 June 2012, have been disclosed in note 17 to the condensed set of consolidated financial statements for the six months ended 30 June 2012. Also, there have been no changes in related party transactions described in the Annual Report and Financial Statements of the Group for the financial year ended 31 December 2011 that could have a material effect on the financial position or performance on the Group in the six months ended 30 June 2012.

## **Post balance sheet events**

On 3 July 2012, the Group completed the acquisition of 100% of the shares of Merchandise Mart Properties Canada Inc, one of Canada's largest operators of tradeshow and conferences serving the construction, real estate, art and design markets, for total consideration of £34.0m (USD 53.0m).

## **Eurozone risk**

Guidance released by the FRC requires the Group to comment on its exposure to risks from the Eurozone crisis.

The Group's liquidity risk (its ability to service short term liabilities) is considered low in all scenarios bar a fundamental collapse of the financial markets. At 30 June 2012, EUR 50m of the Group's £464m private placement financing and EUR 2.5m of the Group's £52.6m of cash and cash equivalents are denominated in Euros. The Group's treasury policy imposes ratings based limits on the quantum of deposits that may be held with any financial institution at any time.

Around 3% of Group revenues are generated from customers located in Portugal, Italy, Greece and Spain. There is a close correlation between the Group revenues denominated in Euros (10% of the Group total at 30 June 2012) and costs denominated in Euros (9%).

## Risks and Uncertainties

The principal risks and uncertainties affecting the business activities of the Group were identified on pages 29 - 32 of the 2011 Annual Report. This document is available on the Company's website at [www.informa.com](http://www.informa.com).

Some of these risks and uncertainties are similar to those faced by many other businesses such as the effect of general economic conditions, operating in competitive markets, reliance on recruitment and retention of key employees, risks in doing business internationally, dependence on the strength of the Group's brands, dependence on the internet and electronic platforms, being affected by changes in legislation and litigious environments.

The other risks and uncertainties more specifically relating to the Group are as follows:

- The Group's businesses are affected by 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 Group's intellectual property ("IP") rights may not be adequately protected and may be challenged by third parties.
- The Group's Academic Information division's revenue can be adversely affected by changes in the purchasing behaviour of academic institutions.
- The Group's continuing growth depends, in part, on its successful ability to identify and complete acquisitions and its ability to expand the business into new geographic regions.
- Changes in tax laws or their application or interpretation may adversely impact the Group.
- Breaches of the Group's data security systems or other unauthorised access to its databases could adversely affect the Group's businesses and operations.
- The Group is subject to increasingly complex and strict regulation regarding the use of personal customer data.
- The Group may be adversely affected by enforcement of and changes in legislation and regulations affecting its businesses and that of its customers.
- A major accident at an exhibition or event.
- Significant operational disruption caused by a major disaster.
- Reliance on or loss of key customers or exhibitors, including as a result of increased accessibility to free or relatively inexpensive information sources, may reduce demand for the Group's products.
- Inadequate crisis management.

In the view of the Board, the main risks and uncertainties affecting the Group for the remaining six months of the financial year are those listed above and further details of which can be found in the 2011 Annual Report.

## Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Business Review. As set out in the above review of Risks and Uncertainties, a number of risk factors and uncertainties affect the Group's results and financial position. The Group's net debt and banking covenants are summarised in the Business Review.

The Group has an extensive budgeting process for forecasting its trading results and cash flows and updates these forecasts to reflect current trading on a monthly basis. The Group sensitises its projections to reflect possible changes in trading performance and future acquisition spend. These forecasts and projections indicate that the Group should be able to operate within the level of its current financing facilities and management is confident that it will be able to meet its covenant requirements for the foreseeable future.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing this interim management report.

## Cautionary Statements

This interim management statement contains forward looking statements. These statements are subject to a number of risk 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 interim management statement. 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.

## Board of Directors

The Directors of Informa plc are listed at [www.informa.com](http://www.informa.com).

## Responsibility Statement

We confirm that to the best of our knowledge:

- a) the condensed set of consolidated financial statements has been prepared in accordance with IAS 34 “*Interim Financial Reporting*” as adopted by the European Union;
- b) the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the *issuer*, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4R;
- c) the interim management report includes a fair review of the following information as required by DTR 4.2.7R:
  - a. an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of consolidated financial statements; and
  - b. a description of the principal risks and uncertainties for the remaining six months of the year.
- d) the interim management report includes the following information as required by DTR 4.2.8R:
  - a. related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group in that period; and
  - b. any changes in the related party transactions described in the Annual Report 2011 that could have material effect on the financial position or performance of the Group in the current period.

By order of the Board

Peter Rigby  
Chief Executive

Adam Walker  
Finance Director

25 July 2012

## Independent Review Report to Informa plc

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2012 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of financial position, the condensed consolidated cash flow statement and related notes 1 to 18. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

### Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in note 3, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "*Interim Financial Reporting*", as adopted by the European Union.

### Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

### Deloitte LLP

Chartered Accountants and Statutory Auditor  
London, United Kingdom  
25 July 2012

## Condensed Consolidated Income Statement

For the six months ended 30 June 2012

|                                                               | Notes | Unaudited 6 months ended 30 June  |                                  |                     |                                   |                                  |                     | Audited<br>Total<br>Year<br>ended 31<br>December<br>2011<br>£m |
|---------------------------------------------------------------|-------|-----------------------------------|----------------------------------|---------------------|-----------------------------------|----------------------------------|---------------------|----------------------------------------------------------------|
|                                                               |       | Adjusted<br>results<br>2012<br>£m | Adjusting<br>items<br>2012<br>£m | Total<br>2012<br>£m | Adjusted<br>results<br>2011<br>£m | Adjusting<br>items<br>2011<br>£m | Total<br>2011<br>£m |                                                                |
| <b>Revenue from continuing operations</b>                     | 4     | 619.6                             | –                                | 619.6               | 634.8                             | –                                | 634.8               | 1,275.3                                                        |
| Net operating expenses                                        |       | (459.5)                           | (149.1)                          | (608.6)             | (475.7)                           | (71.2)                           | (546.9)             | (1,145.0)                                                      |
| <b>Operating profit</b>                                       |       | 160.1                             | (149.1)                          | 11.0                | 159.1                             | (71.2)                           | 87.9                | 130.3                                                          |
| (Loss)/profit on disposal of business                         |       | –                                 | (25.6)                           | (25.6)              | –                                 | 0.1                              | 0.1                 | 0.1                                                            |
| Finance costs                                                 |       | (19.7)                            | –                                | (19.7)              | (22.7)                            | (1.5)                            | (24.2)              | (47.6)                                                         |
| Investment income                                             |       | 2.4                               | 4.5                              | 6.9                 | 2.7                               | –                                | 2.7                 | 5.8                                                            |
| <b>Profit/(loss) before tax</b>                               |       | 142.8                             | (170.2)                          | (27.4)              | 139.1                             | (72.6)                           | 66.5                | 88.6                                                           |
| Tax (charge)/credit                                           | 5     | (32.7)                            | 18.2                             | (14.5)              | (32.7)                            | 21.4                             | (11.3)              | (14.3)                                                         |
| <b>Profit/(loss) for the period</b>                           |       | 110.1                             | (152.0)                          | (41.9)              | 106.4                             | (51.2)                           | 55.2                | 74.3                                                           |
| Attributable to:                                              |       |                                   |                                  |                     |                                   |                                  |                     |                                                                |
| - Equity holders of the parent                                |       |                                   |                                  | (41.9)              |                                   |                                  | 55.5                | 75.4                                                           |
| - Non-controlling interest                                    |       |                                   |                                  | –                   |                                   |                                  | (0.3)               | (1.1)                                                          |
| <b>Earnings per share from continuing operations</b>          |       |                                   |                                  |                     |                                   |                                  |                     |                                                                |
| - Basic (p)                                                   | 8     |                                   |                                  | (7.0)               |                                   |                                  | 9.2                 | 12.5                                                           |
| - Diluted (p)                                                 | 8     |                                   |                                  | (7.0)               |                                   |                                  | 9.2                 | 12.5                                                           |
| <b>Adjusted earnings per share from continuing operations</b> |       |                                   |                                  |                     |                                   |                                  |                     |                                                                |
| - Basic (p)                                                   | 8     | 18.3                              |                                  |                     | 17.7                              |                                  |                     | 37.9                                                           |
| - Diluted (p)                                                 | 8     | 18.3                              |                                  |                     | 17.7                              |                                  |                     | 37.8                                                           |

## Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2012

|                                                            | 6 months<br>ended<br>30 June<br>2012<br>£m<br>(Unaudited) | 6 months<br>ended<br>30 June<br>2011<br>£m<br>(Unaudited) | Year ended<br>31 December<br>2011<br>£m<br>(Audited) |
|------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------|
| <b>(Loss)/profit for the period</b>                        | (41.9)                                                    | 55.2                                                      | 74.3                                                 |
| <b>Other comprehensive (expense)/income:</b>               |                                                           |                                                           |                                                      |
| Decrease in fair value of cash flow hedges                 | 2.7                                                       | 7.1                                                       | 11.6                                                 |
| Loss on translation of foreign operations                  | (22.0)                                                    | (10.3)                                                    | (13.1)                                               |
| Actuarial (loss)/gain on defined benefit pension schemes   | (4.9)                                                     | 2.9                                                       | (5.1)                                                |
| Tax relating to components of other comprehensive income   | 0.5                                                       | (3.5)                                                     | (3.6)                                                |
| Transferred from profit or loss on cash flow hedges        | –                                                         | (0.2)                                                     | –                                                    |
| <b>Other comprehensive expense for the period</b>          | (23.7)                                                    | (4.0)                                                     | (10.2)                                               |
| <b>Total comprehensive (expense)/income for the period</b> | (65.6)                                                    | 51.2                                                      | 64.1                                                 |
| Attributable to:                                           |                                                           |                                                           |                                                      |
| - Equity holders of the parent                             | (65.6)                                                    | 51.5                                                      | 65.2                                                 |
| - Non-controlling interest                                 | –                                                         | (0.3)                                                     | (1.1)                                                |

## Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2012

|                                                            | Share<br>capital<br>£m | Share<br>premium<br>account<br>£m | Total<br>other<br>reserves<br>£m | Retained<br>earnings<br>£m | Total<br>£m | Non-<br>controlling<br>interest<br>£m | Total<br>equity<br>£m |
|------------------------------------------------------------|------------------------|-----------------------------------|----------------------------------|----------------------------|-------------|---------------------------------------|-----------------------|
| <b>At 1 January 2011</b>                                   | 0.6                    | 1.3                               | (1,178.4)                        | 2,577.4                    | 1,400.9     | –                                     | 1,400.9               |
| Profit/(loss) for the period                               | –                      | –                                 | –                                | 75.4                       | 75.4        | (1.1)                                 | 74.3                  |
| Decrease in fair value of cash flow hedges                 | –                      | –                                 | 11.6                             | –                          | 11.6        | –                                     | 11.6                  |
| Loss on translation of foreign operations                  | –                      | –                                 | (13.1)                           | –                          | (13.1)      | –                                     | (13.1)                |
| Actuarial loss on defined benefit pension schemes          | –                      | –                                 | –                                | (5.1)                      | (5.1)       | –                                     | (5.1)                 |
| Tax relating to components of other comprehensive income   | –                      | –                                 | (4.7)                            | 1.1                        | (3.6)       | –                                     | (3.6)                 |
| <b>Total comprehensive (expense)/income for the period</b> | –                      | –                                 | (6.2)                            | 71.4                       | 65.2        | (1.1)                                 | 64.1                  |
| Dividends to shareholders (note 7)                         | –                      | –                                 | –                                | (87.2)                     | (87.2)      | (0.3)                                 | (87.5)                |
| Share award expense                                        | –                      | –                                 | 3.0                              | –                          | 3.0         | –                                     | 3.0                   |
| Own shares purchased                                       | –                      | –                                 | (0.1)                            | –                          | (0.1)       | –                                     | (0.1)                 |
| Share options exercised                                    | –                      | 0.3                               | –                                | –                          | 0.3         | –                                     | 0.3                   |
| Purchase of non-controlling interest                       | –                      | –                                 | –                                | –                          | –           | (0.6)                                 | (0.6)                 |
| Disposal of non-controlling interest                       | –                      | –                                 | –                                | –                          | –           | 0.3                                   | 0.3                   |
| Transfer of vested LTIPS                                   | –                      | –                                 | (1.3)                            | 1.3                        | –           | –                                     | –                     |
| <b>At 1 January 2012</b>                                   | 0.6                    | 1.6                               | (1,183.0)                        | 2,562.9                    | 1,382.1     | (1.7)                                 | 1,380.4               |
| Loss for the period                                        | –                      | –                                 | –                                | (41.9)                     | (41.9)      | –                                     | (41.9)                |
| Decrease in fair value of cash flow hedges                 | –                      | –                                 | 2.7                              | –                          | 2.7         | –                                     | 2.7                   |
| Loss on translation of foreign operations                  | –                      | –                                 | (22.0)                           | –                          | (22.0)      | –                                     | (22.0)                |
| Actuarial loss on defined benefit pension schemes          | –                      | –                                 | –                                | (4.9)                      | (4.9)       | –                                     | (4.9)                 |
| Tax relating to components of other comprehensive income   | –                      | –                                 | (0.6)                            | 1.1                        | 0.5         | –                                     | 0.5                   |
| <b>Total comprehensive expense for the period</b>          | –                      | –                                 | (19.9)                           | (45.7)                     | (65.6)      | –                                     | (65.6)                |
| Dividends to shareholders (note 7)                         | –                      | –                                 | –                                | (71.1)                     | (71.1)      | –                                     | (71.1)                |
| Share award expense                                        | –                      | –                                 | 2.3                              | –                          | 2.3         | –                                     | 2.3                   |
| Own shares purchased                                       | –                      | –                                 | (0.2)                            | –                          | (0.2)       | –                                     | (0.2)                 |
| Share options exercised                                    | –                      | 0.5                               | –                                | –                          | 0.5         | –                                     | 0.5                   |
| Disposal of subsidiary                                     | –                      | –                                 | (0.4)                            | 0.4                        | –           | –                                     | –                     |
| Disposal of non-controlling interest                       | –                      | –                                 | –                                | –                          | –           | 1.7                                   | 1.7                   |
| Transfer of vested LTIPS                                   | –                      | –                                 | (4.1)                            | 4.1                        | –           | –                                     | –                     |
| <b>At 30 June 2012 (unaudited)</b>                         | 0.6                    | 2.1                               | (1,205.3)                        | 2,450.6                    | 1,248.0     | –                                     | 1,248.0               |

## Condensed Consolidated Statement of Financial Position

As at 30 June 2012

|                                                     |       | 30 June<br>2012<br>£m<br>(Unaudited) | 30 June<br>2011<br>£m<br>(Unaudited) | 31 December<br>2011<br>£m<br>(Audited) |
|-----------------------------------------------------|-------|--------------------------------------|--------------------------------------|----------------------------------------|
|                                                     | Notes |                                      |                                      |                                        |
| <b>ASSETS</b>                                       |       |                                      |                                      |                                        |
| <b>Non-current assets</b>                           |       |                                      |                                      |                                        |
| Goodwill                                            |       | 1,674.2                              | 1,828.0                              | 1,764.8                                |
| Other intangible assets                             |       | 922.0                                | 1,022.6                              | 969.8                                  |
| Property and equipment                              |       | 18.1                                 | 19.6                                 | 19.7                                   |
| Deferred tax assets                                 |       | –                                    | 5.5                                  | –                                      |
| Other receivables                                   |       | 17.4                                 | –                                    | –                                      |
| Derivative financial instruments                    |       | –                                    | –                                    | 1.3                                    |
|                                                     |       | 2,631.7                              | 2,875.7                              | 2,755.6                                |
| <b>Current assets</b>                               |       |                                      |                                      |                                        |
| Inventory                                           |       | 36.8                                 | 34.9                                 | 33.9                                   |
| Trade and other receivables                         |       | 218.2                                | 243.1                                | 251.4                                  |
| Current tax asset                                   |       | 7.7                                  | 1.4                                  | 9.1                                    |
| Cash at bank and in hand                            |       | 53.1                                 | 36.7                                 | 25.0                                   |
| Derivative financial instruments                    |       | –                                    | –                                    | 0.7                                    |
|                                                     |       | 315.8                                | 316.1                                | 320.1                                  |
| <b>Total assets</b>                                 |       | <b>2,947.5</b>                       | <b>3,191.8</b>                       | <b>3,075.7</b>                         |
| <b>EQUITY AND LIABILITIES</b>                       |       |                                      |                                      |                                        |
| <b>Capital and reserves</b>                         |       |                                      |                                      |                                        |
| Called up share capital                             | 9     | 0.6                                  | 0.6                                  | 0.6                                    |
| Share premium account                               |       | 2.1                                  | 1.6                                  | 1.6                                    |
| Reserve for shares to be issued                     | 15    | 4.4                                  | 6.4                                  | 6.2                                    |
| Merger reserve                                      |       | 496.4                                | 496.4                                | 496.4                                  |
| Other reserve                                       |       | (1,718.6)                            | (1,718.6)                            | (1,718.6)                              |
| ESOP trust shares                                   |       | (0.3)                                | (0.5)                                | (0.2)                                  |
| Hedging reserve                                     |       | (1.0)                                | (5.6)                                | (3.0)                                  |
| Translation reserve                                 |       | 13.8                                 | 38.9                                 | 36.2                                   |
| Retained earnings                                   |       | 2,450.6                              | 2,577.9                              | 2,562.9                                |
| Equity attributable to equity holders of the parent |       | 1,248.0                              | 1,397.1                              | 1,382.1                                |
| Non-controlling interest                            |       | –                                    | 0.4                                  | (1.7)                                  |
| <b>Total equity</b>                                 |       | <b>1,248.0</b>                       | <b>1,397.5</b>                       | <b>1,380.4</b>                         |
| <b>Non-current liabilities</b>                      |       |                                      |                                      |                                        |
| Long-term borrowings                                | 6     | 896.5                                | 911.9                                | 806.9                                  |
| Deferred tax liabilities                            |       | 149.9                                | 184.5                                | 164.7                                  |
| Retirement benefit obligation                       | 16    | 15.3                                 | 5.9                                  | 12.1                                   |
| Provisions                                          |       | 9.0                                  | 16.4                                 | 12.2                                   |
| Trade and other payables                            |       | 4.0                                  | 7.4                                  | 7.1                                    |
| Derivative financial instruments                    |       | –                                    | 1.3                                  | –                                      |
|                                                     |       | 1,074.7                              | 1,127.4                              | 1,003.0                                |
| <b>Current liabilities</b>                          |       |                                      |                                      |                                        |
| Short-term borrowings                               | 6     | 1.4                                  | 2.5                                  | 2.1                                    |
| Current tax liabilities                             |       | 143.4                                | 158.6                                | 140.8                                  |
| Provisions                                          |       | 12.5                                 | 16.5                                 | 10.4                                   |
| Trade and other payables                            |       | 189.0                                | 201.5                                | 206.9                                  |
| Deferred income                                     |       | 275.9                                | 276.7                                | 327.0                                  |
| Derivative financial instruments                    |       | 2.6                                  | 11.1                                 | 5.1                                    |
|                                                     |       | 624.8                                | 666.9                                | 692.3                                  |
| <b>Total liabilities</b>                            |       | <b>1,699.5</b>                       | <b>1,794.3</b>                       | <b>1,695.3</b>                         |
| <b>Total equity and liabilities</b>                 |       | <b>2,947.5</b>                       | <b>3,191.8</b>                       | <b>3,075.7</b>                         |

The Board of Directors approved this condensed set of consolidated financial statements on 25 July 2012.

## Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2012

|                                                             |           | 6 months<br>ended<br>30 June<br>2012<br>£m<br>(Unaudited) | 6 months<br>ended<br>30 June<br>2011<br>£m<br>(Unaudited) | Year ended<br>31 December<br>2011<br>£m<br>(Audited) |
|-------------------------------------------------------------|-----------|-----------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------|
|                                                             | Notes     |                                                           |                                                           |                                                      |
| <b>Operating activities</b>                                 |           |                                                           |                                                           |                                                      |
| Cash generated by operations                                | 11        | 127.8                                                     | 94.9                                                      | 315.6                                                |
| Income taxes paid                                           |           | (23.2)                                                    | (6.8)                                                     | (44.0)                                               |
| Interest paid                                               |           | (16.9)                                                    | (29.0)                                                    | (51.9)                                               |
| <b>Net cash inflow from operating activities</b>            |           | <b>87.7</b>                                               | <b>59.1</b>                                               | <b>219.7</b>                                         |
| <b>Investing activities</b>                                 |           |                                                           |                                                           |                                                      |
| Investment income                                           |           | 0.4                                                       | 0.4                                                       | 1.4                                                  |
| Proceeds on disposal of property, equipment                 |           | 0.1                                                       | 0.3                                                       | 0.4                                                  |
| Purchase of intangible software assets                      |           | (5.8)                                                     | (5.9)                                                     | (12.6)                                               |
| Purchase of property and equipment                          |           | (3.5)                                                     | (3.8)                                                     | (7.7)                                                |
| Purchase of other intangible assets                         |           | (24.4)                                                    | (22.3)                                                    | (26.2)                                               |
| Acquisition of subsidiaries and businesses                  | 12        | (38.9)                                                    | (76.5)                                                    | (83.4)                                               |
| Acquisition of non-controlling interest                     |           | –                                                         | (0.3)                                                     | (0.3)                                                |
| Product development costs                                   |           | (2.5)                                                     | (2.1)                                                     | (4.0)                                                |
| (Loss)/proceeds on disposal of subsidiaries and businesses  | 13        | (7.5)                                                     | 0.4                                                       | 0.6                                                  |
| Proceeds on disposal of other intangible assets             |           | –                                                         | –                                                         | 0.7                                                  |
| <b>Net cash outflow from investing activities</b>           |           | <b>(82.1)</b>                                             | <b>(109.8)</b>                                            | <b>(131.1)</b>                                       |
| <b>Financing activities</b>                                 |           |                                                           |                                                           |                                                      |
| Dividends paid to shareholders                              |           | (71.0)                                                    | (56.9)                                                    | (87.0)                                               |
| Dividends paid to non-controlling interest                  |           | –                                                         | (0.2)                                                     | (0.3)                                                |
| Repayments of borrowings                                    |           | (52.5)                                                    | (366.9)                                                   | (368.3)                                              |
| Loans drawn down/new loans raised                           |           | 146.5                                                     | 481.6                                                     | 366.4                                                |
| Proceeds from the issue of share capital                    |           | 0.3                                                       | 0.2                                                       | 0.3                                                  |
| <b>Net cash inflow/(outflow) from financing activities</b>  |           | <b>23.3</b>                                               | <b>57.8</b>                                               | <b>(88.9)</b>                                        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |           | <b>28.9</b>                                               | <b>7.1</b>                                                | <b>(0.3)</b>                                         |
| Effect of foreign exchange rate changes                     |           | (1.1)                                                     | 1.5                                                       | (2.7)                                                |
| Cash and cash equivalents at beginning of the period        |           | 24.8                                                      | 27.8                                                      | 27.8                                                 |
| <b>Cash and cash equivalents at end of period</b>           | <b>11</b> | <b>52.6</b>                                               | <b>36.4</b>                                               | <b>24.8</b>                                          |

## Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2012

### 1. General information

The Company is incorporated in Jersey under the Companies (Jersey) Law 1991 and headquartered in Switzerland. The unaudited condensed set of consolidated financial statements as at 30 June 2012 and for the six months then ended comprise those of the Company and its subsidiaries and its interests in associates and jointly controlled entities (together referred to as the "Group").

The half-yearly financial report does not constitute the Group's statutory financial statements. The Group's most recent statutory financial statements, which comprise the annual report and audited financial statements for the year ended 31 December 2011, were approved by the directors on 23 February 2012 and have been filed with the Jersey Registrar of Companies. The Auditors' Report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under Article 111(2) or Article 111(5) of the Companies (Jersey) Law 1991.

The consolidated financial statements of the Group as at, and for the year ended, 31 December 2011 are available upon request from the Company's principal office at Gubelstrasse 11, CH-6300 Zug, Switzerland or at [www.informa.com](http://www.informa.com).

The condensed set of consolidated financial statements has been prepared on a going concern basis, for further analysis refer to the Business Review.

### 2. Accounting policies and estimates

The accounting policies, presentation and method of computations applied by the Group in the condensed set of consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements for the year ended 31 December 2011.

The preparation of the condensed set of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed set of consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2011.

## 3. Basis of preparation

The annual consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union and therefore comply with Article 4 of the EU IAS Regulations. The condensed set of consolidated financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standards 34 *Interim Financial Reporting*, as adopted by the European Union.

### Adjusted results

Adjusted results are prepared to provide a useful alternative measure to explain the Group's underlying business performance. The term 'adjusted' is not a defined term under IFRS 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) were presented as adjusting items:

|                                                        |       | 6 months<br>ended<br>30 June<br>2012<br>£m<br>(Unaudited) | 6 months<br>ended<br>30 June<br>2011<br>£m<br>(Unaudited) | Year ended<br>31<br>December<br>2011<br>£m<br>(Audited) |
|--------------------------------------------------------|-------|-----------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------------------|
|                                                        | Notes |                                                           |                                                           |                                                         |
| Restructuring and reorganisation costs                 |       | 1.4                                                       | 6.4                                                       | 15.2                                                    |
| Acquisition related costs                              |       | 0.3                                                       | 1.0                                                       | 1.4                                                     |
| Amortisation of other intangible assets                |       | 67.5                                                      | 63.9                                                      | 137.9                                                   |
| Impairment - European Conferences                      | 14    | 80.0                                                      | –                                                         | –                                                       |
| Impairment - Robbins Gioia                             |       | –                                                         | –                                                         | 50.7                                                    |
| Impairment - Other                                     |       | –                                                         | –                                                         | 3.6                                                     |
| Subsequent re-measurement of contingent consideration  |       | (0.1)                                                     | (0.1)                                                     | (2.9)                                                   |
| Loss/(profit) on disposal of business                  | 13    | 25.6                                                      | (0.1)                                                     | (0.1)                                                   |
| Excess interest on early repayment of syndicated loans |       | –                                                         | 1.5                                                       | 1.5                                                     |
| Early termination of cross currency swaps              |       | (4.5)                                                     | –                                                         | –                                                       |
|                                                        |       | 170.2                                                     | 72.6                                                      | 207.3                                                   |
| Tax related to adjusting items                         |       | (18.2)                                                    | (21.4)                                                    | (54.9)                                                  |
|                                                        |       | 152.0                                                     | 51.2                                                      | 152.4                                                   |

The principal adjustments made are in respect of:

- restructuring and reorganisation costs – the costs incurred by the Group in reorganising and integrating acquired businesses, non-recurring business restructuring and the closure or disposal of businesses;
- amortisation of other intangible assets – the Group continues to amortise other intangible assets. The amortisation charge in respect of intangible software assets 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 impairment charge in respect of material acquisitions is 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/(profit) on disposal of business – the loss/(profit) 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 syndicated loans – capitalised facility fees are amortised over the loan periods but where syndicated loan 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
- early termination of cross currency swaps – following the early termination of Euro cross currency swaps, the remaining gain deferred in equity is recycled to the Consolidated Income Statement as an adjusting item.

The tax related to adjusting items is the tax effect of the items above and in 2012 it also includes the effect of the reduction in the UK deferred tax rate from 25% to 24%.

## Significant exchange rates

The following significant exchange rates versus GBP were applied during the period:

|     | 6 months ended<br>30 June 2012 |                 | 6 months ended<br>30 June 2011 |                 | Year ended<br>31 December 2011 |                 |
|-----|--------------------------------|-----------------|--------------------------------|-----------------|--------------------------------|-----------------|
|     | Closing<br>rate                | Average<br>rate | Closing<br>rate                | Average<br>rate | Closing<br>rate                | Average<br>rate |
| USD | 1.5580                         | 1.5838          | 1.5983                         | 1.6183          | 1.5439                         | 1.6047          |
| EUR | 1.2387                         | 1.2128          | 1.1045                         | 1.1447          | 1.1934                         | 1.1461          |

## 4. 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.

The Group's three identified reportable segments under IFRS 8 are therefore as follows:

#### Academic Information (AI):

This division, which includes the Taylor & Francis publishing business, provides a portfolio of online and print publications, primarily for academic users across the spectrum of Science, Technology, Humanities and Social Sciences.

#### Professional and Commercial Information (PCI):

This division, which includes Informa Business Information and Informa Financial Information provides information across a range of formats and on a global basis, to a variety of sectors including Medical, Pharmaceutical, Financial, Law, Commodities, Maritime and Telecoms.

#### Events and Training:

The Events and Training business consists of trade shows and exhibitions, large and small conferences and training courses.

### Segment revenue and results

6 months ended 30 June 2012

|                                                                | AI<br>£m | PCI<br>£m | Events and<br>Training<br>£m | Total<br>£m |
|----------------------------------------------------------------|----------|-----------|------------------------------|-------------|
| Revenue                                                        | 154.0    | 173.3     | 292.3                        | 619.6       |
| Adjusted operating profit                                      | 51.2     | 54.0      | 54.9                         | 160.1       |
| Restructuring and reorganisation costs (note 3)                | –        | (1.0)     | (0.4)                        | (1.4)       |
| Acquisition related costs (note 3)                             | (0.1)    | (0.1)     | (0.1)                        | (0.3)       |
| Subsequent re-measurement of contingent consideration (note 3) | –        | –         | 0.1                          | 0.1         |
| Intangible asset amortisation <sup>1</sup>                     | (12.0)   | (25.7)    | (29.8)                       | (67.5)      |
| Impairment (note 3)                                            | –        | –         | (80.0)                       | (80.0)      |
| Operating profit/(loss)                                        | 39.1     | 27.2      | (55.3)                       | 11.0        |
| Loss on disposal of business                                   |          |           |                              | (25.6)      |
| Finance costs                                                  |          |           |                              | (19.7)      |
| Investment income                                              |          |           |                              | 6.9         |
| Loss before tax                                                |          |           |                              | (27.4)      |

<sup>1</sup> Excludes software amortisation.

## 4. Business segments continued

6 months ended 30 June 2011

|                                                                | AI<br>£m | PCI<br>£m | Events and<br>Training<br>£m | Total<br>£m |
|----------------------------------------------------------------|----------|-----------|------------------------------|-------------|
| Revenue                                                        | 145.1    | 181.6     | 308.1                        | 634.8       |
| Adjusted operating profit                                      | 47.0     | 52.6      | 59.5                         | 159.1       |
| Restructuring and reorganisation costs (note 3)                | (0.5)    | (5.9)     | –                            | (6.4)       |
| Acquisition related costs (note 3)                             | (0.1)    | (0.2)     | (0.7)                        | (1.0)       |
| Subsequent re-measurement of contingent consideration (note 3) | –        | –         | 0.1                          | 0.1         |
| Intangible asset amortisation <sup>1</sup>                     | (11.1)   | (23.8)    | (29.0)                       | (63.9)      |
| Operating profit                                               | 35.3     | 22.7      | 29.9                         | 87.9        |
| Profit on disposal of business                                 |          |           |                              | 0.1         |
| Finance costs                                                  |          |           |                              | (24.2)      |
| Investment income                                              |          |           |                              | 2.7         |
| Profit before tax                                              |          |           |                              | 66.5        |

1 Excludes software amortisation.

Year ended 31 December 2011

|                                                                | AI<br>£m | PCI<br>£m | Events and<br>Training<br>£m | Total<br>£m |
|----------------------------------------------------------------|----------|-----------|------------------------------|-------------|
| Revenue                                                        | 323.6    | 370.5     | 581.2                        | 1,275.3     |
| Adjusted operating profit                                      | 116.2    | 114.0     | 106.0                        | 336.2       |
| Restructuring and reorganisation costs (note 3)                | (1.3)    | (10.4)    | (3.5)                        | (15.2)      |
| Acquisition related costs (note 3)                             | (0.1)    | (0.2)     | (1.1)                        | (1.4)       |
| Subsequent re-measurement of contingent consideration (note 3) | –        | 2.6       | 0.3                          | 2.9         |
| Intangible asset amortisation <sup>1</sup>                     | (27.9)   | (47.9)    | (62.1)                       | (137.9)     |
| Impairment (note 3)                                            | –        | (2.4)     | (51.9)                       | (54.3)      |
| Operating profit/(loss)                                        | 86.9     | 55.7      | (12.3)                       | 130.3       |
| Profit on disposal of business                                 |          |           |                              | 0.1         |
| Finance costs                                                  |          |           |                              | (47.6)      |
| Investment income                                              |          |           |                              | 5.8         |
| Profit before tax                                              |          |           |                              | 88.6        |

1 Excludes software amortisation.

## Segment assets

|                      | 30 June<br>2012<br>£m | 30 June<br>2011<br>£m | 31 December<br>2011<br>£m |
|----------------------|-----------------------|-----------------------|---------------------------|
| AI                   | 870.4                 | 932.9                 | 939.1                     |
| PCI                  | 1,110.6               | 1,031.7               | 1,037.4                   |
| Events and Training  | 893.6                 | 1,172.5               | 1,063.0                   |
| Total segment assets | 2,874.6               | 3,137.1               | 3,039.5                   |
| Unallocated assets   | 72.9                  | 54.7                  | 36.2                      |
| <b>Total assets</b>  | <b>2,947.5</b>        | <b>3,191.8</b>        | <b>3,075.7</b>            |

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 taxation (current and deferred). Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segment.

## 5. Taxation

The tax charge has been accrued for the period using the estimated average annual effective tax rate. This is based on the weighted average tax rate expected for the year on adjusted profit, and the expected tax attributable to adjusting items.

## 6. Borrowings

The Group maintains the following significant lines of credit:

- Private placement loan notes drawn in three currency tranches of USD 597.5m, GBP 40.0m and EUR 50.0m. The note maturities range between five and ten years, with an average duration at 30 June 2012 of 6.8 years, at a weighted average interest rate of 4.3%.
- £625.0m (30 June 2011 and 31 December 2011: £625.0m) revolving credit facility, of which £437.6m has been drawn down at 30 June 2012 (30 June 2011: £457.7m and 31 December 2011: £343.5m). Interest is payable at the rate of LIBOR plus a margin based on the ratio of net debt to EBITDA.
- £43.0m (30 June 2011: £43.8m and 31 December 2011: £44.6m) 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 (30 June 2011 and 31 December 2011: GBP 16.0m), USD 15.0m (30 June 2011 and 31 December 2011: USD 15.0m), EUR 18.0m (30 June 2011 and 31 December 2011: EUR 18.0m), AUD 2.3m (30 June 2011 and 31 December 2011: AUD 2.3m), CAD 1.0m (30 June 2011 and 31 December 2011: CAD 1.0m) and BRL 2.4m (30 June 2011: BRL nil and 31 December 2011: BRL 4.9m). Interest is payable at the local base rate plus margins that vary between 0% and 6%.

There have been no breaches of bank covenants during the period. The revolving credit bank loans and the private placement loan notes are guaranteed by material subsidiaries of the Group. The Group has not pledged any of its property and equipment as security for bank loans.

## 7. Dividends

|                                                                                 | 6 months<br>ended<br>30 June<br>2012<br>£m | 6 months<br>ended<br>30 June<br>2011<br>£m | Year ended<br>31 December<br>2011<br>£m |
|---------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------|
| Amounts recognised as distributions to equity holders in the period:            |                                            |                                            |                                         |
| Second interim dividend for the year ended 31 December 2010 of 9.50p per share  | –                                          | 57.1                                       | 57.1                                    |
| First interim dividend for the year ended 31 December 2011 of 5.00p per share   | –                                          | –                                          | 30.1                                    |
| Second interim dividend for the year ended 31 December 2011 of 11.80p per share | 71.1                                       | –                                          | –                                       |
|                                                                                 | 71.1                                       | 57.1                                       | 87.2                                    |

As at 30 June 2012 £0.2m (30 June 2011: £0.2m) of dividends are still to be paid.

Holders of 108,422 (30 June 2011: 73,821 and 31 December 2011: 70,348) ordinary shares of 0.1 pence each have waived their rights to receive dividends.

The proposed interim dividend for the six months ended 30 June 2012 of 6.0 pence per share has been approved by the Board. This has not been included as a liability as at 30 June 2012.

## 8. Earnings per share

### Basic

The basic earnings per share calculation is based on a loss attributable to equity shareholders of the parent of £41.9m (30 June 2011: £55.5m profit; and 31 December 2011: £75.4m profit). This profit 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 602,155,298 (30 June 2011: 601,008,395 and 31 December 2011: 601,047,454).

### 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 602,902,138 (30 June 2011: 601,203,011 and 31 December 2011: 602,928,726).

The table below sets out the adjustment in respect of diluted potential ordinary shares:

|                                                                                  | 6 months ended<br>30 June 2012 | 6 months ended<br>30 June 2011 | Year ended<br>31 December<br>2011 |
|----------------------------------------------------------------------------------|--------------------------------|--------------------------------|-----------------------------------|
| Weighted average number of shares used in basic earnings per share calculation   | 602,155,298                    | 601,008,395                    | 601,047,454                       |
| Effect of dilutive share options                                                 | 746,840                        | 194,616                        | 1,881,272                         |
| Weighted average number of shares used in diluted earnings per share calculation | 602,902,138                    | 601,203,011                    | 602,928,726                       |

For the six months ended 30 June 2012 the 746,840 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 above except that profits are based on continuing 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 as follows:

|                                                                    | 6 months ended<br>30 June 2012<br>£m | 6 months ended<br>30 June 2011<br>£m | Year ended<br>31 December<br>2011<br>£m |
|--------------------------------------------------------------------|--------------------------------------|--------------------------------------|-----------------------------------------|
| (Loss)/profit for the period                                       | (41.9)                               | 55.2                                 | 74.3                                    |
| Non-controlling interest                                           | –                                    | 0.3                                  | 1.1                                     |
| Adjusting items net of attributable taxation (note 3)              | 152.0                                | 51.2                                 | 152.4                                   |
| Adjusted profit for the period attributable to equity shareholders | 110.1                                | 106.7                                | 227.8                                   |
| Earnings per share:                                                |                                      |                                      |                                         |
| - Adjusted basic (p)                                               | 18.3                                 | 17.7                                 | 37.9                                    |
| - Adjusted diluted (p)                                             | 18.3                                 | 17.7                                 | 37.8                                    |

## 9. Share capital

Share capital as at 30 June 2012 amounted to £0.6m (30 June 2011 and 31 December 2011: £0.6m). During the period, the Company issued 1,504,312 (30 June 2011: 185,545 and 31 December 2011: 274,969) ordinary shares of 0.1 pence for consideration of £0.5m (30 June 2011: £0.3m and 31 December 2011: £0.3m) as a result of the exercise of options and the vesting of LTIPs.

## 10. Capital and reserves

As at 30 June 2012 the Informa Employee Share Trust held 41,660 (30 June 2011: 50,000 and 31 December 2011: 46,527) ordinary shares in the Company at nominal value of £42 and a market value of £0.2m (30 June 2011 and 31 December 2011: £0.2m).

During the period 42,941 shares (30 June 2011: 23,821 and 31 December 2011: 23,821) held by the Employee Share Trust have been allocated to individuals and accordingly, dividends on these shares are payable.

At 30 June 2012 the Group held 0.0% (30 June 2011 and 31 December 2011: 0.0%) of its own called up share capital.

## 11. Notes to the Condensed Consolidated Cash Flow Statement

|                                            | 6 months<br>ended<br>30 June<br>2012<br>£m | 6 months<br>ended<br>30 June<br>2011<br>£m | Year ended<br>31 December<br>2011<br>£m |
|--------------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------|
| (Loss)/profit before tax                   | (27.4)                                     | 66.5                                       | 88.6                                    |
| Adjustments for:                           |                                            |                                            |                                         |
| Depreciation of property and equipment     | 3.2                                        | 3.2                                        | 6.7                                     |
| Amortisation of intangible assets          | 74.6                                       | 70.4                                       | 151.0                                   |
| Share-based payment                        | 2.3                                        | 1.6                                        | 3.0                                     |
| Loss/(profit) on disposal of business      | 25.6                                       | (0.1)                                      | (0.1)                                   |
| Loss on disposal of property and equipment | –                                          | –                                          | 0.3                                     |
| Loss on disposal of software               | –                                          | –                                          | 0.3                                     |
| Finance costs                              | 19.7                                       | 24.2                                       | 47.6                                    |
| Investment income                          | (6.9)                                      | (2.7)                                      | (5.8)                                   |
| Impairment                                 | 80.0                                       | –                                          | 54.3                                    |
| (Increase)/decrease in inventories         | (1.8)                                      | (1.5)                                      | 0.2                                     |
| Decrease/(increase) in receivables         | 26.1                                       | 4.6                                        | (0.9)                                   |
| Decrease in payables                       | (67.6)                                     | (71.3)                                     | (29.6)                                  |
| Cash generated by operations               | 127.8                                      | 94.9                                       | 315.6                                   |

### Analysis of changes in net debt

|                                                        | At<br>1 January<br>2012<br>£m | Non-cash<br>items<br>£m | Cash<br>flow<br>£m | Exchange<br>movement<br>£m | At<br>30 June<br>2012<br>£m |
|--------------------------------------------------------|-------------------------------|-------------------------|--------------------|----------------------------|-----------------------------|
| Cash at bank and in hand                               | 25.0                          | –                       | 29.2               | (1.1)                      | 53.1                        |
| Bank overdraft                                         | (0.2)                         | –                       | (0.3)              | –                          | (0.5)                       |
| Cash and cash equivalents                              | 24.8                          | –                       | 28.9               | (1.1)                      | 52.6                        |
| Bank loans due in less than one year                   | (1.9)                         | –                       | 0.8                | 0.2                        | (0.9)                       |
| Bank loans due in more than one year                   | (339.9)                       | (0.4)                   | (95.2)             | 1.1                        | (434.4)                     |
| Private placement loan notes due in more than one year | (467.0)                       | (0.1)                   | –                  | 5.0                        | (462.1)                     |
|                                                        | (784.0)                       | (0.5)                   | (65.5)             | 5.2                        | (844.8)                     |

Included within the cash flow movement of £65.5m is £52.5m (31 December 2011: £368.3m) of repayment of borrowings and £146.5m (31 December 2011: £366.4m) of loans drawn down.

The net movement caused by non-cash items arises from arrangement fee amortisation of £0.5m (31 December 2011: £2.7m).

## 12. Business combinations

Cash paid on acquisition net of cash acquired:

|                                                | 6 months<br>ended<br>30 June<br>2012<br>£m | 6 months<br>ended<br>30 June<br>2011<br>£m | Year ended<br>31 December<br>2011<br>£m |
|------------------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------|
| <b>Current period acquisitions</b>             |                                            |                                            |                                         |
| Fertecon Limited                               | 15.1                                       | –                                          | –                                       |
| Sagient Research Systems Inc.                  | 12.4                                       | –                                          | –                                       |
| Other                                          | 5.2                                        | –                                          | –                                       |
| <b>Prior year acquisitions</b>                 |                                            |                                            |                                         |
| 2011 acquisitions:                             |                                            |                                            |                                         |
| Brazil Trade Shows Partners Participacoes S.A. | 3.0                                        | 50.7                                       | 50.7                                    |
| Ibratexpo Feiras E Eventos LTDA.               | –                                          | 12.2                                       | 17.2                                    |
| Other                                          | 0.4                                        | 11.4                                       | 13.0                                    |
| 2010 acquisitions:                             |                                            |                                            |                                         |
| EuroMediCom SAS                                | 0.8                                        | 1.3                                        | 1.8                                     |
| Australian Exhibitions and Conferences Group   | –                                          | –                                          | (0.7)                                   |
| Other                                          | 2.0                                        | 0.5                                        | 1.0                                     |
| 2009 acquisitions                              | –                                          | 0.4                                        | 0.4                                     |
|                                                | 38.9                                       | 76.5                                       | 83.4                                    |

All acquisitions were paid for in cash (including deferred and contingent consideration) and in all acquisitions full control over the business has been obtained by acquiring 100% of the ordinary issued share capital.

## 12. Business combinations continued

### Business combinations made in 2012

#### Fertecon Limited

On 1 February 2012, the Group acquired 100% of the issued share capital of Fertecon Limited. The Company is a leading provider of fertiliser commodities pricing data and market intelligence. The Company will form part of the PCI segment.

The net cash outflow was £15.1m comprising of cash consideration of £18.4m less net cash acquired of £3.3m.

The disclosure below provides the net assets acquired on a combined basis with the related fair value adjustments.

|                                          | Book value<br>£m | Fair value<br>adjustments<br>£m | Fair value<br>£m |
|------------------------------------------|------------------|---------------------------------|------------------|
| <b>Net assets at date of acquisition</b> |                  |                                 |                  |
| Intangible assets                        | –                | 5.7                             | 5.7              |
| Trade and other receivables              | 0.4              | –                               | 0.4              |
| Cash and cash equivalents                | 3.3              | –                               | 3.3              |
| Trade and other payables                 | (0.7)            | –                               | (0.7)            |
| Deferred income                          | (1.9)            | –                               | (1.9)            |
| Deferred tax liabilities                 | –                | (1.4)                           | (1.4)            |
| Net assets acquired                      | 1.1              | 4.3                             | 5.4              |
| Provisional goodwill                     |                  |                                 | 15.1             |
| Total consideration                      |                  |                                 | 20.5             |
| Less: contingent consideration           |                  |                                 | (2.1)            |
| Less: net cash acquired                  |                  |                                 | (3.3)            |
| Net cash outflow                         |                  |                                 | 15.1             |

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 acquired as part of the acquisition are as follows:

|                         | £m  |
|-------------------------|-----|
| Database                | 1.6 |
| Customer relationships  | 4.1 |
| Total intangible assets | 5.7 |

Acquisition related costs (included in adjusting items in the Consolidated Income Statement for the period ended 30 June 2012) amounted to £0.1m.

The business contributed £0.6m to profit after tax and £1.5m to revenue of the Group for the period between the date of acquisition and 30 June 2012.

If the acquisition had been completed on the first day of the financial year, it would have contributed £0.7m to profit after tax and £1.9m to revenue of the Group.

## 12. Business combinations continued

### Sagient Research Systems Inc.

On 31 May 2012, the Group acquired 100% of the issued share capital of Sagient Research Systems Inc. The Company primarily provides data and analysis to pharmaceutical and financial services companies, through its three main products, Placement Tracker, Biomed Tracker and Catalyst Tracker. The Company will form part of the PCI segment.

The net cash outflow was £12.4m comprising of cash consideration of £12.5m less net cash acquired of £0.1m.

The disclosure below provides the net liabilities acquired on a combined basis with the related fair value adjustments.

|                                          | Book value<br>£m | Fair value<br>adjustments<br>£m | Fair value<br>£m |
|------------------------------------------|------------------|---------------------------------|------------------|
| <b>Net assets at date of acquisition</b> |                  |                                 |                  |
| Property and equipment                   | 0.1              | –                               | 0.1              |
| Deferred tax asset                       | 0.8              | –                               | 0.8              |
| Trade and other receivables              | 0.8              | –                               | 0.8              |
| Cash and cash equivalents                | 0.1              | –                               | 0.1              |
| Trade and other payables                 | (0.4)            | –                               | (0.4)            |
| Loan payable                             | (0.2)            | –                               | (0.2)            |
| Deferred income                          | (1.4)            | –                               | (1.4)            |
| Net (liabilities)/assets acquired        | (0.2)            | –                               | (0.2)            |
| Provisional goodwill                     |                  |                                 | 14.3             |
| Total consideration                      |                  |                                 | 14.1             |
| Less: contingent consideration           |                  |                                 | (1.6)            |
| Less: net cash acquired                  |                  |                                 | (0.1)            |
| Net cash outflow                         |                  |                                 | 12.4             |

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 Group expects to complete a valuation of intangible assets, including tradename and customer relationships. The fair value of the acquired identifiable assets and liabilities assumed are provisional pending receipt of final valuations.

No acquisition related costs were incurred for this acquisition.

The business contributed £0.1m to profit after tax and £0.3m to revenue of the Group for the period between the date of acquisition and 30 June 2012.

If the acquisition had been completed on the first day of the financial year, it would have contributed £0.1m to profit after tax and £1.7m to revenue of the Group.

## 12. Business combinations continued

### Other business combinations

The Group acquired 100% of the issued share capital of ICANBUY Corp. and 100% of the issued share capital of Keynote World Media Limited and its wholly owned subsidiary, Point Zero Media Limited.

The net cash outflow was £5.2m comprising of cash consideration of £6.2m less net cash acquired of £1.0m.

The disclosure below provides the net assets acquired on a combined basis with the related fair value adjustments.

|                                          | Book value<br>£m | Fair value<br>adjustments<br>£m | Fair value<br>£m |
|------------------------------------------|------------------|---------------------------------|------------------|
| <b>Net assets at date of acquisition</b> |                  |                                 |                  |
| Intangible assets                        | –                | 8.0                             | 8.0              |
| Property and equipment                   | 0.2              | –                               | 0.2              |
| Trade and other receivables              | 0.5              | –                               | 0.5              |
| Cash and cash equivalents                | 1.0              | –                               | 1.0              |
| Trade and other payables                 | (0.2)            | –                               | (0.2)            |
| Deferred income                          | (1.1)            | –                               | (1.1)            |
| Deferred tax liabilities                 | –                | (2.5)                           | (2.5)            |
| Net assets acquired                      | 0.4              | 5.5                             | 5.9              |
| Provisional goodwill                     |                  |                                 | 2.5              |
| Total consideration                      |                  |                                 | 8.4              |
| Less: deferred consideration             |                  |                                 | (0.3)            |
| Less: contingent consideration           |                  |                                 | (1.9)            |
| Less: net cash acquired                  |                  |                                 | (1.0)            |
| Net cash outflow                         |                  |                                 | 5.2              |

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.

No acquisition related costs were incurred for this acquisition.

The above acquisitions contributed £0.3m to profit after tax and £1.1m to revenue of the Group for the period between the date of acquisition and 30 June 2012.

If the above acquisitions had been completed on the first day of the financial year, they would have contributed £0.3m to profit after tax and £1.3m to revenue of the Group.

## 13. Disposals

During the period, the Group disposed of its 100% shareholdings in Robbins Gioia, its European Conferences businesses in Austria, Czech Republic and Hungary, Informa Virtual Business Communications GmbH and its 50.1% shareholding in China Medical Data Services Limited for total consideration of £10.0m. A loss on disposal of £25.6m, including directly attributable costs of £0.8m, 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.

|                                                     | £m     |
|-----------------------------------------------------|--------|
| Goodwill                                            | 21.8   |
| Intangible assets                                   | 9.6    |
| Property and equipment                              | 1.8    |
| Trade and other receivables                         | 8.9    |
| Cash and cash equivalents                           | 6.8    |
| Trade and other payables                            | (12.7) |
| Deferred income                                     | (0.6)  |
| Deferred tax liabilities                            | (2.5)  |
| Net assets disposed                                 | 33.1   |
| Non-controlling interest                            | 1.7    |
| Costs directly attributable with the disposal       | 0.8    |
| Loss on disposal                                    | (25.6) |
| Total consideration                                 | 10.0   |
| <i>Satisfied by:</i>                                |        |
| Cash and cash equivalents                           | 0.1    |
| Deferred consideration                              | 9.9    |
| <i>Net cash outflow arising on disposal</i>         |        |
| Consideration received in cash and cash equivalents | 0.1    |
| Less: cash and cash equivalents disposed of         | (6.8)  |
| Less: costs directly attributable with the disposal | (0.8)  |
|                                                     | (7.5)  |

## 14. Impairment

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. The Group has experienced weaker than anticipated business performance during the period in the challenging European economic climate, which has resulted in indicators of impairment for the European Conferences Cash Generating Unit ('CGU'). Updated five year projections have been produced for the CGU, which have resulted in an impairment of the carrying value of Goodwill by £80.0m.

## 15. Share-based payments

The Group Long Term Incentive Plan ('LTIP') and Deferred Share Bonus Plan ('DSBP') provide for a grant price equal to the closing quoted market price of the Company's shares on the date prior to grant. The vesting period is generally three years and allocations for the LTIP are forfeited if the employee voluntarily leaves the Group before the LTIP vest. The total charge for the period ended 30 June 2012 was £2.3m (H1 2011: £1.6m).

## 16. Retirement benefits schemes

The defined benefit obligation as at 30 June 2012 is calculated on a year-to-date basis, using the latest actuarial valuation as at 30 June 2012. The actuarial assumptions made at 31 December 2011 have been updated to appropriately reflect current market conditions.

The defined benefit plan assets have been updated to reflect their market value as at 30 June 2012. Differences between the expected return on assets and the actual return on assets have been recognised as an actuarial loss in the Condensed Consolidated Statement of Comprehensive Income in accordance with the Group's accounting policy.

## 17. 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 period.

### 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.

### Transactions with joint ventures

During the period the Group received revenue of £1.2m (H1 2011: £1.3m) from Lloyd's Maritime Information Services Limited a joint venture.

During the period the Group received revenue of £0.5m (H1 2011: £nil) from SIAL Brasil Feiras Profissionais LTDA a joint venture.

### Other related party disclosures

At 30 June 2012, the Group has guaranteed the total pension scheme liability of £15.3m (H1 2011: £5.9m).

## 18. Events after the reporting date

On 3 July 2012, the Group completed the acquisition of 100% of the shares of Merchandise Mart Properties Canada Inc, one of the largest operators of tradeshow and conferences serving the construction, real estate, art and design markets in Canada, for total consideration of £34.0m (USD 53.0m).